

GOVERNMENT OF PAKSITAN
MINISTRY OF FINANCE, ECONOMIC AFFAIRS,
STATISTICS AND REVENUE
(REVENUE DIVISION)

Islamabad, the 11th June, 2008

NOTIFICATION
(SALES TAX)

S.R.O. 551(I)/2008:— In exercise of the powers conferred by clause (a) of sub-section (2) of Section 13 of the Sales Tax Act, 1990, the Federal Government is pleased to exempt the goods mentioned in column (2) of the Table below from the whole of sales tax with effect from 1st July, 2008 subject to the conditions and restrictions specified in column (3) thereof, namely:-

S.No.	Description of goods	Conditions and restrictions
(1)	(2)	(3)
1.	Raw materials, sub-components and components	If imported for the manufacturing of goods to be supplied against international tenders.
2.	CNG kits, cylinders and valves for CNG kits	If supplied for automotive vehicles.
3.	Raw and pickled hides and skins; wet blue hides and skins; finished leather; and accessories, components and trimmings for leather manufacturers.	If imported for the manufacture of goods meant wholly for export provided that conditions, procedures and restrictions laid down in rules 264 to 278 of the Customs Rules, 2001 are duly fulfilled and complied with.
4.	Machinery, equipments and materials either for exclusive use within the limits of Export Processing Zone or for making exports there from; and goods imported for warehousing purpose in Export Processing Zone.	If imported by investors of Export Processing Zones subject to the condition that the procedures, limitations and restrictions as are applicable on such goods under the Customs Act, 1969 (IV of 1969) and rules made there under shall <i>mutatis mutandis</i> , apply.
5.	Ships of gross tonnage of less than 15 LDT and all	Import and supply thereof up to the year 2020 subject to the condition that the

	floating crafts including tugs, dredgers, survey vessels and other specialized crafts purchased or bare-boat chartered by a Pakistan entity and flying the Pakistan flag except the ships or crafts which are acquired for demolition purposes or are designed or adapted for use for recreation or pleasure purposes.	said ships or crafts are used only for the purpose for which they were procured and in case such ships or crafts are used for demolition purposes within a period of five years of their acquisition, sales tax applicable to such ships purchased for demolition purposes shall be chargeable.
6.	Canola seed.	Import thereof.
7.	The substances registered as drugs under the Drugs Act, 1976 (XXXI of 1976) and medicaments as are classifiable under Chapter 30 of the First Schedule to the Customs Act, 1969 (IV of 1969) except the following, even if medicated or medicinal in nature, namely:- (a) filled infusion solution bags imported with or without infusion given sets; (b) scrubs, detergents and washing preparations; (c) soft soap or no-soap soap; (d) adhesive plaster; (e) surgical tapes; (f) liquid paraffin; (g) disinfectants; and (h) cosmetics and toilet preparations.	Import and supplies thereof.
8.	Fresh, liquid and dried milk with addition of sugar or any other sweetening matter whether packed or not.	Supplies thereof.
9.	Dried milk without addition of sugar or any other sweetening matter, whether	Import and supplies thereof.

	packed or not, falling under PCT Headings 0402.1000, 0402.2100 and 0402.9100	
10.	Oilseeds meant for sowing.	Import thereof subject to the condition that Plant Protection Department of Ministry of Food, Agriculture and Livestock certifies that the imported seeds are fungicide and insecticide treated and are meant for sowing.
11.	Raw materials for the basic manufacture of pharmaceutical active ingredients and for manufacture of pharmaceutical products.	Import and supplies thereof provided that where such raw materials are imported then only those raw materials shall be entitled to exemption under this notification which are liable to customs duty not exceeding ten <i>per cent ad-valorem</i> , either under the First Schedule to the Customs Act, 1969 (IV of 1969) or under a notification issued under section 19 thereof.
12.	Commercial catalogues, falling under PCT Heading 4911.1000.	Import and supplies thereof.
13.	<i>Halal</i> edible offal of bovine animals, falling under PCT Headings 0206,1000, 0206,1000, 0206,2000, 0206,8000 and 0206,9000	Import thereof.
14.	Iodized salt bearing brand names and trademarks whether or not sold in retail packing.	Import and supplies thereof.

[C.No. 4(8) STJ/2008]

(Abdul Wadood Khan)
Additional Secretary