

(This Ruling has been superseded vide Valuation Ruling No. 991/2016 dated 14-12-2016 and Valuation Ruling No. 992/2016 dated 14-12-2016)

**GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI**

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.

DETERMINATION OF CUSTOMS VALUES OF TOYS UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969

(VALUATION RULING No. 871/2016)

No. Reg Misc/01/2007-VIIIIB/IX

Dated: 20-06-2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of different types of Toys/Games are determined as follows:-

2. Background of the valuation issue: It was brought to the notice of this Directorate General of Customs Valuation that the values of various types of Toys have increased in the international market as compared to the determined Customs values of Toys of different origins vide Valuation Ruling No.410/2012, dated 12-01-2012 and Valuation Ruling No 666/2014, dated 31.03.2014. The impugned Valuation Rulings are considerably old and require revision in line with the prevailing prices in the international market. Therefore, this Directorate General initiated an exercise for determination of customs values of various kinds of Toys.

3. Stakeholders' participation in determination of Customs values: Meetings with stakeholders were held on 23-05-2016 & 31-05-2016. The stakeholders were requested to bring following documents to make the meetings fruitful.

- 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 in voices issued during last four month s showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

4. The meetings were attended by representatives of M/s Pakistan Toys Importers Association and other individual importers / stakeholders. During the meetings, importers strongly argued that the price of plastic raw material has substantially reduced in the international market during last two years, and requested that the existing values may be revised downwards! On the other hand inquiries reflected that the prices determined vide previous Valuation Ruling, especially VR No.410/2012, dated 12-01-2012 needed upward revision.

5. Method adopted to determine Customs values: Valuation methods given in Section 25 of the Customs Act, 1969 were followed to arrive at values of Toys. Transaction value method provided in Section 25 (1) was found inapplicable due wide variation in the values being declared to the customs. 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 variations in declared values of subject goods. Thereafter, market enquiries as envisaged under Section 25 (7) of the Customs Act, 1969, were conducted. As the stakeholders were not forthcoming with the values of the items being traded in the international market, therefore different markets were surveyed repeatedly for this purpose. Online prices were also obtained to corroborate the findings of the market surveys. Computed Value Method as provided in Section 25 (8) could not be applied for valuation of the

aforementioned goods as the cost of raw material and fabrication charges under clause (a) and amount of profit and general expenses under clause (b) of Section 25 (8) of the Act, in the country of export, could not be ascertained. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of different types of Toys have been determined under Section 25(9) of the Customs Act. 1969.

6. Customs values for Toys: Different kinds of Toys, specified in Annexure to this Valuation Ruling, shall be assessed to duty/taxes at the Customs Values mentioned against them.

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. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight or in case of import through Land Customs Stations, the differential amount between the Sea freight and land transport charges while applying the Customs values determined in this Ruling.

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 Annex to this 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 there in.

11. This Valuation Ruling supersedes Valuation Ruling No.410/2012, dated 12-01-2012 and Valuation Ruling No 666/2014, dated 31-03-2014.

(DR.WASIF ALI MEMON)

Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.
8. Director General, Audit (Customs & Petroleum), 1st Floor, PT&T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta Peshawar / Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No.410/2012, dated 12-01-2012 and Valuation Ruling No 666/2014, dated 31.03.2014

14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
15. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
16. Law Section, Customs Valuation, 7th Floor, Custom House, Karachi.
17. Review Section, Customs Valuation, 7th Floor, Custom House, Karachi.
18. Karachi Customs Agents Group, Bohri Road, Karachi.
19. CHO, Customs Valuation, Custom House, Karachi.
20. Notice Board, Customs Valuation 7th Floor, Custom House, Karachi / MCC, Appraisalment, 1st Floor, Custom House, Karachi.
21. Guard File.

Annexure to Valuation Ruling No. 871/2016 Dated June 20, 2016

S. No.	Description of goods	Category	Specifications	PCT	Proposed PCT for WeBOC	Origin	Customs Values (C&F) USS/Kg
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Plastic Toys	Simple / Basic	Non Mechanical / Non Electrical	9503.0090	9503.0090.1000	China	1.75
2				9503.0090	9503.0090.1100	Other Origins	2.10
3			Mechanical Toys (Friction or Spring action)	9503.0090	9503.0090.1200	China	2.15
4				9503.0090	9503.0090.1300	Other Origins	2.50
5			Battery Operated	9503.0090	9503.0090.1400	China	2.60
6				9503.0090	9503.0090.1500	Other Origins	3.30
7			Electrical Plastic Toys	9503.0090	9503.0090.1600	China	2.75
8				9503.0090	9503.0090.1700	Other Origins	3.25
9		Lego	Non Mechanical / Non Electrical	9503.0090	9503.0090.1800	China	2.00
10				9503.0090	9503.0090.1900	Other Origins	2.30
11		Guns	Mechanical	9503.0090	9503.0090.2000	China	2.20
12				9503.0090	9503.0090.2100	Other Origins	2.80
13		Dolls	Barbie (Battery Operated)	9503.0010	9503.0010.1000	China	25.00
14				9503.0010	9503.0010.1100	Other Origins	40.00
15			Barbie (Non-Battery Operated)	9503.0010	9503.0010.1200	China	8.00
16				9503.0010	9503.0010.1300	Other Origins	12.00
17			Other Dolls (Battery Operated)	9503.0010	9503.0010.1400	China	4.40
18				9503.0010	9503.0010.1500	Other Origins	5.20
19			Other Dolls (Non-Battery Operated)	9503.0010	9503.0010.1600	China	2.80
20				9503.0010	9503.0010.1700	Other Origins	4.00
21		Educational Games, Puzzles etc.	Manual	9503.0090	9503.0090.2200	China	2.10
22				9503.0090	9503.0090.2300	Other Origins	2.50
23			Battery Operated	9503.0090	9503.0090.2400	China	3.00
24		9503.0090		9503.0090.2500	Other Origins	3.50	
25		Ride On Toys	Simple Pedal Type	9503.0010	9503.0010.1800	China	2.10
26				9503.0010	9503.0010.1900	Other Origins	2.50
27			Swing type	9503.0010	9503.0010.2000	China	9.00
28				9503.0010	9503.0010.2100	Other Origins	13.00
29			Tricycles	9503.0010	9503.0010.2200	China	2.20
30				9503.0010	9503.0010.2300	Other Origins	3.20
31			Battery Operated Scooters	9503.0010	9503.0010.2400	China	4.00
32				9503.0010	9503.0010.2500	Other Origins	6.00
33			Battery Operated Hoverboards	9503.0010	9503.0010.2600	China	75.00
34				9503.0010	9503.0010.2700	Other Origins	120.00
35			Battery Operated Cars	9503.0010	9503.0010.2800	China	3.10
36				9503.0010	9503.0010.2900	Other Origins	4.00
37			Battery Operated Sports Cars/Heavy Bike toys	9503.0010	9503.0010.3000	China	25.00
38				9503.0010	9503.0010.3100	Other Origins	40.00
39			Bumper Cars	9503.0010	9503.0010.3200	China	52.00
40				9503.0010	9503.0010.3300	Other Origins	80.00
41		Other Battery Operated	9503.0010	9503.0010.3400	China	4.50	

42			Vehicles	9503.0010	9503.0010.3500	Other Origins	6.00	
43		Others	Battery Operated /	9503.0090	9503.0090.2600	China	3.50	
44			Electric	9503.0090	9503.0090.2700	Other Origins	5.00	
45			Without Battery		9503.0090	9503.0090.2800	China	2.80
46					9503.0090	9503.0090.2900	Other Origins	3.75
47	Coin Operated	Kids Toys	Electrical	9503.0090	9503.0090.3000	China	8.00	
48					9503.0090	9503.0090.3100	Other Origins	14.00
49		Amusement Games/Rides	Electrical	9503.0090	9503.0090.3200	China	30.00	
50					9503.0090	9503.0090.3300	Other Origins	80.00
51	Plush & Stuffed Toys	IC Sound	Battery Operated	9503.0090	9503.0090.3400	China	3.50	
52					9503.0090	9503.0090.3500	Other Origins	4.20
53		Simple	Manual	9503.0090	9503.0090.3600	China	2.55	
54					9503.0090	9503.0090.3700	Other Origins	3.20
55	Wooden Toys	All Toys	Mechanical / Plans / Simple / Blocks	9503.0090	9503.0090.3800	China	2.00	
56					9503.0090	9503.0090.3900	Other Origins	2.50
57	Die-Cast / Meta / Toys	All Toys by specification	Friction	9503.0090	9503.0090.4000	China	1.65	
58					9503.0090	9503.0090.4100	Other Origins	2.00
59			Electrical / Battery Operated	9503.0090	9503.0090.4200	China	2.00	
60					9503.0090	9503.0090.4300	Other Origins	2.35
61			Vending Machine Toy Prize Gin	9503.0090	9503.0090.4400	China	6.00	
62					9503.0090	9503.0090.4500	Other Origins	10.00
63			Pull Back Cars	9503.0090	9503.0090.4600	China	2.20	
64					9503.0090	9503.0090.4700	Other Origins	3.50
65			Electric Vehicles	9503.0090	9503.0090.4800	China	4.00	
66					9503.0090	9503.0090.4900	Other Origins	5.00
67	Other Metal Toys	9503.0090	9503.0090.5000	China	2.35			
68			9503.0090	9503.0090.5100	Other Origins	3.20		
69	Ceramic / Porcelain Toys	All Toys	Kiddie Toys	9503.0090	9503.0090.5200	China	2.13	
70					9503.0090	9503.0090.5300	Other Origins	2.33
71	Tarpaulin cum PVC Material	Inflatable	Swimming Pool	9503.0090	9503.0090.5400	China	8.00	
72					9503.0090	9503.0090.5500	Other Origins	15.00
73			Swimming Pool	9503.0090	9503.0090.5600	China	4.50	
74					9503.0090	9503.0090.5700	Other Origins	5.60
75			Bounce Slides	9503.0090	9503.0090.5800	China	4.80	
76					9503.0090	9503.0090.5900	Other Origins	5.80
77			Others	9503.0090	9503.0090.6000	China	4.00	
78					9503.0090	9503.0090.6100	Other Origins	5.00
79	Interactive Computer Games	PSP-III/DS	Electrical / Battery Operated	9503.0090	9503.0090.6200	China	50.00	
80					9503.0090	9503.0090.6300	Other Origins	70.00
81		PSI / PS2 / Game Boy	Electrical / Battery Operated	9503.0090	9503.0090.6400	China	52.00	
82					9503.0090	9503.0090.6500	Other Origins	72.00
83		Will Box / X Box	Electrical / Battery Operated	9503.0090	9503.0090.6600	China	55.00	
84					9503.0090	9503.0090.6700	Other Origins	65.00
85		PS4	Electrical / Battery Operated	9503.0090	9503.0090.6800	China	120.00	
86					9503.0090	9503.0090.6900	Other Origins	140.00
87	Other games	Electrical / Battery Operated	9503.0090	9503.0090.7000	China	100.00		
88				9503.0090	9503.0090.7100	Other Origins	120.00	
89	Flying Toys	Helicopter	Electrical / Battery Operated	9503.0090	9503.0090.7200	China	10.00	
90					9503.0090	9503.0090.7300	Other Origins	15.00
91		Planes/Aircrafts	Electrical / Battery Operated	9503.0090	9503.0090.7400	China	14.00	
92					9503.0090	9503.0090.7500	Other Origins	18.00
93		Drones w/o Camera	Electrical / Battery Operated	9503.0090	9503.0090.7600	China	16.00	
94					9503.0090	9503.0090.7700	Other Origins	20.00
95		Drones with Camera	Electrical / Battery Operated	9503.0090	9503.0090.7800	China	25.00	
96					9503.0090	9503.0090.7900	Other Origins	32.00
97	UFOs	Electrical / Battery	9503.0090	9503.0090.8000	China	20.00		

98			Operated	9503.0090	9503.0090.8100	Other Origins	25 .00
99		Other Articles	Electrical / Battery	9503.0090	9503.00908200	China	25.00
100			Operated	9503.0090	9503.0090.8300	Other Origins	32.00

(Iqbal Hussain Kalyar)
Valuation Officer

(Abdul Hameed)
Principle Appraiser

(Ch. Rizwan Bashir Kalair)
Deputy Director

(Muhammad Iqbal Muneeb)
Additional Director

(Dr. Wasif Ali Memon)
Director