

KCIP, BQIP seek withdrawal of 1.5 percent minimum turnover tax

Industrialists at Korangi Creek Industrial Park (KCIP) and Bin Qasim Industrial Park (BQIP) requested the government to withdraw 1.5 percent minimum turnover tax to attract more investments in special economic zones. These views were expressed by the industrialists of KCIP and BQIP during a meeting with the officials of Board of Investment (BoI) and Sindh investment department here on Tuesday.

Mashood Ali Khan representing the industrialists at KCIP and BQIP said that the government had given 10 years tax holidays for the investments made before year 2020 at special economic zones (SEZs) and after that, this tax incentive would be reduced to 5 years. Despite a passage of more than two years investors in the zones have yet to be provided with the promised infrastructure and required gas connections and they are unable to get electricity due to disputes between National Industrial Park (NIP) and the independent power producer inside KCIP.

On the other hand, the government has restricted the investors of SEZs to pay 1.5 percent minimum turnover tax under SEZ Act, 2012, which is one the major hurdles, restraining more investments in the zones. Therefore, it is requested to withdraw 1.5 percent minimum turnover tax by next fiscal year to attract more investment in the zones. Muhammad Sami director Board of Investment and Hassan Mangi secretary Sindh investment department during meeting assured the representatives of the special economic zones to discuss their issues with the competent authorities.

RECORDER REPORT