



PAKISTAN YARN MERCHANTS ASSOCIATION

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The Member Policy,
Federal Board of Revenue,
Government of Pakistan,
Islamabad.

Subject: Clarification SRO 1125 addition tax on import of yarn

Dear Sir,

We would like to draw your kind attention towards the fact that commercial importers at present are subject to 2% sales tax along with 1% value addition sales tax on import stage. at the same time manufacturers are entitled to get imports without payment of sales tax @ zero%. The question arises in case the manufacturer intends to import the yarn for trading purpose would they enjoy import @ zero % or they are also subject to payment of 2% sales tax along with 1% sales tax since the purpose of import in that case is commercial and not for self industrial consumption.

An early response in this matter would be highly appreciated.

Thanking you in anticipation.

(MOHAMMAD USMAN)
Central Chairman