

Zero-rating facility removal slammed

KARACHI: The North Karachi Association of Trade Industry (NAKTI) has slammed the withdrawal of zero-rating regime for five exporting sectors and imposition of 17 percent sales tax under the federal budget 2019-20, terming the two destructive for the industries.

Officials of the association, in a statement on Wednesday, demanded the government to restore the export tax facility and axe the SRO 1125 decision to maintain a business-friendly environment.

NKATI leaders said eliminating the sales tax waiver for export industries would increase the production cost up to inconceivable levels, and the consumers would have to face the consequences as well, especially since utility charges have increased as well. Imposition of 17 percent sales tax by the government would be unviable and many of the small- and medium-sized exporters would be wiped out, the statement said.

Our Correspondent