


KARACHI : The Pakistan Leather Garments and Exporters Association has flayed increase in the GST rate to 17pc. Patron-in-chief Fawad Ijaz Khan and chairman PLGMEA M Danish Khan criticized the move. They maintained that the exporters are already burdened with increasing costs of inputs and severe electricity crisis and are finding it hard to meet their export commitments. Imposing new taxes or increasing tax rates for exporters will cripple their businesses and force closure leading to unemployment.

they opined.

Fawad was of the view that increasing withholding tax on exports to 1.5%, increasing GST rate to 17%, imposing 1% withholding tax on duty free imports and 0.3% withholding tax on cash withdrawals will cause increase in the costs of inputs.

Even 1% tax on exports is also high which will be more than the tax by normal companies if a comparison is made on net income basis, he opined.

Danish Khan maintained that the exports of leather garments are already showing a declining trend from April 2013.

Fawad Ijaz Khan urged the authorities to withdraw the decision of enhancement as according to him the exporters are already `over-burdened' with additional taxes.

Courtesy: ♦Nation