

**Government of Pakistan**  
**(Revenue Division)**  
**Federal Board of Revenue**  
\*\*\*\*\*

C. No.1(6)L&P/2021(Pt-B)

Islamabad, the 1<sup>st</sup> February, 2022.

**Circular No.01 of 2022**  
**(Customs)**

Subject: **Finance (Supplementary) Act, 2022 – Explanation of Amendments in the Customs Act, 1969**

Few amendments in the Customs Act, 1969 have been made through the Finance (Supplementary) Act, 2022 (**Annex-A**), which are explained as below:-

1. **Power to determine the customs value**

Under Section 25A of the Customs Act, 1969, both the Collector of Customs and the Director Valuation were authorized to determine the Customs Value of imported or exported goods on his own motion or on a reference made to him by any person after following the methods laid down in Section 25 of the Customs Act 1969. However, in order to bring uniformity, the role of Collector of Customs has been omitted and now the powers under section 25A have been entrusted with the respective Director of Customs Valuation to bring standardization in the process of fixation of values of goods.

2. **Review of the value determined**

The post of Member Customs (Policy) and the Director General of Customs Valuation are both administrative in nature. Therefore, on the principle of natural justice, amendment has been made in section 25D so that appeal against the decision of DG valuation should not lie before the Member Customs (Policy) and should be taken up at judicial fora to redress the grievances.

3. **Checking of goods declaration by the Customs**

Limiting the checking of goods declaration within three years of its clearance under Sub-section (1) of Section 83 of the Customs Act, 1969 is uncalled for as the time limit aspect has already been dealt under

Section 32 of the Customs Act, 1969. Accordingly, section 80 has been amended.

4. **Provisional determination of liability**

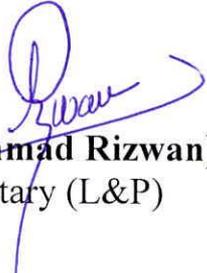
Corporate guarantee is the instrument in which the guarantor is the entity or the individual submitting the guarantee whereas in case of bank guarantee or pay order the issuing bank is the guarantor. In order to secure government revenue “Corporate Guarantee” has been omitted from section 81 of the Customs Act, 1969, retaining only bank guarantee and pay order for the purpose.

5. **Appeals to the Appellate Tribunal**

The powers of Member (Customs Policy) with regard to hearing of appeals against the decision/order of DG valuation has been withdrawn. Now, instead of filing appeal before the Member Customs (Policy) against the order/decision of DG Valuation, Section 194A has been amended so that the aggrieved party may file appeal before the Appellate Tribunal.

6. **Reference to High Court**

The amendment in this section 196 is the consequential effect of the amendment proposed in Section 25D of the Customs Act, 1969, whereby the powers of Member (Customs Policy) with regard to hearing of appeals against the decision/order of DG valuation have been omitted/withdrawn.

  
(Muhammad Rizwan)  
Secretary (L&P)