

**GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
CENTRAL BOARD OF REVENUE**

Islamabad, the 18th June, 2001

**NOTIFICATION
(CUSTOMS)**

S.R.O. 450(I)/2001.-¹[In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, section 40 of the Federal Excise Act, 2005 and section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to make the following rules, namely:-]

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**CHAPTER XII
EXPORTS**

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**SUB CHAPTER (3)
EXPORT PROCESSING ZONE**

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226. Import of goods into the Zones.-(1) Subject to sub-rules (7) and (8), any goods can be imported into the Zones from abroad or from the Tariff Area.

(2) A separate bill of entry in respect of goods imported for a Zone along with other documents showing details of the goods as required under the Act and the Rules made there under shall be presented to the Customs authorities for assessment and clearance.

(3) Goods imported into a Zone shall be assessed in accordance with the existing procedure.

(4) The exemption granted under ²[the relevant tax laws] shall, be applicable to machinery, equipment, materials to be used solely within the limits of a Zone and goods imported into the Zone for warehousing purposes:

³[Provided that the investors in Export Processing Zone shall retain machinery for a period of five years from the date of its import into the Zone:

Provided further that the investors in Export Processing Zone shall be allowed to dispose of machinery in the tariff area after filing Goods Declaration subject to the fulfillment of conditions of Import Policy Order upon payment of duty and taxes on the following terms, namely:-

Sr. No.	Disposal period	Duty and taxes
(1)	(2)	(3)
1	If sold or otherwise disposed of before the expiration of three years from the date of import in EPZ.	Full

¹ Existing preamble substituted and shall be deemed always to have been so substituted vide SRO 831(I)/2018 dated 2nd July, 2018. At the time of substitution was as under:-

“In exercise of the powers conferred by section 219 of the Customs Act, 1969 (IV of 1969), the Central Board of Revenue is pleased to make the following rules, namely:-”

² Substituted the words “Board’s Notification No. SRO 881(I)/80 dated 23rd August, 1980” vide SRO 30(I)/2024, dated 10th January, 2024.

³ Proviso was substituted vide SRO 994(I)/2019 dated 4th September, 2019. At the time of substitution proviso was as under:-

“Provided that Investors in Export Processing Zones shall be allowed to dispose off their machinery in tariff area after three years from date of filing of the bill of entry of its import subject to import policy order and payment of duties and taxes.”

2	If sold or otherwise disposed of after three and before four years from the date of import in EPZ	75%
3	If sold or otherwise disposed of after four and before five years from the date of import in EPZ	50%
4	If sold or otherwise disposed of after five years from the date of import in EPZ	0%]

(5) An investor or his licensed clearing agent duly approved and authorised by the Authority shall carry out necessary formalities regarding Customs clearance.

(6) All goods so cleared shall be secured and forwarded to the Zone under Customs supervision, a pass shall be sent with the goods specifying the name of the importer and the clearing agent, if any, number of vehicle, description and quantity of goods with the marks and numbers and contents thereof and, on receipt of the goods in the Zone, the officer of Customs allowing the goods to enter the Zone shall retain the pass.

(7) Admission of goods imported for a Zone shall not be refused except when the goods are liable to restrictions or prohibitions imposed on the grounds of public morality or order, public security hygiene or health or for veterinary or phyto-pathological considerations, or relating to the protection of patents, trade marks or copy-rights.

(8) Hazardous goods may be allowed to be admitted to a Zone only when an area specially designed for its storage is made available within the Zone.

(9) Goods admitted to a Zone may remain there for such period as may be prescribed by the Authority ⁴[but in no case exceeding two years] ⁵[:

Provided that the Collector of Customs may extend the aforesaid period by one year ⁶[:]

⁷[Provided further that the Chief Collector may consider any further extensions, in exceptional circumstances, on such terms and conditions, as he may deem appropriate ⁸[:]

⁹[Provided also that after expiry of utilization period, the input goods may be put to auction as per customs laws and rules.]

¹⁰ ¹¹[(10)(a) Import of vehicles shall be allowed without payment of customs-duty and other taxes as per the entitlements given in the table below, namely:-

TABLE

S. No.	Quantum of investment in EPZ	Vehicles allowed
(1)	(2)	(3)
1	US\$ 10.00 million or more up to US \$ 25 million;	03
2	more than US \$ 25 Million but less than US \$ 50 Million;	05
3	equal to or more than US \$ 50 Million but less than US \$ 75 Million;	10
4	equal to or more than US \$ 75 Million less than US \$ 100 Million;	15
5	equal to or more than US \$ 100 Million less than US \$ 125 Million;	20
6.	Equal to or more than US \$ 125 Million;	25

(b) subject to a maximum of one motor car of up to 1600 c.c within the number of vehicles allowed and shall be further subject to the verification of the amount of investment and completion of the project within a time period of three years by the Export Processing Zone Authority.]

4 Inserted vide SRO 831(I)/2018 dated 2nd July, 2018

5 Added vide SRO 831(I)/2018 dated 2nd July, 2018

6 Substituted vide SRO 994(I)/2019 dated 4th September, 2019.

7 Added vide SRO 994(I)/2019 dated 4th September, 2019.

8 Substituted vide SRO 935(I)/2021 dated 16th July, 2021.

9 Added vide SRO 935(I)/2021 dated 16th July, 2021.

10 New sub-rules (11) & (12) were added vide SRO 461(I)/2004 dated 12th June, 2004

11 Substituted for sub-rule (10) vide SRO 889(I)/2007 dated 1st September, 2007

(11) Units employing up to 25 workers will be allowed to import or purchase one coaster while units employing more than 25 will be allowed to import or purchase a bus up to 50 seats. Similarly, units with turnover of US \$5.00 million or more per annum will be allowed to import or purchase one cargo vehicle or truck.]

¹²[(12) Mining Projects in the notified Export Processing Zones may import vehicles, free of customs duty and sales tax, according to their requirements on production of full justification supported by the Ministry of Petroleum and Natural Resources.]

12 *New sub-rule (12) was added vide SRO 492(I)/2005 dated 23rd May, 2005*