

FBR to identify evasion-prone imported items

The Federal Board of Revenue (FBR) has decided to identify sensitive or evasion-prone imported items on which customs values have been frequently changed through Customs Valuation Rulings. Sources told *Business Recorder* here on Saturday that the valuation of imported items was discussed during the last Chief Collectors/Directorate General of Customs Conference held at the FBR.

According to the decision, Directorate General Customs Valuation would provide a list of items where values through Valuation Rulings are frequently changed. As per tax experts, the FBR may pick sensitive items where customs values have been frequently changed through Customs Valuation Rulings. Secondly, the board can identify items where values are consistently going up or down, whether the values are being revised in line with the international prices and global trends. Moreover, the FBR will also identify sectors where values are frequently changed to commit tax evasion. The FBR will also check items on which customs values are persistently changed by increasing their values. Some sectors might be frequently changing values to evade the customs authorities.

Another issue is that the Directorate General Customs Valuation is required to change values after every three months on the basis of importers applicants. There was a court order that the values should be changed after every three months period, the tax experts added. The FBR has also decided that technical assistance requirements in valuation and control of under invoicing shall be furnished to the FBR by the DG Valuation.

The FBR has also directed the DG Customs Valuation that the doable proposals with regard to valuation should be sent to the board so that tangible results can be obtained in remaining nine months of the financial year. The FBR has also directed all Collectorates, through chief collectors to forward the list of under-invoicing prone items to the Directorate General of Customs Valuation for issuance of valuation rulings within two weeks time.

Copyright Business Recorder, 15/10/2017