

**Other Facilitation & Taxpayer Education
Material Produced by
Federal Board of Revenue**

Publications

- Brochure 001 Universal self-assessment and record keeping
- Brochure 002 Business accounts, documents and records
- Brochure 003 Taxation of income from salary
- Brochure 004 Taxation of income from property
- Brochure 005 Collection and deduction of tax at source
- Brochure 006 How to fill in income tax forms
- Brochure 007 Charities
- Brochure 008 Income Tax Appeals
- Brochure 009 Taxation of income from dividend
- Brochure 010 Depreciation, initial allowance and amortization of capital expenditure
- Brochure 011 The mechanism of Alternate Dispute Resolution
- Brochure 012 Taxpayer's Charter
- Brochure 013 Import of vehicles
- Quarterly Review Year Book
- Sales Tax Guide

Under Publication

Taxation of income from profit on debt
Taxation of capital gains
Incomes subject to final taxation

F A T E

"Facilitation And Taxpayer Education "Is the Key to
Voluntary Compliance And Voluntary Compliance Is the Key
"Better Revenues"



Baggage Rules

(Passengers Facilitation Guide)

Including details of:



GREEN Channel

For Passengers having
NO DUTIABLE GOODS



RED Channel

For Passengers having
DUTIABLE OR RESTRICTED GOODS



PAKISTAN CUSTOMS

Brochure -014
January, 2008

OUR VISION

To be a modern, progressive, effective, autonomous and credible organization for optimizing revenue by providing quality service and promoting compliance with related tax laws.

OUR MISSION

Enhance the capability of the tax system to collect due taxes through application of modern techniques, providing taxpayer assistance and by creating a motivated, satisfied, dedicated and professional workforce

OUR VALUES

Integrity
Professionalism
Teamwork
Courtesy
Fairness
Transparency
Responsiveness

For further details and information on tax matters please contact our helpline center through

Toll Free Telephone 0800-00-227

Telephone
051-111-227-227
051-111-227-228
Fax **051-9205593**

E-mail: helpline@fbr.gov.pk

or

Visit our tax facilitation center (located in all major cities)
or any tax office

or

Visit our website at
www.fbr.gov.pk

Introduction

This brochure provides basic information, for the benefit and use of passengers entering and departing Pakistan, to understand their rights and obligations under the applicable Pakistan Customs rules, regulations and procedures.

For detailed information, please contact any of the nearest Customs Office or FBR Help Line Center.

In this brochure, words and phrases that are not familiar to taxpayers have been marked in italic bold and explained in the beginning of this brochure.

This brochure is to assist the passengers and reflects the legal position at the time of printing. In case of any conflict the legal provisions of the law shall always prevail over the contents of this brochure.

Comments and suggestions

We welcome your comments about this brochure and your suggestions for future editions.

You can e-mail us at membertpef@fbr.gov.pk

or

You can write to us at the following address:

Facilitation And Tax Education,
Federal Board of Revenue,
Constitution Avenue,
Islamabad - Pakistan

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Definitions

Allowance means duty free or dutiable allowance admissible to a passenger.

Baggage means personal wearing apparel and other personal, professional and household effects of a passenger.

Commercial quantity means a quantity of goods imported prima facie for trading or pecuniary gain and not for personal use or gift.

Export means taking out of Pakistan articles or goods by air, land or sea.

Import means bringing into Pakistan articles or goods by air, land or sea.

Items of personal use include

- Personal wearing apparel and clothing accessories;
- Personal adornments and toilet requisites and electric shaver in use;
- Push-cart, toys and goods of personal use of a child passenger;
- Wheel chair for personal use;
- Medals, trophies and prizes bestowed upon the passenger;
- Electric iron, hair dryer and hair dresser;
- 200 cigarettes or 50 cigars or 500 grams of manufactured tobacco;
- Mobile phone;
- Wrist watch;
- Laptop computer and its accessories in use of the passenger.

Prohibited articles or goods are those which cannot be **imported** in to or **exported** from Pakistan under any circumstances being prohibited or banned to protect society, health and the environment. Complete list of such articles or goods is given the Customs Act, 1969, Imports and Exports (Control) Act, 1950 and the trade policy of each year and is available on our website www.fbr.gov.pk.

Some of the most common **prohibited** or banned articles or goods that **cannot be imported** to or **exported** from Pakistan, are listed in Annex-A

Pakistani national includes a citizen of Pakistan residing abroad, a Pakistani having dual nationality and a foreign national holding Pakistani origin card.

Restricted articles or goods are those which can be **imported** to or **exported** from Pakistan subject to certain certifications, conditions, licenses, permissions or restrictions. Complete list of such articles or goods is given in the trade policy of each year and is available on CBR website www.cbr.gov.pk.

Some of the most common **restricted** articles or goods that **cannot be imported** to or **exported** from Pakistan are listed in Annex B.

Transfer of residence means return of a **Pakistani national** after stay abroad for a period of two years or more. It also includes the transfer of residence by a foreign national coming to Pakistan for a period of not less than two years.

General Information

Articles or goods brought in commercial quantities are released only on payment of fine equal to 30% of the value of articles or goods in addition to the applicable duty and taxes.

Bringing in of foreign currencies is permitted without any limit. A passenger can bring any amount of any foreign currency to Pakistan.

Conditions for admissibility of allowances to passengers entering Pakistan are as under:

1. Separate **allowance** is admissible to husband and wife traveling together.
2. **Allowances** are not admissible in respect of goods:
 - ⚡ That are not shipped from the country where the passenger resided prior to arriving in Pakistan;
 - ⚡ That are in commercial quantity;
 - ⚡ That do not reach Pakistan within sixty days of passenger's arrival.
3. Crew members are not entitled to duty free and dutiable allowances as admissible to other passengers. Crew members can only bring in articles or goods in their personal use.

Condonation – The customs officials can condone the following:

1. Short visits of upto four months to Pakistan during the last two years for availing the Transfer of Residence;
2. Short fall upto four months in the period of two years stay abroad for availing the Transfer of Residence (conditions apply); and
3. Late arrival of unaccompanied baggage upto sixty days provided the goods are booked abroad within fifteen days of the arrival of the passenger in Pakistan.

Where the total period is upto two months, this can be condoned by the Assistant Collector; and

Where the total period is of more than two months but less than four months, this can be condoned by the Additional Collector.

Green Channel, as the color signifies, means freely passing with out any customs formalities. This is for the passengers who do not possess articles or goods that are restricted or in excess of the admissible duty-free allowance, if any.

Customs officials are authorized to randomly request the passengers availing the facility of Green Channel to allow scanning of their luggage and if necessary to allow physical examination by opening the luggage. This is a normal custom procedure adopted world wide to counter misuse of the Green Channel facility.

If you are so requested by a custom official, please understand that you have been picked up either randomly or on the basis of certain risk parameters and you are expected to cooperate with the customs officials.

Passengers passing through the Green channel with articles or goods that are prohibited, restricted or dutiable are liable to prosecution, penalty as well as confiscation of the articles or goods.

Red Channel, as the color signifies, means passing after completion of custom formalities. This is for the passengers having restricted or dutiable articles or goods.

Re-import of articles or goods earlier taken out of Pakistan can be brought back free of custom duty and other taxes.

Passengers intending to re-import articles or goods are advised to obtain export certificate or an endorsement on the passport, as to the exact description of the articles or goods, and distinguishable marks thereof certified by the Assistant Collector of Customs at the time of passenger's departure from Pakistan.

Duty free re-import of articles or goods is not allowed in the absence of the export certificate or endorsement on the passport.

Taking out foreign currencies is permitted upto US \$ 10,000 un-conditionally.

Taking out Pakistan currency exceeding Rs. 3,000 is not permitted and in case of departing for India a maximum of Rs. 500 is permitted.

Unaccompanied Baggage means the items which are carried by the passenger and are shipped before or after the journey is under taken. In case of unaccompanied baggage, the passenger has to file a baggage declaration on the form as setout in Annex-C.

Incoming passengers

Duty free allowance for Pakistani nationals with stay abroad of 7 days or less

Pakistani nationals returning home with stay of 7 days or less are entitled to following duty free allowance:

- Items of personal use on each entry (For details see page 4); and
- Re-import of articles or goods (for details see Page 7).

Duty free allowance for Pakistani nationals with stay abroad of 8 days or more

Pakistani nationals returning home with stay of 8 days or more are entitled to following duty free allowance:

- Items of personal use on each entry (for details see page 4);
- The following goods on first visit in a calendar year only:
 - One radio or one ordinary tape recorder excluding hi-fi systems and home theatres;
 - One VCP or VCR or VCD or DVD player or a similar appliance having more than one of the playing, recording or display functions;
 - One still camera and one video camera;
 - Personal Jewellery in reasonable quantity;
 - Professional tools of the value not exceeding US \$ 500;
 - Tabarrakat;
 - Other goods (excluding television, deep freezer, refrigerator, microwave oven, cooking range, washing machine and air-conditioner) of the value not exceeding US \$ 500;
- Other goods (excluding television, deep freezer, refrigerator, microwave oven, cooking range, washing machine and air-conditioner) of the value not exceeding US \$ 500 purchased from one of the duty free shops in Pakistan within 60 days of the arrival; and
- Re-import of articles or goods (for details see Page 7)

Fixed duty facility for Pakistani nationals with stay abroad of 8 or more days

Pakistani nationals returning home with stay of 8 days or more are also entitled to fixed duty facility on the

following goods:

- Television;
- Deep freezer;
- Refrigerator;
- Microwave oven;
- Cooking range;
- Washing machine;
- Air conditioner;

(For the fixed rates of duty please refer to SRO No. 682(I)/2006 dated 29th June, 2006)

Duty free allowance for Pakistani nationals availing "Transfer of Residence"

Pakistani nationals returning home and availing the Transfer of Residence (for details see page 5) are entitled to following duty free allowance:

- Duty free allowances as admissible to Pakistani nationals with stay abroad of 8 days or more (for details see page 8);
- Old and used furniture, fixture, cutlery, crockery, kitchen utensils, rugs, carpets, household linen, beddings, blankets and other household goods generally used by a family during stay abroad (excluding television, deep freezer, refrigerator, microwave oven, cooking range, washing machine and air-conditioner);
- Professional tools and equipments of the value not exceeding US \$ 5,000 (conditions apply);
- Second hand or used medical equipment including electro medical equipment if in use of a registered medical practitioner recognized by Pakistan Medical and Dental Council;
- Weapon of non-prohibited bore for the personnel of Armed Forces, Customs, Police or any other law enforcement agency;
- Other goods (excluding television, deep freezer, refrigerator, microwave oven, cooking range, washing

machine and air-conditioner) of the value not exceeding US \$ 1,000 purchased from one of the duty free shops in Pakistan within 60 days of the arrival; and

- Re-import of articles or goods (for details see Page 7)

Concessionary duty allowance for Pakistani nationals availing "Transfer of Residence"

Pakistani nationals returning home and availing the Transfer of Residence (for details see page 5) are also entitled to concessionary duty (50% of the fixed duty payable) on the following goods:

- One television;
- One deep freezer;
- One refrigerator;
- One microwave oven;
- One cooking range;
- One washing machine;
- One air conditioner;

(For the fixed rates of duty please refer to SRO No. 682(I)/2006 dated 29th June, 2006)

Duty credit for Pakistani nationals holding Foreign Exchange Remittance Card

Pakistani nationals holding Foreign Exchange Remittance Card are entitled to a credit against the duty payable by them, once in a calendar year, as under:

Type of Foreign Exchange Remittance Card	Amount remitted through normal banking channel (in us \$ or equivalent foreign currency)	Duty credit in Pakistani Rupees
Silver	2,500 or more	10,000
Silver Plus	5,000 or more	20,000
Golden	10,000 or more	30,000
Golden Plus	25,000 or more	50,000
Platinum	50,000 or more	100,000

The above duty credit can be redeemed against the duty payable on:

- 1 Accompanied baggage;
- 2 Unaccompanied baggage; or
- 3 Purchases from one of the duty free shops in Pakistan;

However, this cannot be redeemed against import of vehicles.

The redemption of the duty credit shall be endorsed by the customs official on the passport of the Foreign Exchange Card holder with the following details:

- 1 Date and flight number;
- 2 FERC No. date and place of issue;
- 3 Amount of credit available and amount of credit utilized;
- 4 Name and designation of the Customs officer;
- 5 Signature; and
- 6 Date and place of endorsement.

Duty free allowance for foreign nationals and tourists

Foreign nationals and tourists coming to Pakistan are entitled to following duty free allowance:

- Items of personal use (For details see page 4);
- One still camera and one video camera;
- Professional tools of the value not exceeding US \$ 500;
- One desktop computer in personal use (in lieu of one laptop computer in personal use);
- Other goods of the value not exceeding US \$ 100.

In addition, foreign nationals and tourists coming to Pakistan can avail the facility of temporary release (import) of any personal and professional tools, equipments, computers, cameras, video camera fitted with VCR or a video camera and VCR, without payment of customs duty.

An officer of Customs not below the rank of Superintendent may allow temporary release by making an endorsement to that effect on the passport or against a bank guarantee, for export within thirty days or return of the passenger, whichever is earlier.

The items released under the scheme of temporary release can not be sold in Pakistan and the passenger has to take such items out of Pakistan with him personally or may export the same on or before his/her departure from Pakistan.

Personal and house hold goods of a Pakistani national who dies abroad

Personal and house hold goods imported by the next-of-kin of a Pakistani national who dies abroad are exempt from payment of whole of customs-duty and taxes.

Outgoing passengers

Passengers departing Pakistan (Departures)

All outgoing passengers are allowed to take their personal baggage and household goods, and any other goods provided their export is not prohibited or restricted under the Customs Act, 1969, Import & Export (Control) Act, 1950 or under any other law for the time being in force.

TIPS for Travelers

Do's

- Make yourself aware of customs, quarantine regarding agriculture and wildlife etc, currency, trade policy, duty and other tax regulations. Only the most commonly asked situations have been explained in this brochure. Feel free to contact our nearest office for further guidance and information.
- Be aware that possession of drugs can result in heavy penalties in the shape of fines, imprisonment or even death penalty in some countries.
- Ask a customs officer if you are in doubt about the duty free or dutiable allowances applicable in your particular situation while filling in the incoming passengers card, given to you before arriving in Pakistan.
- Pack articles or goods in a way that it is easy to access for customs examination. This helps to speed up your clearance and save time.
- Have a safe and enjoyable trip.

Don'ts

- Carry articles or goods for other people. If you do and the articles or goods are prohibited or restricted, you will be held responsible.
- Believe you are "not the type" customs officers may select you and your baggage for detailed examination. For a number of reasons, selection should not be seen as a reflection on a person's integrity or character.
- Provide false or misleading information to customs. Penalties for false information (such as false receipts) are severe and may result in confiscation of your articles or goods.
- Break the law in any country.
- Expect that your unaccompanied baggage is entitled to the same duty and tax-free concessions as articles or goods in accompanied baggage.

Help us to prevent smuggling

If you have any information about illegally imported drugs, alcohol, obscene and subversive literature, items of intellectual property right infringement, arms and ammunition or articles or goods forming non bona-fide baggage, call

Karachi	+92-21-9248502
Islamabad	+92-51-9280421 +92-51-9280422
Lahore	+92-42-9240471 +92-42-9240472
Peshawar	+92-91-9210895
Multan	+92-61-0200379
Quetta	+92-81-880363
Faisalabad	+92-41-750964

If you have a complaint

Contact your local customs office at the port of your entry or exit. If the problem still persists, contact the collector, the head of customs for the region. If the Collector does not sort out your complaint, you can bring your complaint before the Member (Customs), Federal Board of Revenue or Chairman, Federal Board of Revenue.

Annex A

Some of the most common prohibited or banned articles or goods that cannot be imported into Pakistan

- Alcoholic beverages and other such items;
- Animal feed ingredients from BSE infected countries;
- Articles or goods, including their containers, bearing any words or inscription of a religious connotation or anti-Islamic or subversive literature;
- Counterfeit and pirated articles or goods;
- Edible product not fit for human consumption;
- Fireworks;
- Holy Quran translation without Arabic text;
- Indecent and obscene material;
- Items of intellectual property right infringement;
- Live animals from BSE infected countries;
- Pets (cats, dogs, fancy birds, etc.) unless certified by the National Veterinary Authority of the exporting country regarding BSE status; and
- Weapons, firearms, arms and ammunition of prohibited bore.

Some of the most common prohibited or banned articles or goods that cannot be exported from Pakistan

- Antiquities;
- Articles or goods in violation of Intellectual Property Rights;
- Chemicals (certain);
- Counterfeit and pirated articles or goods;
- Endangered species and those forbidden under CITES Convention;
- Fissionable material;
- Indecent and obscene material;
- Intoxication and intoxicating liquors; and
- Narcotics substances

Annex B

Some of the most common restricted articles or goods that cannot be imported into Pakistan

- Arms and Ammunition (non prohibited);
- Betel nuts (Areca);
- Bulletproof jackets.
- Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes which do not carry the warning 'smoking is injurious to health';
- Contaminated blood samples for laboratory test;
- Drugs and medicines (allopathic)
- Edible products with less than nine months or seventy five per cent of their shelf life;
- Fruits (fresh and dry);
- Human blood and its fractions;
- Live animals;
- Maps and hydrographic or similar charts of all kinds including atlases, wall maps, topographical plans and globes;
- Ozone depleting substances.
- Plants and their products (certain);
- Radiation apparatus;
- Radioactive material;
- Species of plants and parts thereof whether living or dead; and
- Transmission apparatus;

Some of the most common restricted articles or goods that cannot be exported from Pakistan

- Arms, ammunitions and explosives;
- Nuclear substances and radio active materials;
- Antiquities; and
- Endangered species of Wild Fauna and Flora;

Annex C

BAGGAGE DECLARATION FORM FOR UNACCOMPANIED BAGGAGE

Passenger's name and address

Passport No. and date of issue

Nationality

Profession

Date of arrival

No. of visits

Airway Bill/B.L No.

IGM No. & date

Index No.

No. of packages

Name and designation of examining officer

Sr. No	Description of goods	Qty	Value	Customs Duty	Sales Tax	Total Duty & Taxes
						Customs Duty <input type="text"/> Sales Tax <input type="text"/> Any other Tax <input type="text"/> Total amount payable <input type="text"/> Examined (In words) <input type="text"/> Pkgs <input type="text"/> Sign. & Stamp of Customs Officer <input type="text"/>
Out of Customs charge				Passenger/Agent's signature	Agent's name and C.H.A.L. No./Self clearance	
B.D./Machine No. & Date						