

PCDMA urges govt to exempt commercial importers from value added tax

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REPORT

KARACHI: Pakistan Chemicals and Dyers Merchant Association (PCDMA) chairman Arif Lakhani has urged Prime Minister Imran Khan, Finance Minister Asad Umar and FBR chairman Mohammad Jahanzeb Khan to remove the differences between industrial and commercial importers and provide equal level playing field for industrialists and traders to execute their businesses.

He demanded exemption of commercial imports from value added tax.

“Minimum six percent withholding tax under final fixed tax regime on import stage is unjustified. Old final tax regime should be reintroduced,” he demanded.

Lakhani said that the commercial importers pay advance tax on import stage. He said that after payment of advance tax opening account for audit is not acceptable.

PCDMA chairman said that SBP has recently fixed \$10,000 for advance payment and give relief to only 4 specified sectors under open account which is unjustified. He urged that the government should adopt uniform policy and give relief to all sectors without discrimination.

“Foreign seller provides goods on loan and there is no involvement of any amount of government. Government get benefit by allowing open account and on the same time there is no pressure on foreign reserve,” he said.

Lakhani further said that the commercial importers are backbone for uninterrupted financial activities for export-oriented industries specially textile, leather and other industries.