

PRESS RELEASE
PTA ENDORSE THE DEMAND FOR RESTORATION
OF ZERO RATED STATUS

Karachi: 17th November, 2019: Sheikh Afzal Hussain, Chairman, Pakistan Tanners Association a specific press statement issued specifically today to all print & electronic media endorsed the demand for the restoration of Zero Rated Status for all core five (05) export sector of the country by reinstating **SRO # 1125**, which is the vital need of export sectors of the country.

The **Chairman, PTA Sheikh Afzal Hussain** also shared with the media that huge amount in Billion of Rupees is now stuck with the Government's kitty for the refund of Sales Tax to the Exporters including Leather Sector of Pakistan despite firm assurance given by FBR for the refund within 72 Hours from the date of submission of claims thru FASTER Programme. He also categorically highlighted the cumbersome procedure introduced in FASTER programme for the refund of Sales Tax with the submission of **Annexure "H"**, which is well nigh impossible for our member exporters for submission with requisition as already explained to FBR during various meetings held in Islamabad.

It is apprehended strongly by the **Chairman, PTA Sheikh Afzal Hussain** with consensus of his Central Executive Committee of PTA that if the refund of **Sales Tax is not cleared URGENTLY** without further delay with rapid fire to the exporters of Leather, resultantly the remaining **50% Industry**, which are working with **severe financial crisis** owing to non refund of **Sales Tax from July'2019 till date** may also be jeopardized for the closure, which would ultimately be brought to the further negative impact to the exports of **Leather Sector of Pakistan**.

He also shared the export figures for Leather Sector of Pakistan concluded for the financial year from July'2018 to June'2019, **which is recorded at (- 11%) declining trend**, which could be declined further if the sales tax issue with other core issues of the Industry would not be resolved to the desired extent by the Government of Pakistan/FBR/MOC. It is also informed by the Chairman, PTA that when it was becoming effective in the Budget for the imposition of Sales Tax by withdrawing of Zero Rated Status for five core export sector, it was informed specifically by PTA that it will bring **certainly negative repercussions on export of leather sector**, which is now proved to be declined at **(- 11%)** and further decline could also be **revealed if the restoration of Zero Rated Status is not made/allowed with immediate effect by the Government/FBR for all five sectors including Leather Sector of Pakistan**.

The **Chairman, PTA Sheikh Afzal Hussain** appealed to the Honorable Prime Minister of Pakistan to look into the matter of very significant matter with the attention of allied Ministries/Government Departmentd such as FBR/MOC to resolve the issue for **URGENT RELEASE OF SALES TAX REFUND TO THE EXPORTERS AND TO RESTORE THE ZERO RATED STATUS FOR LEATHER SECTOR OF PAKISTAN ALSO HENCEFORTH** as was allowed earlier, which is the dire need of the hour & Industry for the promotion of trade/exports of the country.
