

The Collectors of Customs, Collectorate of Customs, (Appraisalment - East / West/ Port Muhammad Bin Qasim / Enforcement/ JIAP), Karachi/ Hyderabad (Appraisalment/ Enforcement), Quetta/ Gawadar/ (Appraisalment/ Enforcement/ AHA) /Lahore/ Appraisalment, Faisalabad/ Appraisalment, Smbrial (Sialkot)/ Enforcement, Multan/ Islamabad/ Gilgit-Baltistan / Export ((Appraisalment/ Enforcement), Peshawar/ Enforcement, Dera Ismail Khan

DETERMINATION OF CUSTOMS VALUE OF BUTTONS
UNDER SECTION 25A OF THE CUSTOMS ACT, 1969

(VALUATION RULING NO. 1656 /2022)

C. No. Misc/43/2017-IX/591.

Dated: 07-06-2022



In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the custom value of Buttons is determined as follows:

2. Background of the valuation issue: Earlier, the customs values of Buttons was determined under section 25A of the Customs Act, 1969 customs values of vide Valuation Rulings No. 1243/2018 dated 09-01-2018. Since the Valuation Ruling was more than four years old, representations were received in this Directorate General to revise the same as per prevalent market price. Therefore, an exercise was initiated in this Directorate General to determine customs values of subject goods in terms of Section 25A of the Customs Act, 1969.

3. Stakeholders' participation in determination of Customs values: Meeting with all stakeholders, trade bodies including representatives of clearance Collectorates were held in this Directorate General on 19-04-2022. The importers/stakeholders were requested to submit their proposals/suggestions as well as following documents before or during the course of stakeholders' meeting so that Customs value could be determined:

- i. Invoices of import during last three months showing factual values
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv. Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. The meeting was attended by number of importers during the meeting were of the view that the prices of the subject commodities have not increased in the international market and value of aforesaid VRs are fair. They, however, could not submit any corroboratory evidence / documents in support of their contentions. On the other hand. They were shown ample evidence that values in international market were higher than those determined. However, the

representative of local garment industries contended that they import the subject goods as per their requirements / specifications and at the much higher rate as compared to the ones declared by commercial importers.

5. Methods Adopted to Determine Customs Values: Valuation methods provided in Section 25 of the Customs Act, 1969 were followed arrive at customs values of button. The transaction value method provided in Section 25(1) was found inapplicable owing to wide variation in the values being declared to the customs and in complete descriptions. Identical similar goods value method provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference value of the subject goods but the same could not be exclusive relied on due to wide variation in declared values of subject goods. Thereafter, market enquires as envisaged under section 25(7) of the Customs Act, 1969, were conducted. A number of items sold in the local market the price were obtained and worked out by deductive method of valuation. Consequently, the customs values of the buttons of various types have determined under section 25(7) of the Customs Act, 1969.

6. Customs values for Buttons thereof hereinafter specified shall be assessed to duty/taxes on the Customs values mentioned against them in the Table below:-

S.No.	Description of Goods	PCT Code	Proposed PCT for WeBOC	Origin	Customs Values (C&F)US\$/Kg	
(1)	(2)	(3)	(4)	(5)	(6)	
1	Plastic Button (Plain)	9606.2100 9606.2200 9606.2920 9606.2990	9606.2100.1000	China	5.60	
			9606.2200.1000			
			9606.2920.1000			
			9606.2990.1000			
			9606.2100.1100	Others Origins		7.00
			9606.2200.1100			
9606.2920.1100						
9606.2990.1100						
2	Plastic (Pearl/Beads) button		9606.2100.1200	China	6.00	
			9606.2200.1200			
			9606.2920.1200			
			9606.2990.1200			
		9606.2100.1300	Others Origins	6.70		
		9606.2200.1300				
9606.2920.1300						
9606.2990.1300						
3	Iron /Steel (Non Magnetic) Plain Button	9606.2100.1400	China		5.00	
		9606.2200.1400				
		9606.2920.1400				
		9606.2990.1400				
		9606.2100.1500	Others Origins	5.60		
		9606.2200.1500				
9606.2920.1500						
9606.2990.1500						



4	Iron /Steel (Non Magnetic) (Pearl/Beads) button	9606.2100.1600	China	5.70
		9606.2200.1600		
		9606.2920.1600		
		9606.2990.1600		
5	Metallic excluding Iron/Steel (Plain Button)	9606.2100.1700	Others Origins	6.10
		9606.2200.1700		
		9606.2920.1700		
		9606.2990.1700		
6	Metallic excluding Iron/Steel (Pearl Beads Button)	9606.2100.1800	China	6.80
		9606.2200.1800		
		9606.2920.1800		
		9606.2990.1800		
6	Metallic excluding Iron/Steel (Pearl Beads Button)	9606.2100.1900	Others Origins	7.60
		9606.2200.1900		
		9606.2920.1900		
		9606.2990.1900		
6	Metallic excluding Iron/Steel (Pearl Beads Button)	9606.2100.2000	China	7.85
		9606.2200.2000		
		9606.2920.2000		
		9606.2990.2000		
6	Metallic excluding Iron/Steel (Pearl Beads Button)	9606.2100.2100	Others Origins	8.80
		9606.2200.2100		
		9606.2920.2100		
		9606.2990.2100		



7. In cases where declared/transaction values are higher than the customs values determined in this Ruling or higher evidential data is available of stipulated period 90 days, the assessing officers shall apply those values in terms of sub-Section (1) of Section 25 of the Customs Act, 1969, and the same may be communicated to this Directorate General forthwith. In case of consignment imported by air, the assessing officer shall take into account the difference between air freight and sea freight while applying the customs values determined in this Ruling.

8. Validity of Valuation Ruling: The values determined vide this Ruling shall be the applicable Customs values for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (4) of Section 25A of the Customs Act, 1969.

9. Revision of the Value Determined vide this Valuation Ruling: A revision petition may be filed against this Ruling, as provided under Section 25D of the Customs Act, 1969, within 30 days from the date of issue, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned

in the above table of this Ruling. HS Codes are mentioned for illustrative purpose so that valuation ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certification required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969, or any other law in vogue therein.

11. This Valuation Ruling supersedes Valuation Ruling No. 1243/2018 dated 09-01-2018.


(Syed Fawad Ali Shah)
Director

Copy for information to: -

- 1) The Member Customs (Policy/Operations), F.B.R., Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, Appraisalment (South) Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisalment (Central), Custom House, Lahore.
- 6) The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore.
- 7) The Chief Collector of Customs (North), Custom House, Islamabad.
- 8) The Chief Collector of Customs Balochistan, Custom House, Quetta.
- 9) The Chief Collector of Customs Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation-FBR, Islamabad.
- 11) The Director General, PCA& Internal Audit, Karachi.
- 12) The Director General, IOCO, Karachi
- 13) The Director General, Transit Trade, Custom House Karachi
- 14) The Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 15) The Director, Transit Trade, Custom House Karachi
- 16) The Director, Directorate of Customs Valuation, Lahore.
- 17) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WEBOC database system.
- 18) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 19) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 20) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 21) The Webmaster, Federal Board of Revenue, Islamabad.
- 22) Guard File.