

**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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²[**Chapter XXXIX
CHINA PAKISTAN ECONOMIC CORRIDOR (CPEC)
Sub-Chapter 1
Gwadar Tax Free Zone Rules**

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842. Import.-(1) Any goods removed from a free zone for importation to tariff area shall be imported under the import procedure as laid down in the Act and the rules made thereunder ³[[provided that the transaction between Gwadar free zone and tariff area shall be allowed in Pak rupees](#)].

(2) Removal of goods in the same state or output goods produced by industrial units in a free zone to tariff area shall be allowed on filing u goods declaration for home consumption by the tariff area importer subject to the Import Policy Order, in force, applicable to imports from abroad, and payment of customs-duties and other taxes levied on such imports.

(3) The goods produced in a free zone and removed to tariff area for home consumption shall be chargeable to customs-duties and taxes in the state in which they enter the tariff area.

(4) Wastages such as packing materials, empty drums, cartons etc. shall be allowed removal from free zone to tariff area on payment of duties and taxes after filing of goods declaration:

Provided that wastages and factory rejects, as per ratios approved in the analysis certificate, shall be allowed for removal to tariff area subject to the conditions, restrictions and limitations contained in the Import Policy Order for the time being in force on payment of duties and taxes after filing of goods declaration.

(5) In case produced wastages are of no commercial value, the same shall be allowed to be destroyed by an officer of Customs not below the rank of an Assistant Collector in such manner as may be prescribed by the Collector of Customs:

Provided that a "goods declaration form for destructible waste", as devised by the regulatory collector on the pattern of goods declaration containing description, quantity, value and tariff headings, shall be filed by the investor and after approval of the appropriate officer, such wastages may be allowed to be dumped or destroyed at the specified place designated by the licensing authority for safe destruction.

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 Added vide SRO 264(I)/2021 dated 24th February, 2021

³ Added vide SRO 1006(I)/2024 dated 28th June, 2024

(6) Tariff area importer shall file import goods declaration for home consumption after clearance of corresponding export goods declaration filed by the free zone investor (export tariff), so that the goods are debited from the free zone.