

Exporters hail PM's decision of allowing zero-rated tax regime

RECORDER REPORT

KARACHI: Business community has urged Prime Minister Nawaz Sharif to ensure an effective zero rated tax regime for five export sectors with effect from March 1, instead of July 1, 2016.

Hailing the PM's announcement vis-à-vis zero-rated tax regime for the five export sectors, the Site Superhighway Association of Industry's (SSHAI) president Mehtab Uddin Chawla said that the scheme will give boost to exports.

He, however, suggested that the scheme should be implemented without any further delay for boosting the exports.

Pakistan Readymade Garments Manufacturers and Exporters Association's (PRGMEA), central chairman

Shaikh Mohammad Shafiq said that although the prime minister has announced zero rated tax regime, still there are other issues being faced by exporters and these include non-payment of exporters' stuck up money under the head of sales tax refunds and customs rebate.

He deplored that the country's textile exports has been declining with each passing day, whereas Indian government in order to boost its textile exports had been providing financial incentives and discount on the import of machinery.

He urged the government to take trade associations of the country on board before announcing any package for the textile sector.

Welcoming the PM's announcement of providing a "zero rated regime for the five

export sectors", including leather sector with effect from July 1, 2016, PTA chairman Gulzar Firoz hoped that the government's move will help increase exports, besides overcoming the issue of liquidity crunch. He said that this step was even more necessary when there is recession in the world and our exports was on decline.

He appealed to the PM and the Finance Minister to ensure prompt payment of exporters' pending rebate claims.

Pakistan Bedwear Exports Association's (PBEA) patron-in-chief Shabir Ahmed also hailed the PM's statement concerning zero rated tax regime, saying the move will give boost to exports. He, however, urged the premier to implement the zero-rated tax regime with effect from March 1, 2016.