

**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 4
SPECIAL ECONOMIC ZONE RULES**

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868. Retention Period.-(1) Plant and machinery or capital equipment" on which exemption has been availed, shall be retained for a period of at least five years from the date of importation and shall not be sold or otherwise disposed off without prior approval of an officer not below the rank of Assistant Collector of Customs having jurisdiction of Special Economic Zone:

Provided further that the disposal of plant and machinery or capital equipment before the expiration of five years, shall be subject to following reduced rates of duty and taxes levied at the time of importation, namely:

S. 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 importation.	Full
2.	If sold or otherwise disposed of after three and before four years from the date of importation.	50%
3.	If sold or otherwise disposed of after four and before five years from the date of importation.	25%
4.	If sold or otherwise disposed of after five years from the date of importation.	0%

(2) Plant and machinery or capital equipment shall be allowed to be transferred to other licensed enterprises operating in a Special Economic Zone with prior approval of the Collector.

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