

Written by Shumaila Ahmed
Friday, 08 February 2013 09:55 -

LAHORE: The Lahore Chamber of Commerce (LCCI) and Industry has urged the Federal Board of Revenue (FBR) to immediately bring down the rate of sales tax to five percent from 16 percent on plastic moulding compound, said a statement. {loadposition content_adsense300}A 12-member delegation of Punjab Plastic Importers and Manufacturers Association called on LCCI President Farooq Iftikhar and informed him that the unchecked smuggling of plastic moulding compounds is not only causing a loss of Rs25 billion annually to the exchequer but is also causing the closure of plastic business in the country. They said that it is very surprising that on one hand the FBR authorities were playing arm-twisting with the existing taxpayers, while on the other hand smuggling is rapidly spreading under their watch and at the cost of the exchequer. The delegates said that the authorities concerned should immediately ban the import of polythene and polypropylene from Iran via land route as at present these products are available in the local market at Rs20 per kg below the imported price, which is damaging for local business. They said that the total import of plastic raw materials, polythene and polypropylene in 2011-2012 was about Rs75.5 billion. The importers pay advance tax at the port about 35 percent in lieu of duties and taxes and if the smuggling is not stopped, it would lead to a loss of a minimum Rs25 billion to the exchequer. Speaking on the occasion, LCCI President Farooq Iftikhar suggested to the Federal Board of Revenue to bring down the sales tax rate on plastic moulding compound to five percent instead of 16 percent to curb smuggling as it had already done in case of tea import.

◆

Courtesy: The News