

### **Sales tax collection on imported goods rises 13.5 percent in July**

KARACHI: The collection of sales tax at import stage registered 13.5 percent growth in the first month of the current fiscal year on improved economic activities after easing of coronavirus related lockdown.

According to official statistics released on Monday, the collection of sales tax at import stage was at Rs67.29 billion during July 2020 as compared with Rs59.26 billion in the same month of the last year.

Collection at import stage also registered eight percent in July 2020 as compared with Rs64.15 billion in June 2020. FBR officials attributed the growth in sales tax revenue at import stage to ease in lockdown that was imposed to prevent spread of the novel coronavirus.

Tax authorities were facing significant shortfall in monthly revenue collection since the imposition of lockdown in March 2020. The lockdown partially halted all economic activities, including port activities.

Besides, global trade has also witnessed slowdown in the wake of the pandemic. Domestic demand also trimmed, which resulted in lower imported goods. However, as infection cases started declining the government decided to open up the commercial activities with imposition of smart lockdown in those areas where large number of cases were reported.

Large Taxpayers Unit (LTU) Karachi has jurisdiction to report sales tax collection collected by customs stations at sea ports in the city. According to the details, Model Customs Collectorate (MCC) Port Muhammad Bin Qasim made major collection of Rs28.15 billion during July 2020, which was seven percent higher when compared with Rs26.36 billion in the same month of the last year.

MCC Appraisalment Ease registered 16 percent growth in sales tax collection to Rs21.14 billion in the month under review as compared with Rs16.3 billion in the same month of the last year.

MCC Appraisalment West posted 20 percent growth in sales tax collection to Rs9 billion as against Rs10.8 billion during the comparative period. However, the sales tax collection registered 30 percent decline by MCC Jinnah International Airport (JIAP) during the period due to reduced flight operations.