

PRESS RELEASE

FTO ORDERS CUSTOMS AUTHORITIES FOR IMMEDIATE DISPOSAL 8522 LOTS OF AUCTIONABLE GOODS/VEHICLES

In a land mark findings, the Federal Tax Ombudsman in pursuance of an Own Motion investigation has ordered the Customs authorities to clear the 8522 pending auctionable lots within two months. Member Customs (Operations) was further directed to personally monitor the compliance of above directions and initiate disciplinary proceedings against the Collectors/Directors who fail to comply with the above directions.

Reportedly, the own motion investigations were initiated by the Federal Tax Ombudsman on the reports regarding large quantity of confiscated or otherwise uncleared goods and vehicles laying un-disposed at Customs formations all over the country, involving stuck up revenue of billions of rupees. The Customs Laws, Rules, Customs General Orders (CGOs) and instructions provide for expeditious disposal and auctions of such goods and vehicles, however, the Customs authorities are not disposing these goods and vehicles having tampered and non-tampered chassis numbers as required under the law.

The data pertaining to the un-disposed lots ripe for auction was collected for the analysis purposes by FTO which revealed that a total of 8522 lots are un-disposed and still pending in auction. The reason intimated by FBR, was that satisfactory bids have not been received against the reserve price fixed for these lots. So much so that at certain Customs Collectorates, the goods/vehicles have been offered for auction upto 40 times but still not disposed of. In addition to this alarming pendency in case of auctionable lots, other non-auctionable goods and cut & weld/tempered vehicles are also not being disposed of. The above has resulted into non realization of huge government revenue and piling up of un-disposed goods ripe for auction at various Customs Warehouses across the country.

FTO has directed the FBR to do away with the huge pendency of auctionable goods/vehicles within 60 days. Furthermore, Member Customs (Operations) is to personally monitor the above activity and

disciplinary action to be initiated under E&D rules 2020 against the Collectors/Directors who fails to comply this direction.

FTO also ordered Customs field offices to ensure that Collectors/Directors get the reserve price of the lots revised after every three consecutive auctions, if found undisposed and incorporation of provision to this effect under the Rule 58(2A) of the Customs Rules. FTO also ordered Chief (F&C) Customs to circulate the lists of tempered/ cut & weld vehicles to all other departments on monthly basis for allotment under the Customs procedures along with the inclusion of registered Philanthropic Organizations of good standing, for allocation of these vehicles in pursuance of their philanthropic activities.