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PART II

Statutory Notifications (S. R. O.)

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
(Federal Board of Revenue)

NOTIFICATION

Islamabad, the 11th November, 2020

(CUSTOMS)

S. R. O. 1213(I)/2020.—In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to direct that the following further amendments shall be made in the Customs Rules, 2001, which, as required under sub-section (3A) of the said section 219, have been previously published *vide* Notification No. S. R. O. 965(I)/2020, dated the 5th October, 2020, namely:—

In the aforesaid Rules, after Chapter-XXXIV, the following new Chapter shall be added, namely:—

2555(1—6)

Price: Rs. 10.00

[6380(2020)/Ex. Gaz.]

"CHAPTER - XXXV

Advance Ruling

789. **Short title and commencement.**—(1) These rules shall be called the Customs (Advance Ruling) Rules, 2020.

(2) They shall come into force on the date of publication thereof in the official Gazette.

790. **Definitions.**—In this chapter unless there is anything repugnant in the subject or context,—

- (a) "Act" means the Customs Act, 1969 (IV of 1969); and the rules made thereunder;
- (b) "application" means the application made by an applicant to the committee authorized by the Board, on the format annexed to these rules;
- (c) "applicant" means a person or a legal entity or representative thereof, authorized to file an application for advance ruling under the Act and rules;
- (d) "Advance Ruling Committee" means a committee constituted under the rules by Board, headed by a customs officer of BPS-21 and comprising of two customs officers or BPS-20 as members and a customs officer of BPS-19 as secretary. A permanent secretariat with as much staff as required shall also be established and notified by Board for meetings of the committee in this regard. The committee shall be empowered to co-opt any officer of Customs other than those notified by the Board and representative of trade body or association for assistance; and
- (e) "advance ruling appellate authority" means the Member Customs (Policy) to process under these rules all the appeals filed against the issuance of the advance rulings and to decide accordingly.

791. **Issuance of advance ruling.**—Advance ruling shall be issued in following cases, namely:—

- (a) classification of goods under first schedule to the Customs Act, 1969;
- (b) determination of origin of the goods under the rules of origin notified for bilateral and multilateral agreements; and
- (c) applicability of notifications issued in respect of duties under Customs Act, 1969 or any tax or duty chargeable under any of the Law for the time being in force in the same manner as duty of customs leviable under this Customs Act.

792. **Procedure for submission of application.**—An applicant desirous of obtaining an advance ruling under these rules may make an application on the prescribed format (Annex-A& B) to the secretary Advance Ruling Committee, stating the question on which the advance ruling is sought. An undertaking to the effect that, to the best of the applicant's knowledge, no issues concerning the goods for which a ruling is sought, is pending before any customs office or port of entry or before any adjudicating authority, tribunal or court. All requisite information and documents should be attached with the application.

793. **Scrutiny of application.**—The Committee will examine the application and the attached documents and inform the applicant within fifteen days if any further details or documents are required.

794. **Processing of application.**—The Committee may direct the applicant to appear in person or through his authorized representative before the Committee to present their view point and to address any queries of the Committee. The Committee will pass the order within ninety days from receipt of application with all requisite documents.

795. **Validity of the order passed by the Committee.**—A ruling passed by the Committee shall be binding on the applicant unless the applicant prefers an appeal as per rule 797 or the rules:

Provided that a ruling issued by the committee shall be binding on the customs for a period of one year unless there is a change in fact or circumstances on the basis of which the advance ruling was pronounced.

796. **Conditions where Committee will decline to process the application.**—The Committee will refuse to process the application in the following situations, namely: —

- (a) if the applicant has submitted incomplete, incorrect, false or misleading information;
- (b) if law, facts or circumstances of the case changes;
- (c) if the issue is pending before any adjudicating authority, appellate tribunal or any court of law; or
- (d) if the issue has already been decided by an adjudicating authority, appellate tribunal or any court of law:

Provided that before such rejection, an opportunity of being heard shall be given to the applicant in person and reasons thereof shall be recorded in the order.

797. **Appeals against the ruling passed by the Committee.**—The applicant may file an appeal with the Member Customs (Policy) within thirty days of the ruling. The Member Customs (Policy) after examining the record of the proceedings and appeal application shall pass an appropriate order within sixty days, from the date of filing of appeal or within such extended period not exceeding thirty days as the Member Customs (Policy) may for reasons to be recorded in writing extend, confirm modify or annul the decision or order appealed against and after giving an opportunity of hearing to the appellant:

Provided that during the appeal period of thirty days the operation of ruling shall remain suspended unless the applicant accepts the ruling.

798. **Advance ruling to be void in certain circumstances.**—(1) Where the Advance Ruling Committee finds on its own or on a representation made to it by the customs or otherwise that an advance ruling pronounced by it under sub-section (1) of section 212B of the Act has been obtained by the applicant by providing incomplete, incorrect, false or misleading information, it may revoke, modify or invalidate the ruling with retrospective effect and thereupon all the provisions of the Act shall apply to the applicant as if such advance ruling had never been made.

(2) A copy of the order made under sub-rule (1) shall be sent to the applicant and the respective customs authority.”

[C. No. 1(1)/L& P/2020 (Pt.)]

WAJID ALI,
Secretary (Law & Procedure).