

**GOVERNMENT OF THE KHYBER PAKHTUNKHWA
EXCISE AND TAXATION DEPARTMENT.**

NOTIFICATION

Peshawar, dated the .02. 2014.

No. _____.-In exercise of the powers conferred by section 113 of the Khyber Pakhtunkhwa Finance Act, 2013 (Khyber Pakhtunkhwa Finance Act No. XXI of 2013), read with section 94 thereof, the Government of the Khyber Pakhtunkhwa is pleased to make the following rules, namely:

**THE KHYBER PAKHTUNKHWA COLLECTION OF CESS
FOR DEVELOPMENT AND MAINTENANCE OF THE INFRASTRUCTURE RULES,
2014.**

1. Short title and commencement.---(1) These rules may be called the Khyber Pakhtunkhwa Collection of Cess for Development and Maintenance of the Infrastructure Rules, 2014.

(2) They shall come into force at once.

2. Definitions.---In these rules unless the context otherwise requires,-

- (a) ‘**Act**’ means the Khyber Pakhtunkhwa Finance Act, 2013 (Khyber Pakhtunkhwa Act XXI of 2013);
- (b) ‘**cess**’ means the cess levied and collected under section 94 of the Act;
- (c) ‘**challan**’ means the challan obtained by the importer or exporter under rule 6 of these rules;
- (d) ‘**check post**’ means the surveillance or examination point of the Department and its authorized officers and other uniformed staff, or any designated place or staff, as the Department may declare through general or special order from time to time;

- (e) **‘collecting agent’** means an individual, a company, a firm or any department or agency of the Government engaged by the Department, to seek its assistance in implementation the purpose of these rules;
- (f) **‘Department’** means Excise and Taxation Department of the Government of the Khyber Pakhtunkhwa;
- (g) **‘Director General’** means the Director General of the Directorate of Excise and Taxation;
- (h) **‘exporter’** means an individual, organization, a company, association of persons or any foreign or local donor agency, or the carrier of goods in transit, as well as of any foreign military or defense body or establishment, not being the armed forces of Pakistan, which carries goods outside of the Province to another country in connection with trade, commerce, business concern, aid or military venture including their agents, sub-agents, other authorized persons;
- (i) **‘importer’** means an individual, organization, a company, association of persons or any foreign or local donor agency, or carrier of goods in transit, as well as any foreign military or defense body or establishment, not being the armed forces of Pakistan, which carries goods inside the Province from another country in connection with trade, commerce, business concern, aid or military venture including their agents, sub-agents, other authorized persons or the transporter or driver of the vehicle carrying goods;
- (j) **‘Province’** means the Province of the Khyber Pakhtunkhwa;
- (k) **‘Schedule’** means the Schedule appended to these rules;
- (l) **‘taxpayer facilitation centre’** means a facilitation desk, counter of office of the collecting agent including service centre listed in the Schedule-I;
- (m) **‘Treasury’** means a Treasury or Sub-Treasury of the State Bank of Pakistan or any other bank authorized to receive payment on behalf of Government;
- (n) **‘value’** means the price including cost, insurance, freight, customs duty, sales tax or any other levy determined by customs authorities in the Customs Goods Declaration Form or in absence of it, in the Bill of Lading of Goods being carried; and

Explanation: The value, as elaborated above, does not in any case limit, reduce or undermine the authority of the Department to calculate and

determine the value of goods for which they are neither Customs Goods Declaration Form nor any Bill of Lading is issued.

- (o) **‘warehouse’** means a warehouse, a dumping ground, a godown, a seizure place or any other premises, vicinity or place, declared as such by the Director General through general or special order.

3. Cess rate.---(1) The rate of cess shall be one per cent of the value of the goods, entering or leaving the Province from or for outside Country.

(2) Notwithstanding any thing contained in sub-rule (1), where the vehicle would be carrying goods for transit trade to another Country, they would be charged per vehicle at the rates as specified in the table below:

TABLE

S.No.	Vehicle Type.	Maximum Gross Weight (Tones).	Rate of cess in rupees.
1.	1.2	17.5	10,000/-
2.	1.22	27.5	20,000/-
3.	1.2-2	29.5	22,000/-
4.	1.2-22	39.5	30,000/-
5.	1.22-2	39.5	30,000/-
6.	1.22-22	49.5	35,000/-
7.	1.2-2-2	41.5	30,000/-
8.	1.2-2-22	51.5	35,000/-
9.	1.22-2-2	51.5	35,000/-
10.	1.22-2-22	61.5	50,000/-
11.	1.2-222	48.5	35,000/-
12.	1.22-222	58.5	45,000/-

4. Obtaining assistance of Collecting Agent.---(1) The Department may, through signing of a Contract seek an assistance of the collecting agent in automation, public support service, reporting, database maintenance, data warehousing and integration, networking, report generation, in whatever form desired by the Department, for such time and in such manner, as it is mutually agreed upon between the Department and the collecting agent:

Provided that the Department may, keeping in view the fitness of things and as per the terms of the Contract so signed with the collecting agent, may suspend, modify, amend or terminate any or all assigned functions of the collecting agent with alternate arrangement.

(2) The arrangement devised in sub-rule (1), shall be effective for such period of time as Government may deem fit.

5. Calculation and determination of value of goods.---(1) The calculation and determination of the value of the goods shall be the responsibility of the taxpayer facilitation centre using computerized system of the Federal Board of Revenue, Government of Pakistan, such as web-based computerized system of Customs, namely, WeBOC, or any other system or module adopted by it from time to time.

(2) Where the arrangement at sub-rule (1), can not be applied for any reason, the calculation and determination shall be undertaken by the Director General:

Provided that the assessment by the Director General in sub-rule (2), shall not be carried out in such a manner so that the resulting cess liability is arrived at below the rates specified in table at sub-rule (2) of rule 3.

(3) The Director General shall put the reason of such exercise into writing and provide a copy of that to the taxpayer facilitation centre and to the importer or the exporter, as the case may be.

(4) If for whatever reason the value has been misreported, underreported or non-reported in any preceding carriage of goods, the resulting short payment of cess, recovered shall be calculated and determined by the taxpayer facilitation centre in any subsequent carriage of goods with distinct reflection of the shortly paid amount in the challan printed subsequently.

6. Procedure for payment of cess.---(1) The importer or the exporter, as the case may be, shall obtain a challan of payment of cess from any of the taxpayer facilitation centre on any working day during routine working hours.

(2) The challan printed as per Schedule-II, shall be in quadruplicate, each serially numbered and coloured in green, pink blue and white respectively.

(3) Consequent to sub-rule (1), the importer or the exporter, as the case may be, shall approach the Treasury for deposit of the challan.

(4) The Treasury shall receive the amount reflected in the challan from the importer or the exporter, as the case may be, in cash for deposit in the relevant account head.

(5) Consequent to sub-rule (4), the green and pink copies of the challan shall be handed over to the importer or the exporter, as the case may be, while the blue and white copies shall be retained by the Treasury for respective records of the collecting agent and of its own.

(6) The importer or the exporter, as the case may be, shall provide a pink copy of the challan on any check post upon a demand.

(7) In case of failure of importer or exporter, as the case may be, to comply with sub-rule (6), the check post shall stop the vehicle carrying the goods and ask the importer or the exporter, as the case may be, to comply with the requirement of sub-rules (1) and (2).

(8) If the requirement of sub-rules (1) and (2) remains unfulfilled on the day the vehicle was stopped, or the day thereafter, the check post shall seize the goods alongwith vehicle carrying the goods in favour of Government.

(9) A godown shall be maintained by the Director General for the goods and of the vehicle carrying the goods, seized under sub-rule (8), till their final disposal.

(10) Consequent to sub-rule (8), the Director General shall issue a notice to the importer or the exporter, as the case may be, in the Form of notice as per Schedule-III, to comply with requirements of this rule, not later than seven days of the issue of notice:

Provided that, in case of compliance, to the foregoing notice, a penalty to the tune of rupees three thousand, for each day the payment was delayed, shall be charged in addition to the cess levied under rule 3 and an entry thereof shall be made in the challan, accordingly.

Explanation.---There would be charged no penalty during the first two days when the vehicle would be apprehended on road. However, the penalty provision would be invoked soon after the vehicle is brought to the godown and this would remain perpetual till the vehicle and goods are confiscated in favour of Government under sub-rule (14).

(11) In issuance of notice under sub-rule (10), the Director General may, according to his own best judgment, extend to the importer or the exporter, as the case may be, an opportunity of personal hearing on any specified day mentioned in the notice, not later than seven days of the issue of the notice.

(12) The proceedings and findings of the Director General in hearing conducted under sub-rule (11) shall be reduced to writing, a copy of which shall be invariably provided to the importer or the exporter, as the case may be.

(13) Subject to sub-rules (10), (11) and (12), the Director General may extend the due time of compliance of sub-rules (1) and (3), by further seven days along with the due penalty.

(14) In case of non-compliance of sub-rule (13), the Director General shall pass an order of confiscation of goods along with the vehicle carrying the goods in favour of Government.

(15) The goods and the vehicle confiscated under sub-rule (14) shall be disposed of through applicable disposal rules of the Government.

7. Appeal.---(1) An appeal against the order passed by the Director General, under sub-rule (14) of rule 6, may be filed before the Secretary of the Department, any time with in fifteen (15) days of the lapse of such order.

(2) The decision of the Secretary Department shall be final.

8. Confiscation.---The confiscation shall be undertaken by the Director General in such manner, and the realized amount in lieu of confiscation shall be deposited in the relevant account of the Government.

9. Scroll of transactions.---(1) The taxpayer facilitation centres shall generate scrolls of all transactions occurred and amount billed during a day, and amount realized by the Treasury in respect of previously billed amounts, by the end of the day.

(2) The scrolls generated under sub-rule (1), shall be printed and kept on record for subsequent information and examination of the Director General.

(3) The collecting agent shall also make available to the Director General, upon demand, a consolidated computerized copy of all scrolls generated during any day, in such form and manner as the Director General, may desire.

**SECRETARY TO
GOVERNMENT OF THE KHYBER PAKHTUNKHWA
EXCISE AND TAXATION DEPARTMENT.**

SCHEDULE-I

TAXPAYER FACILITATION CENTRES

[see clause (l) of rule 2]

S.No	Service Centre	Address
1.	Customs House	Jehangir Abad, University Road, Peshawar.
2.	Customs Dryport	Cantonment Railway Station in front of Kohat Road, Peshawar.
3.	Peshawar Airport	SAPS Cargo area, Bacha Khan International Airport, Peshawar.
4.	General Post Office Peshawar	General Post Office, Main Peshawar Cantonment, Peshawar.
5.	Torkham Pass	Torkham Customs Station, Torkham, Khyber Agency.
6.	Ghulam Khan	Ghulam Khan Bazar, North Waziristan Agency
7.	Tank	Tank Bazaar, South Waziristan Agency
8.	Shaheedano Dhand	Shaheedano Dhand, Kurram Agency.
9.	Kharlachi	Kharlachi, Kurram Agency.
10.	Burki	Burki, Kurram Agency.
11.	Trimengal	Trimengal, Kurram Agency.
12.	Haripur	Main GT Road, Near Jail Road, Haripur.
13.	Gadoon	Gadoon Industrial Estate, Gadoon Amazai.
14.	Shabqadar	Shabqadar Main Bazaar, Shabqadar.

SCHEDULE-II

FORM OF CHALLAN

[see Rule 6(2)]

Head of Account: B-03030 Infrastructure Cess

Date: _____

Challan Number: _____

B/F GD Number: _____

GD Date: _____

C/E Cash Number: C-KAPI _____

Payment Date: _____

Importer/Exporter
Name: _____

Importer/Exporter Address: _____

Clearing
Agent: _____

Number of containers: _____

Assessed Value: _____

Gross Weight: _____

Net Weight: _____

CESS Weight: _____

Amount charged on Distance: _____

Penalty (if any):) _____

Total cess amount (Net): _____

For Bank Use

Bank scroll Number: _____

Amount Received: _____

Pay order Rs. _____

Cash Rs. _____

SCHEDULE-III

FORM OF NOTICE

[See Rule 6(10)]

Date: _____

Notice Number: _____

Importer/Exporter name: _____

Importer/Exporter Address: _____

GD Date: _____

Bill of Lading date and description: _____

Number of vehicle apprehended: _____

Payment due date: _____

Importer/Exporter Name Address:

Dear _____,

Whereas it has been learnt that the vehicle number above was carrying goods for/from _____, was seized the _____ check post of (or other place) _____ for reason of non payment of Cess under Khyber Pakhtunkhwa Finance Act, 2013 and rules _____.

You are hereby, directed to deposit Rs. _____ along with a fine of Rs. _____ in the account number _____ located at _____ vide challans No. _____ as per the requirement of rule 7(2) of above rules, failing which the goods and the vehicle shall be seized to the favour of the Government of Khyber Pakhtunkhwa under rules ibid.

If you have any explanation in this regard, you may approach the undersigned on date _____ at _____ (place) at _____ hours.

**DIRECTOR GENERAL
KHYBER PAKHTUNKHWA
REVENUE AUTHORITY.**

