GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI
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The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West)/ Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta / Peshawar/ Gawadar/ Gilgit-Baltistan/ Exports (Karachi/Port Qasim)/Directorate of Transit Trade, Karachi

Determination of Customs Values of Buttons under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO. 1243 / 2018)

No.Misc/43/2017-IX 148 Dated: January 09, 2018.

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of buttons are determined as follows:

2. **Background of the valuation issue:** A representation was received from M/s. Goldy's Enterprises, Lahore through Board vide letter C.No.5(18) Tar-I/2017, dated 20-10-2017, regarding under invoicing of imported buttons. The examination of clearance data supported the contentions of the applicant. Therefore, this Directorate General initiated an exercise for determination of custom values of buttons in terms of Section 25-A of the Customs Act, 1969.

3. **Stakeholders' participation in determination of Customs values:** Meetings with stakeholders were held on 06-11-2017, 20-11-2017 and 06-12-2017. The stakeholders were requested to furnish the following documents before or during the course of above said meeting:

A. Invoices of imports during last three months showing factual value.
B. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
C. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
D. Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate their contentions.

4. The complainant did not participate in these scheduled meetings. However, the representatives of local garments industries contended that they import the subject goods as per their requirements/specifications and at a much higher rate as compared to the ones declared by commercial importers.

5. **Method adopted to determine Customs values:** Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at customs value of buttons. Transaction value method provided in Section 25 (1) was found inapplicable owing to wide variation in the values being declared to the customs and incomplete descriptions. Identical/ similar goods value methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods

but the same could not be exclusively relied on due to wide variation in declared values of subject goods. Thereafter, market enquiries as envisaged under Section 25(7) of the Customs Act, 1969, were conducted. A number of items sold in the local market were obtained and workout through deductive method of valuation. Online prices were also obtained to corroborate the findings of the market surveys. Consequently, the custom values of the buttons of various types have been determined under Section 25 (7) of the Customs Act, 1969.

6. **Customs values for buttons:** Buttons ***hereinafter*** specified ***shall*** be assessed to duty/taxes at the following Customs Values:

S. No	Description	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) in US$/Kg
1.	Plastic (Plain) Buttons	9606.2100 9606.2200 9606.2920 9606.2990	9606.2100.1000 9606.2200.1000 9606.2920.1000 9606.2990.1000	China	3.50
			9606.2100.1100 9606.2200.1100 9606.2920.1100 9606.2990.1100	Other Origins	4.00
2.	Plastic (Pearl/Beads) Buttons		9606.2100.1200 9606.2200.1200 9606.2920.1200 9606.2990.1200	China	3.85
			9606.2100.1300 9606.2200.1300 9606.2920.1300 9606.2990.1300	Other Origins	4.40
3.	Iron/Steel (Non Magnetic)-Plain Buttons		9606.2100.1400 9606.2200.1400 9606.2920.1400 9606.2990.1400	China	3.85
			9606.2100.1500 9606.2200.1500 9606.2920.1500 9606.2990.1500	Other Origins	4.40
4.	Iron/Steel (Non-Magnetic)-Pearl/Beads Buttons		9606.2100.1600 9606.2200.1600 9606.2920.1600 9606.2990.1600	China	4.25
			9606.2100.1700 9606.2200.1700 9606.2920.1700 9606.2990.1700	Other Origins	4.85

5.	Metallic excluding Iron/Steel (Plain) Buttons		9606.2100.1800 9606.2200.1800 9606.2920.1800 9606.2990.1800	China	6.00
				Other Origins	6.70
6.	Metallic excluding Iron/Steel (Pearl/Beads) Buttons		9606.2100.1900 9606.2200.1900 9606.2920.1900 9606.2990.1900	China	6.25
				Other Origins	7.00

7. In cases where declared/transaction values are higher than the Customs values determined in this Ruling, 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 consignments imported by air, the assessing officer shall take into account the element of air freight while assessing the goods.

8. **Validity of this Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A 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 25-D of the Customs Act, 1969, within 30 days from the date of issue of this ruling, 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 this Directorate General immediately. Customs values determined in the ruling are for the description and specification as mentioned in the table to this Valuation Ruling. HS Codes are mentioned for illustrative purposes 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.

(Muhammad Iqbal Muneeb)
Director
21/1/17

Copy for information to:

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.