

**UNIVERSAL
SELF-ASSESSMENT UNDER
THE INCOME TAX ORDINANCE, 2001
TAX YEAR 2015**

**By Muhammad Naeem Shah
Advocate Supreme Court of Pakistan**

1) **SCOPE OF THE SCHEME**

Section 120 (1)(2):

- 1) Where a taxpayer has furnished a complete return of income (other than a revised return under sub-section (6) of section 114) for a tax year ending on or after the 1st day of July, 2002.-
 - a) the Commissioner shall be taken to have made an assessment of taxable income for that tax year, and the tax due thereon, equal to those respective amounts specified in the return; and
 - b) the return shall be taken for all purposes of this Ordinance to be an assessment order issued to the taxpayer by the Commissioner on the day the return was furnished.
- (1A) Notwithstanding the provisions of sub-section (1), the Commissioner may (conduct audit of the income tax affairs of a person) under section 177 and all the provisions of that section shall apply accordingly.
- 2) A return of income shall be taken to be complete if it is in accordance with the provisions of sub-section (2) of section 114.

Section 114(2A):

- 2) A return of income:-
 - a) shall be in the prescribed form and shall be accompanied by such annexures, statements or documents as may be prescribed;
 - b) shall fully state all the relevant particulars or information as specified in the form of return, including a declaration of the records kept by the taxpayers.
 - c) shall be signed by the person, being an individual, or the person's representative where section 172 applies.

- d) shall be accompanied with evidence of payment of due tax as per return of Income; and
 - e) shall be accompanied with a wealth statement as required under section 116;
- (2A) A return of income filed electronically on the web or any magnetic media or any other computer readable media as may be specified by the Board shall also be deemed to be a return for the purpose of sub-section (1); and the Board may, by notification in the official Gazette, make rules for determining eligibility of the data of such returns and e-intermediaries who will digitize the data of such returns and transmit the same electronically to the Income Tax Department under their digital signatures [and other matters relating to electronic filling of Returns, statements or documents etc].

2) **REQUIREMENTS OF A RETURN**

Rule 34 sub-rule (2)(3)(4):

- (2) A return of income as required to be furnished under section 114 shall be in the form specified in Annexure-XIII of part VI of the second schedule:
- (3) A return of income shall be verified in the manner specified in the form.
- (4) A return of income shall be accompanied by the following namely:-
 - (a) Applicable documents;
 - (b) Statements;
 - (c) Certificates;
 - (d) Annexes; and
 - (e) In case of Companies, the return of Income shall be accompanied by audited accounts and reconciliation of profit as per accounts and taxable Income as declared in return.

(NOTE)

Every resident Taxpayer being an Individual/ member of AOP shall furnish a Wealth Statement/ Reconciliation alongwith Return of Income.

3) **SHORT DOCUMENT NOTICE**

Section 120 (3)(4)(5)(6)

- 3) Where the return of income furnished is not complete, the Commissioner shall issue a notice to the taxpayer informing him of the deficiencies (other than incorrect amount of tax payable on taxable income, as specified in the return, or short payment of tax payable) and directing him to provide such information, particulars, statement or documents by such date specified in the notice.
- 4) Where a taxpayer fails to fully comply, by the due date, with the requirements of the notice under sub-section (3), the return furnished shall be treated as an invalid return as if it had not been furnished.
- 5) Where, in response to a notice under sub-section (3), the taxpayer has, by the due date, fully complied with the requirements of the notice, the return furnished shall be treated to be complete on the day it was furnished and the provisions of sub-section (1) shall apply accordingly.
- 6) No notice under sub-section (3) shall be issued after the expiry of one hundred and eighty days from the end of the financial year in which return was furnished, and the provisions of sub-section (1) shall apply accordingly.

4) **SELECTION FOR AUDIT**

Section 177.

- 1) The Commissioner may call for any record or documents including books of accounts maintained under this Ordinance or any other law for the time being in force for conducting audit of the income tax affairs of the person and where such record or documents have been kept on electronic data, the person shall allow access to the Commissioner or the officer authorized by the Commissioner for use of machine and software on which such data is kept and the Commissioner or the officer may have access to the required information and data and duly attested hard copies of such information or data for the purpose of investigation and proceedings under this Ordinance in respect of such person or any other person:

Provided that—

- (a) the Commissioner may, after recording reasons in writing call for record or documents including books of accounts of the taxpayer; and

- (b) the reasons shall be communicated to the taxpayer while calling record or documents including books of accounts of the taxpayer:

Provided further that the Commissioner shall not call for record or documents of the taxpayer after expiry of six years from the end of the tax year to which they relate.

- 2) After obtaining the record of a person under sub-section (1) or where necessary record is not maintained, the Commissioner shall conduct an audit of the income tax affairs (including examination of accounts and records, enquiry into expenditure, assets and liabilities) of that person or any other person and may call for such other information and documents as he may deem appropriate.
- 6) After completion of the audit, the commissioner may, if considered necessary, after obtaining taxpayer's explanation on all the issues raised in the audit, amend the assessment under sub-section (1) or sub-section (4) of section 122, as the case may be.
- 7) The fact that a person has been audited in a year shall not preclude the person from being audited again in the next and following years where there are reasonable grounds of such audits.
- 8) The Board or the Commissioner may appoint a firm of Chartered accounts as defined under the Chartered Accountants Ordinance, 1961 (X of 1961) or a firm of Cost and Management Accountants as defined under the Cost and Management Accounts Act, 1966 (XIV of 1966), to conduct an audit of the income tax affairs of any person or classes of persons and the scope of such audit shall be as determined by the Board or the Commissioner on a case to case basis.
- 9) Any person employed by a firm referred to in sub-section (8) may authorized by the Commissioner, in writing, to exercise the powers in sections 175 and 176 for the purposes of conducting an audit under that sub-section.
- 10) Notwithstanding anything contained in sub-sections (2) and (6) where a person fails to produce before the Commissioner or a firm of Chartered Accountants or a firm of Cost and Management Accountants appointed by the Board or the Commissioner under sub-section (8) to conduct an audit, any accounts, documents and records, required to be maintained under section 174 or any other relevant documents, electronically kept record, electronic machine or any other evidence that may be required by the Commissioner or the firm of Chartered Accountants or the firm of Cost and

Management Accountants for the purpose of audit or determination of income and tax due thereon, the Commissioner may proceed to make best judgment assessment under section 121 of this Ordinance and the assessment treated to have been made on the basis of return or revised return filed by the taxpayer shall be of no legal effect.

- 11) The board may appoint as many special audit panels as may be necessary, comprising two or more members from the following:-
- (a) An officer or officers of Inland Revenue;
 - (b) A firm of Chartered Accountants as defined under the Chartered Accountants Ordinance, 1961 (X of 1961);
 - (c) A firm of cost and management accountants as defined under the Cost and Management Accountants Act, 1966 (XIV of 1966); or
 - (d) Any other person as directed by the Board to conduct an audit, including a forensic audit, of the Income Tax affairs of any person or classes of persons and the scope of such audit shall be as determined by the Board or the Commissioner on case-to-case basis.
- 12) Special audit panel under sub-section (1) shall be headed by a Chairman who shall be an officer of Inland Revenue.
- 13) Power under sections 175 and 176 for the purposes of conducting an audit under sub-section (11), shall only be exercised by an officers of Inland Revenue, who are members of the special audit panel, and authorized by the Commissioner.
- 14) Notwithstanding anything contained in sub-sections (2) and (6), where a person fails to produce before the Commissioner or a special audit panel undersub-section(11) to conduct an audit, any accounts, documents and records, required to maintain under section 174 or any other relevant document, electronically kept record, electronic machine or any other evidence that may be required by the Commissioner or the panel, the Commissioner may processed to make best judgment assessment under section 121 and the assessment treated to have been made on the basis of return or revised return filed by the taxpayer shall be of no legal effects.

- 15) If any one member of the special audit panel, other than the Chairman, is absent from conducting an audit, the proceedings of the audit may continue, and the audit conducted by the special audit panel shall not be invalid or be called in question merely on the ground of such absence.
- 16) Functions performed by an officer or officers of Inland Revenue as members of the special audit panel, for conducting audit, shall be treated to have been performed by special audit panel.
- 17) The Board may prescribe the mode and manner constitution, procedure and working of the special audit panel.;

Explanation:- For the removal of doubt, it is declared that the powers of the Commissioner under this section are independent of the powers of the Board under section 214C and nothing contained in section 214C restricts the powers of the Commissioner to call for the record or documents including books of accounts of a taxpayer for audit and to conduct audit under this section.

5) **SELECTION FOR AUDIT BY THE BOARD**

Section 214C.

- 1) The Board may select person or classes of persons for audit of Income Tax affairs through computer ballot which may be random or parametric as the Board may deem fit.
- 1A) Notwithstanding anything contained in this ordinance or any law, for the time being enforce, the Board shall keep the parameters confidential”.; and
- 2) Audit of Income Tax affairs of persons selected under sub-section (1) shall be conducted as per procedure given in section 177 and all the provisions of the Ordinance, except the first proviso to sub-section (1) of section 177, shall apply accordingly.
- 3) For the removal of doubt it is hereby declared that Board shall be deemed always to have had the power to select any persons or classes of persons for audit of Income Tax affairs.

“Explanation:- For the removal of doubt, it is declared that the powers of the Commissioner under section 177 are independent of the powers of the Board under this section and nothing contained in this section restricts the power of the Commissioner to call for the record of document

including books of accounts of taxpayer for audit and to conduct audit under section 177.”

214D. Automatic Selection of Audit- (1) A person shall be automatically selected for audit of its income tax affairs for a tax year, of –

- (a) The return is not filed within the date it is required to be filed as specified in section 118, or, as the case may be, not filed within the time extended by the Board under section 214A or further extended for a period not exceeding thirty days by the Commissioner under section 119; or
- (b) The tax payable under sub-section (1) of section 137 has not been paid.

(2) Audit of Income Tax affairs of persons automatically selected under sub-section (1) shall be conducted as per procedure given in section 177 and all the provisions of this ordinance shall apply accordingly;

Provided that audit proceedings shall only be initiated after the expiry of ninety days from the date as mentioned in sub section (1) and-

(3) Subject to section 182, 205 and 214C, sub section (1) shall not apply if the person files the return within ninety days from the date as mentioned in sub section (1) and –

- a. Twenty-five percent higher tax, than the tax paid during immediately preceding tax year has been paid by a person on the basis of taxable income and had declared taxable income in the return for immediately preceding tax year; or
- b. Tax at the rate of two percent of the turnover or the tax payable under part 1 of the first schedule whichever is higher, has been paid by a person alongwith the return and in the immediately preceding tax year has either not filed a return or had declared income below taxable limit:

Provided that where return has been filed for the immediately preceding tax year, turnover declared for the immediately preceding tax year.

- (4) The provisions of sub-section (1) and sections 177 and 214C shall not apply, for a tax year, to a person registered as retailers under rule (4) of the Sales Tax Procedure Rules, 2007 subject to the condition that name of the person registered under rule (4) of the Sales Tax Special Procedure Rules, 2007 remained on the Sales Tax active taxpayer's list throughout the tax year.
- (5) Sub-section (4) shall have effect from the date as the Board may, by notification in the official Gazette, appoint.

WITH COMPLEMENTS FROM

**PAKISTAN RESEARCH INSTITUTE OF TAXATION
SYED HOUSE, 51/A-2, LAWRENCE ROAD, LAHORE.
PH:0423-6301435-36, 6155596-97, 6301434 (FAX)
Email: pakistanresearchinstitute@hotmail.com**

THE READY INCOME TAX CARD TAX YEAR 2015

◆ RATES OF TAX FOR INDIVIDUALS AND AOP's, (First Schedule Part-I)

Income Slab	Rate of Tax
Upto Rs.400,000	0%
Rs.400,001 – Rs.750,000	10% of the amount exceeding Rs. 400,000
Rs.750,001 – Rs.1,500,000	Rs. 35000 + 15% of the amount exceeding Rs.750,000
Rs.1,500,001 – Rs.2,500,000	147,500 + 20% of the amount exceeding Rs. 1,500,000
Rs. 2,500,001 – Rs. 4,000,000	Rs. 347500 + 25% of the amount exceeding Rs. 2,500,000
Rs. 4,000,001 – Rs. 6,000,000	Rs. 722,500 + 30% of the amount exceeding Rs. 4,000,000
Above Rs. 6,000,000	Rs.1,322,500 + 35% of the amount exceeding Rs. 6,000,000

◆ RATES OF TAX FOR SALARIED INDIVIDUALS (First Schedule Part-I)

In the case of a Salaried taxpayer, being a person having salary in excess of 50% of his taxable income, the rates of tax chargeable from the Tax Year 2015 as follows:-

Income Slab	Rate of Tax
Upto Rs.400,000	0%
Rs.400,001 – 750,000	5% to the amount exceeding Rs.400,000
Rs. 750,001 – 14,00,000	Rs. 17,500 +10% of the amount exceeding Rs. 750,000
Rs.1,400,000- Rs. 1,500,000	Rs. 82,500+ 12.5% of the amount exceeding Rs. 1,400,000
Rs.1,500,001 – Rs. 1,800,000	Rs.95000 +15% of the amount exceeding Rs. 1,500,000
Rs.1,800,001 – Rs.2,500,000	Rs.140,000 +17.5% of the amount exceeding Rs. 1,800,000/-
Rs. 2,500,000 – Rs. 3,000,000	Rs. 262,500 + 20% of the amount exceeding Rs. 2,500,000
Rs. 3,000,001 – Rs. 3,500,000	Rs. 362,500 + 22.5% of the amount exceeding Rs. 3,000,000
Rs. 3,500,001 – 4,000,000	Rs.475,000 + 25% of the amount exceeding Rs. 3,500,000
Rs.4,000,001 – Rs. 7,000,000	Rs.600,000 + 27.5% of the amount exceeding Rs. 4,000,000
Above 7,000,000	Rs.1,425,000 + 30% of the amount exceeding Rs. 7,000,000

◆ REBATE FOR TEACHERS & RESEARCHERS POSTED IN GOVT. INSTITUTIONS. (Second Schedule Part-III, Clause-2)

The tax payable by a full time teacher or a researcher, employed in a non profit education or research institution duly recognized by Higher Education Commission, a Board of Education or a University recognized by the Higher Education Commission, including government training and research institution, shall be reduced by an amount equal to 40% of tax payable on his income from salary.

◆ MINIMUM TAX ON CERTAIN PERSONS (Section 113) Division IX of Part-I of First Schedule.

Type	Rate of Tax
i) Oil, Poultry, Pakistan Airlines	0.5%
ii) Distributors of Pharma, Fertilizer, Cigarettes, petroleum Agents, Rice Mills, Flour Mills.	0.2 %
iii) Motorcycle Dealers	0.25%
iv) All other Cases	1%

◆ MINIMUM TAX ON BUILDERS (Section 113-A)

Type	Rate of Tax
Income from Business of Construction and Sale of Residential, Commercial or other Building	Rs. 25/- Per Sq Ft (Minimum Tax)

◆ MINIMUM TAX ON LAND DEVELOPERS (Section 113-B)

Type	Rate of Tax
Income from Business of Development and Sale of Residential, Commercial and other Plots.	Rs. 50/- Per Sq Yd (Minimum Tax)

◆ CAPITAL GAIN ON DISPOSABLE OF IMMOVABLE PROPERTY (SEC-37/A)

Type	Rate of Tax %
• Where Holding Period is up to one year	10%
• Where Holding period is more than one year but not more than two years	5%
• Where Holding Period is more than two years	0%

◆ CAPITAL GAINS ON DISPOSAL OF SECURITIES (First Schedule Part-I, Division-VII)

Type	Rate of Tax %
• Where holding period of a security less than twelve months	12.5%
• Where holding period of a security is twelve months or more but less than twenty four months.	10%
• Where holding period of a security is twenty four months or more.	0%

◆ SENIOR CITIZEN ALLOWANCE (Clause (IB) of Part I of First Schedule)

A Tax rebate of 50% is available to senior citizen/disabled Person having CNIC as such, if their Income does not exceeds Rs. 1,000,000/-

◆ RATES OF TAX FOR COMPANIES (First Schedule part-I, Division II)

The rate of Tax for Companies falling under various categories are as under:-

Type	Rate of Tax %
• Public Company other than a banking company	33%
• Private Company other than Banking Company	33%
• Banking Company	35%
• Small Company	25%

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THE READY INCOME TAX CARD TAX YEAR 2016

◆ RATES OF TAX FOR INDIVIDUALS AND AOP's, (First Schedule Part-I)

Income Slab	Rate of Tax
Upto Rs.400,000	0%
Rs.400,001 – Rs.500,000	7% of the amount exceeding Rs. 400,000
Rs.500,001 – Rs.750,000	Rs. 7,000 + 10% of the amount exceeding Rs. 500,000
Rs.750,001 – Rs.1,500,000	Rs. 32,000 + 15% of the amount exceeding Rs.750,000
Rs.1,500,001 – Rs.2,500,000	Rs.144,500 + 20% of the amount exceeding Rs. 1,500,000
Rs. 2,500,001 – Rs. 4,000,000	Rs. 344,500 + 25% of the amount exceeding Rs. 2,500,000
Rs. 4,000,001 – Rs. 6,000,000	Rs. 719,500 + 30% of the amount exceeding Rs. 4,000,000
Above Rs. 6,000,000	Rs.1,319,500 + 35% of the amount exceeding Rs. 6,000,000

◆ RATES OF TAX FOR SALARIED INDIVIDUALS (First Schedule Part-I)

In the case of a Salaried taxpayer, being a person having salary in excess of 50% of his taxable income, the rates of tax chargeable from the Tax Year 2016 as follows:-

Income Slab	Rate of Tax
Upto Rs.400,000	0%
Rs.400,001 – 500,000	2% of the amount exceeding Rs. 400,000
Rs.500,001 – 750,000	Rs. 2,000+ 5% of the amount exceeding Rs.500,000
Rs. 750,001 – 14,00,000	Rs. 14,500 +10% of the amount exceeding Rs. 750,000
Rs.1,400,000- Rs. 1,500,000	Rs. 79,500+ 12.5% of the amount exceeding Rs. 1,400,000
Rs.1,500,001 – Rs. 1,800,000	Rs.92000 +15% of the amount exceeding Rs. 1,500,000
Rs.1,800,001 – Rs.2,500,000	Rs.137,000 +17.5% of the amount exceeding Rs. 1,800,000/-
Rs. 2,500,000 – Rs. 3,000,000	Rs. 259,500 + 20% of the amount exceeding Rs. 2,500,000
Rs. 3,000,001 – Rs. 3,500,000	Rs. 359,500 + 22.5% of the amount exceeding Rs. 3,000,000
Rs. 3,500,001 – 4,000,000	Rs.472,000 + 25% of the amount exceeding Rs. 3,500,000
Rs.4,000,001 – Rs. 7,000,000	Rs.597,000 + 27.5% of the amount exceeding Rs. 4,000,000
Above 7,000,000	Rs.1,422,000 + 30% of the amount exceeding Rs. 7,000,000

◆ REBATE FOR TEACHERS & RESEARCHERS POSTED IN GOVT. INSTITUTIONS. (Second Schedule Part-III, Clause-2)

The tax payable by a full time teacher or a researcher, employed in a non profit education or research institution duly recognized by Higher Education Commission, a Board of Education or a University recognized by the Higher Education Commission, including government training and research institution, shall be reduced by an amount equal to 40% of tax payable on his income from salary.

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◆ MINIMUM TAX ON CERTAIN PERSONS (Section 113) Division IX of Part-I of First Schedule.

Type	Rate of Tax
i) Oil, Poultry, Pakistan Airlines	0.5%
ii) Distributors of Pharma, Fertilizer, Cigarettes, petroleum Agents, Rice Mills, Flour Mills.	0.2 %
iii) Motorcycle Dealers	0.25%
iv) All other Cases	1%

◆ MINIMUM TAX ON BUILDERS (Section 113-A)

Type	Rate of Tax
Income from Business of Construction and Sale of Residential, Commercial or other Building	Rs. 25/- Per Sq Ft (Minimum Tax)

(Operation of this clause suspended till 30th June 2018)

◆ MINIMUM TAX ON LAND DEVELOPERS (Section 113-B)

Type	Rate of Tax
Income from Business of Development and Sale of Residential, Commercial and other Plots.	2% of the Value of Land

◆ CAPITAL GAIN ON DISPOSABLE OF IMMOVABLE PROPERTY (SEC-37/A)

Type	Rate of Tax %
• Where Holding Period is up to one year	10%
• Where Holding period is more than one year but not more than two years	5%
• Where Holding Period is more than two years	0%

◆ CAPITAL GAINS ON DISPOSAL OF SECURITIES (First Schedule Part-I, Division-VII)

Type	Rate of Tax %
• Where holding period of a security less than twelve months	15%
• Where holding period of a security is twelve months or more but less than twenty four months.	12.5%
• Where holding period of a security is twenty four months or more but less than four years	7.5%
• Where holding period is more than four years	0%

◆ SENIOR CITIZEN ALLOWANCE (Clause (IB) of Part I of First Schedule)

A Tax rebate of 50% is available to senior citizen/disabled Person having CNIC as such, if their Income does not exceeds Rs. 1,000,000/-

◆ RATES OF TAX FOR COMPANIES (First Schedule part-I, Division II)

The rate of tax for companies falling under various categories are as under:-

Type	Rate of Tax %
• Public Company other than a banking company	32%
• Private Company other than Banking Company	32%
• Banking Company	35%
• Small Company	25%

WITH COMPLEMENTS FROM

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SYED HOUSE, 51/A-2, LAWRENCE ROAD, LAHORE.
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Email: pakistanresearchinstitute@hotmail.com

INCOME TAX ORDINANCE 2001
TAX YEAR 2016
DEDUCTION OF TAX AT SOURCE

Sec.	Nature of Payments	Tax Rates	Remarks	Adjustable or Final Discharge
148	<ul style="list-style-type: none"> ▪ Imports under S.R.O 1125 (1) 2011 dated 31-12-2011. ▪ Import Pulses ▪ Commercial Imports under S.R.O 1125(1)/2011 dated 31-12-2011. ▪ Import of Ship Breakers on import of ships ▪ Import by other Industrial Undertakings not covered above. ▪ Import by Companies not covered above. ▪ Import by persons not covered above. ▪ Import of Foreign Produced Films 	<ul style="list-style-type: none"> ▪ 1% (Non Filers 1.5%) ▪ 2% (Non Filers 3%) ▪ 3% (Non Filers 4.5%) ▪ 4.5% (Non Filers 6.5%) ▪ 5.5% (Non Filers 8%) ▪ 5.5% (Non Filers 8%) ▪ 6% (Non Filers 9%) ▪ 12% - 		<ul style="list-style-type: none"> ▪ Final but Adjustable for own Industrial Use. Final ▪ Final ▪ Final ▪ Final ▪ Final ▪ Final ▪ Adjustable
149	Salary Income	As Per Division I, Part I of First Schedule		▪ Adjustable
150	Dividend	<ul style="list-style-type: none"> ▪ 12.5% (17.5 % for Non Filer) ▪ 7.5% for Power Generation 	10% in case of Mutual Funds	Final discharge
151	<ul style="list-style-type: none"> ▪ Profit or yield under National Saving Scheme. ▪ Profit on accounts maintained with banks and financial institutions. ▪ Bonds, Certificates, Debenture issued by a Banking Company or Financial Institution ▪ Profit on any Security issued by Federal Govt. Provincial Govt. or Local Authority 	10% (17.5% for Non Filer)	<ul style="list-style-type: none"> ▪ After Deduction of Zakat ▪ In case of companies it is Adjustable. ▪ See section 7B for progressive Tax Regime for profit on Debt for non corporate Taxpayers. 	Final discharge
152	Payment to non-residents on royalties or fees for technical services.	15%	---	Final discharge
152	Payment made to non-resident media Person on account of Advertisement Services	<ul style="list-style-type: none"> ▪ Companies 10% (Non Filers 12%) ▪ Others 10% (Non Filers 15%) 	---	Final Discharge
152	<ul style="list-style-type: none"> ▪ Payment of Insurance premium to a 	<ul style="list-style-type: none"> ▪ 5% (Subject to written approval of CIR) 	---	<ul style="list-style-type: none"> ▪ Final discharge

	Non-Resident Person ▪ Any other payment (other than above) to a non-resident person	▪ 20%		▪ Final Discharge
152	Payment to non-resident Person having permanent establishment in Pakistan. ▪ For Sales of Goods ▪ For Transport Services ▪ Rendering Services ▪ Execution of a Contract	▪ 4.5% (Companies 4%) ▪ 2% ▪ 10% (Companies 8%) ▪ 7.5% (Companies 7%)	▪ Non Filers 6.5% (Companies 6%) ▪ - ▪ Non Filers 15% Companies 12% ▪ Non Filers 10% Companies 10%	▪ Final Discharge ▪ Adjustable ▪ Adjustable ▪ Final Discharge (Adjustable if opts for out of FTR)
153	Every Prescribed Person ▪ Sale of Rice, Cotton seed, Edible Oils ▪ Sale of any other goods ▪ For Transport services ▪ For other services ▪ Execution of a contract (except listed Coys) ▪ Payment of services of stitching, dyeing, printing, washing, sizing and wearing. ▪ Contracts of Sports Person ▪ Distributors of Cigarettes & Pharmaceuticals	▪ 1.5% ▪ 4.5% (4% in Case of Companies) ▪ 2% ▪ 10% (8% in case of Companies) ▪ 7.5% (7% in Case of Companies) ▪ 1% ▪ 10% ▪ 1%	▪ Non Filers 6.5% (Companies 6%) ▪ - ▪ Non Filers 15% (Companies 12%) ▪ Non Filers 10% (Companies 10%)	▪ Final discharge ▪ Final discharge(Adjustable if opts for out of FTR) ▪ Adjustable ▪ Minimum Tax ▪ Final discharge ▪ Final discharge ▪ Final Discharge ▪ Final Discharge
153-A	Tax collected by a Manufacturer from Traders and Distributors at the time of Sale	1%		Final
154	Exports	1%	---	Final discharge (Adjustable if opts out of FTR)
154(2)	Indenting Commission	5%	---	Final Discharge
155	Rent of house property (including furniture, fixture & services).	(As per Part III, Division V of 1 st Schedule)	15% in case of Companies	Adjustable
156	Prize and Winning	15%	---	Final discharge
156(1)	Prize on Prize Bonds	15%	---	Final discharge
156(1)	Raffle, Lottery, Quiz, Prize for Promotion of Sales, Cross Words Puzzle	20%	---	Final discharge
156-A	Commission or Discount to Petrol Pumps	12%	---	Final discharge
231-A	Cash withdrawal Exceeding Rs.50,000/-	0.3% (For Non Filers 0.6%)	---	Adjustable
231-AA	Sale against cash of any instrument D.D, P.O, CDR, SIDR, SDR, RTC exceeding Rs.50,000/-	0.3% (For Non Filer 0.6%)	Rates reduced to 0.3% w.e.f 11-07-2015 to 30-09-2015	Adjustable
231-B	Advance Tax on purchase, Registration and Transfer of Motor Vehicle	(As per Division VII of Part IV of First Schedule)	---	Adjustable
233	Commission and Brokerage	12% (For Non Filers 15%)	---	Final discharge
233-A	Members of Stock Exchange		---	

	(a) On Purchase of Share (b) On Sale of Shares (c) Trading of Shares by members (d) Financing of Carryover Trades	(a) 0.01% of Purchase Value (b) 0.01% of Sale Value (c) 0.01% of Traded Value (d) 10% of Carryover Charge		a) Adjustable b) Adjustable c) Adjustable d) Adjustable
233-AA	Collection of Tax by NCCL	10%	On Margin Finance by Member Stock Exchange	Adjustable
234	Tax on Motor Vehicles (i) Goods Transport vehicles. (ii) Private Motorcars. (iii) Passenger Transport/Vehicle plying for hire having seating capacity 4 or more. (iv) Collect in Lump sum	(i) Five Rupee per Kg. of Laden Weight (ii) Rs.1,000 to Rs.12,000/- (iii) Rs.25/- to Rs.500/- per seat (iv) Rs. 10,000/- to Rs. 120,000	(ii) For Non Filers Rs. 1000/- To 24,000/- (iv) For non Filers Rs. 10,000/- To Rs. 240,000/-	(i) Adjustable (ii) Adjustable (iii) Adjustable (iv) Adjustable
234-A	CNG Station	4%	---	Final Discharge
235	Electricity Consumption	<ul style="list-style-type: none"> ▪ 10% for Commercial Consumers (If Bill exceeds Rs. 20,000/- P.m) ▪ 5% for Industrial Consumers (if Bill exceeds Rs. 20,000/- P.m ▪ 7.5% for Domestic Consumers (if Bill exceeds Rs. 75,000/- 	---	<ul style="list-style-type: none"> • Adjustable in case of company. • Minimum tax upto bill amount of Rs.30,000/- per month for taxpayers other than company. • Adjustable if bill amount is above Rs.30,000/- per month for taxpayers others than company.
236	Telephone user (a) Upon Mobile and pre-paid cards (b) Post Paid Telephone Bills	(a) 14% (b) 10% of the amount of bill where bill exceeds Rs.1,000/-	<ul style="list-style-type: none"> ▪ 14% on Internet Bills/Cards 	Adjustable Adjustable
236-A	Advance Tax at the time of Sale by Auction	<ul style="list-style-type: none"> ▪ 10% of the Gross Value of Auction Amount 	---	Adjustable.
236-B	Advance Tax on purchase of domestic Air Tickets.	<ul style="list-style-type: none"> ▪ 5% of the Gross amount of Air Ticket 	---	Adjustable.
236-C	Tax to be collected at the time of Registration of Sale or Transfer of an Immovable Property.	<ul style="list-style-type: none"> ▪ 0.5% (1% for Non Filers) 		Adjustable
236-D	Advance Tax on Functions and Gatherings	5%	If Food service is provided by any other person 5% tax be collected from the Person.	Adjustable
236-E	Advance Tax on Foreign Produced Films/Plays	Rs. 100,000/- Per Episode on Drama Serial	Rs. 100,000/- on Single Episode	Adjustable
236-F	Advance Tax on Cable Operators and another Electronic Media.	<ul style="list-style-type: none"> ▪ 7500 to 875,500 ▪ 10,000 to 900,000 ▪ 20% (As per Div XIII, Part IV of 1st Schedule) 	<ul style="list-style-type: none"> ▪ At the time of obtaining License ▪ At the time of Renewal ▪ At the time of Collection of Permission Fee or renewal fee by PEMRA 	Adjustable
236-G	Sale to Distributors by every manufacturer/ commercial importer	<ul style="list-style-type: none"> ▪ Fertilizer 0.7% (1.4% for Non Fillers) ▪ Others 0.1% (0.2% for Non Fillers) 	On the Gross amount of Sales by manufacturer and Commercial	Adjustable

			Importers of Specified Items	
236-H	Sale to Retailers by every manufacture, Importer and Distributors.	0.5%	By manufacturers, Distributors, dealers, wholesalers and Commercial Importers of Specified Items.	Adjustable
236-I	Collection of Tax on Fee of Educational Institutions	0.5%	Where the Annual Fee exceeds Rs. 200,000/-	Adjustable
236-J	Advance Tax on Dealers Commission Agents and Arhatis	5,000 To 10,000	By market Committee at the time of Issuance/ Renewal of License.	Adjustable
236-K	Purchase/ Transfer of Immovable Property	<ul style="list-style-type: none"> ▪ Upto 3 Million 0% ▪ More than 3 Million 1% ▪ For Non Filler 2% 		Adjustable
236-L	International Air Ticket	<ul style="list-style-type: none"> ▪ First Class Rs. 16,000/- ▪ Club Class Rs. 12,000/- 		Adjustable
236-M	<ul style="list-style-type: none"> ▪ Every Company quoted on Stock Exchange issuing Bonus Shares ▪ Every Company not quoted on Stock Exchange issuing Bonus Shares 	<ul style="list-style-type: none"> ▪ 5% ▪ 5% 		<ul style="list-style-type: none"> ▪ Final Discharge ▪ Final Discharge
236-N	Bonus Shares issued by Companies not quoted on Stock Exchange	<ul style="list-style-type: none"> ▪ 5% 	---	<ul style="list-style-type: none"> ▪ Final Discharge
236-P	Advance Tax on Banking Transaction otherwise than Cash	0.6 %	At the time of any instrument or at the time of transfer of any Sum. Rate reduced to 0.3% w.e.f 11-07-2015 to 30-09-2015.	Adjustable
236-Q	Payment for use of Machinery and Equipments	10%	-	Final Discharge
236-R	Collection of Advance Tax on Education related Expenses remitted abroad.	5%	-	Adjustable
236-S	Dividend in Specie	<ul style="list-style-type: none"> ▪ 12% (Filer) ▪ 17.5% (Non Filer) 	-	Final Discharge
236-T	Collection of Tax by Pakistan Mercantile Exchange Ltd	0.05%	On Sale and Purchase of Future Commodity Contracts	Adjustable

37-A	Capital Gain arising on Disposal of Securities <ul style="list-style-type: none"> ▪ Where holding period is 12 Months ▪ Where holding period is 12 to 24 months. ▪ Where holding period is 2 years up to 4 Years. ▪ More Than 4 years 	<ul style="list-style-type: none"> ▪ 15% ▪ 12.5% ▪ 7.5% ▪ 0% 	<ul style="list-style-type: none"> --- --- --- 	<ul style="list-style-type: none"> ▪ Final Discharge ▪ Final Discharge ▪ Final Discharge ▪ Final Discharge
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WITH COMPLEMENTS FROM
PAKISTAN RESEARCH INSTITUTE OF TAXATION
SYED HOUSE, 51/A-2, LAWRENCE ROAD, LAHORE.
PH:0423-6301435-36, 6155596-97, 6301434 (FAX)
Email: pakistanresearchinstitute@hotmail.com

INCOME TAX ORDINANCE 2001
TAX YEAR 2015
DEDUCTION OF TAX AT SOURCE

Sec.	Nature of Payments	Tax Rates	Remarks	Adjustable or Final Discharge
148	<ul style="list-style-type: none"> ▪ Imports under S.R.O 1125 (1) 2011 dated 31-12-2011. ▪ Import Pulses ▪ Commercial Imports under S.R.O 1125(1)/2011 dated 31-12-2011. ▪ Import of Ship Breakers on import of ships ▪ Import by other Industrial Undertakings not covered above. ▪ Import by Companies not covered above. ▪ Import by persons not covered above. ▪ Import of Foreign Produced Films 	<ul style="list-style-type: none"> ▪ 1% ▪ 2% ▪ 3% ▪ 4.5% ▪ 5.5% ▪ 5.5% ▪ 6% ▪ 12% 		<ul style="list-style-type: none"> ▪ Final but Adjustable for own Industrial Use. Final ▪ Final ▪ Final ▪ Final ▪ Final ▪ Final ▪ Adjustable
149	Salary Income	<ul style="list-style-type: none"> ▪ As Per Division I of Part I of First Schedule 		<ul style="list-style-type: none"> ▪ Adjustable
150	Dividend	<ul style="list-style-type: none"> ▪ 10% (15 % for Non Filer) ▪ 7.5% for Power Generation 	---	Final discharge
151	<ul style="list-style-type: none"> ▪ Profit or yield under National Saving Scheme. ▪ Profit on accounts maintained with banks and financial institutions. ▪ Bonds, Certificates, Debenture issued by a Banking Company or Financial Institution ▪ Profit on any Security issued by Federal Govt. Provincial Govt. or Local Authority 	<ul style="list-style-type: none"> ▪ 10% (15% for Non Filer) 	<ul style="list-style-type: none"> ▪ After Deduction of Zakat ▪ In case of companies it is Adjustable. 	Final discharge
152	Payment to non-residents on royalties or fees for technical services.	15%	---	Final discharge
152	Payment made to non-resident media Person on account of Advertisement Services	10%	---	Final Discharge
152	<ul style="list-style-type: none"> ▪ Payment to a non-resident on execution of a contract. 	<ul style="list-style-type: none"> ▪ 6% 	---	<ul style="list-style-type: none"> ▪ Final discharge

	<ul style="list-style-type: none"> ▪ Payment of insurance premium to a non-resident person ▪ Any other payment (other than above) to a non-resident person 	<ul style="list-style-type: none"> ▪ 5% (Subject to written approval of CIR) ▪ 20% 		<ul style="list-style-type: none"> ▪ Final discharge ▪ Final Discharge
152	Payment to non-resident Person having permanent establishment in Pakistan. <ul style="list-style-type: none"> ▪ For Sales of Goods ▪ For Transport Services ▪ Rendering Services ▪ Execution of a Contract 	<ul style="list-style-type: none"> ▪ 3.5% ▪ 2% ▪ 6% ▪ 6% 		<ul style="list-style-type: none"> ▪ Final Discharge ▪ Adjustable ▪ Adjustable ▪ Final Discharge (Adjustable if opts for out of FTR)
153	Every prescribed person <ul style="list-style-type: none"> ▪ Sale of Rice, Cotton seed, Edible Oils ▪ Sale of any other goods ▪ For Transport services ▪ For other services ▪ Execution of a contract (except listed Coys) ▪ Payment of services of stitching, dyeing, printing, washing, sizing and wearing. ▪ Contracts of Sports Person ▪ Distributors of Cigarettes & Pharmaceuticals 	<ul style="list-style-type: none"> ▪ 1.5% ▪ 4.5% (4% in Case of Companies) ▪ 2% ▪ 10% (8% in case of Companies) ▪ 7.5% (7% in Case of Companies) ▪ 1% ▪ 10% ▪ 1% 	Sale of Goods by manufacturer in case of individual and AOP Final Discharge in case of Company adjustable.	<ul style="list-style-type: none"> ▪ Final discharge ▪ Final discharge(Adjustable if opts for out of FTR) ▪ Adjustable ▪ Minimum Tax ▪ Final discharge ▪ Final discharge ▪ Final Discharge ▪ Final Discharge
153-A	Tax collected by a Manufacturer from Traders and Distributors at the time of Sale	1%		Final
154	Exports	1%	---	Final discharge (Adjustable if opts out of FTR)
154(2)	Indenting Commission	5%	---	Final Discharge
155	Rent of house property (including furniture, fixture & services).	10% to 15% (As per Part IV, Division V of 1 st Schedule)	15% in case of Companies	Adjustable
156	Prize and Winning	15%	---	Final discharge
156(1)	Prize on Prize Bonds	15%	---	Final discharge
156(1)	Raffle, Lottery, Quiz, Prize for Promotion of Sales, Cross Words Puzzle	20%	---	Final discharge
156-A	Commission or Discount to Petrol Pumps	12%	---	Final discharge
231-A	Cash withdrawal Exceeding Rs.50,000/-	0.3% (For Non Filers 0.5%)	---	Adjustable
231-AA	Sale against cash of any instrument D.D, P.O, CDR, SIDR, SDR, RTC exceeding Rs.25,000/-	0.3% (For Non Filer 0.5%)	---	Adjustable
231-B	Purchase of Motor Car and Jeeps	(As per Division VII of Part IV of First Schedule)	---	Adjustable
233(1)	Commission and Brokerage	12% (7.5% on Advertisement Commission)	---	Final discharge

233-A	Members of Stock Exchange (e) On Purchase of Share (f) On Sale of Shares (g) Trading of Shares by members (h) Financing of Carryover Trades	(e) 0.01% of Purchase Value (f) 0.01% of Sale Value (g) 0.01% of Traded Value (h) 10% of Carryover Charge	---	e) Adjustable f) Adjustable g) Adjustable h) Adjustable
233-AA	Collection of Tax by NCCL	10%	On Margin Finance by Member Stock Exchange	Adjustable
234	Tax on Motor Vehicles (v) Goods Transport vehicles. (vi) Private Motorcars. (vii) Passenger Transport/Vehicle plying for hire having seating capacity 4 or more. (viii) Collect in Lump sum	(v) Five Rupee per Kg. of Laden Weight (vi) Rs.1,000 to Rs.12,000/- (vii) Rs.25/- to Rs.500/- per seat (viii)Rs. 10,000/- to Rs. 120,000	(iii) For Non Filers Rs. 1000/- To 24,000/- (v) For non Filers Rs. 10,000/- To Rs. 240,000/-	(v) Adjustable (vi) Adjustable (vii) Adjustable (viii) Adjustable
234-A	CNG Station	4%	---	Final Discharge
235	Electricity Consumption	<ul style="list-style-type: none"> ▪ 10% for Commercial Consumers (If Bill exceeds Rs. 20,000/- P.m) ▪ 5% for Industrial Consumers (if Bill exceeds Rs. 20,000/- P.m ▪ 7.5% for Domestic Consumers (if Bill exceeds 1 Lac p.m 	---	<ul style="list-style-type: none"> • Adjustable in case of company. • Minimum tax upto bill amount of Rs.30,000/- per month for taxpayers other than company. • Adjustable if bill amount is above Rs.30,000/- per month for taxpayers others than company.
236	Telephone user (a) Upon Mobile and pre-paid cards (b) Post Paid Telephone Bills	(a) 14% (b) 10% of the amount of bill where bill exceeds Rs.1,000/-	---	Adjustable Adjustable
236-A	Advance Tax at the time of Sale by Auction	<ul style="list-style-type: none"> ▪ 10% of the Gross Value of Auction Amount 	---	Adjustable.
236-B	Advance Tax on purchase of domestic Air Tickets.	<ul style="list-style-type: none"> ▪ 5% of the Gross amount of Air Ticket 	---	Adjustable.
236-C	Tax to be collected at the time of Registration of Sale or Transfer of an Immovable Property.	<ul style="list-style-type: none"> ▪ 0.5% (1% for Non Filers) 		Adjustable
236-D	Advance Tax on Functions and Gatherings	5%	If Food service is provided by any other person 5% tax be collected from the Person.	Adjustable
236-E	Advance Tax on Foreign Produced Films/Plays	Rs. 100,000/- Per Episode on Drama Serial	Rs. 100,000/- on Single Episode	Adjustable
236-F	Advance Tax on Cable Operators and another Electronic Media.	<ul style="list-style-type: none"> ▪ 7500 to 875,500 ▪ 10,000 to 900,000 ▪ 20% (As per Div XIII, Part IV of 1st Schedule) 	<ul style="list-style-type: none"> ▪ At the time of obtaining License ▪ At the time of Renewal ▪ At the time of Collection of Permission Fee or renewal fee by PEMRA 	Adjustable
236-G	Sale to Distributors by every	<ul style="list-style-type: none"> ▪ Fertilizer 0.2% (0.4% for Non Fillers) 	On the Gross amount of Sales by	

	manufacturer/ commercial importer	▪ Others 0.1% (0.2% for Non Fillers)	manufacturer and Commercial Importers of Specified Items	Adjustable
236-H	Sale to Retailers by every manufacture, Importer and Distributors.	0.5%	By manufacturers, Distributors, dealers, wholesalers and Commercial Importers of Specified Items.	Adjustable
236-I	Collection of Tax on Fee of Educational Institutions	0.5%	Where the Annual Fee exceeds Rs. 200,000/-	Adjustable
236-J	Advance Tax on Dealers Commission Agents and Arhatis	5,000 To 10,000	By market Committee at the time of Issuance/ Renewal of License.	Adjustable
236-K	Purchase/ Transfer of Immovable Property	▪ Upto 3 Million 0% ▪ More than 3 Million 1% ▪ For Non Filler 2%		Adjustable
236-L	International Air Ticket	▪ Economy 0% ▪ Other than Economy 4%		Adjsutable
236-M	▪ Every Company quoted on Stock Exchange issuing Bonus Shares ▪ Every Company not quoted on Stock Exchange issuing Bonus Share.	▪ 5% ▪ 5%		▪ Final Discharge ▪ Final Discharge
37-A	Capital Gain arising on Disposal of Securities ▪ Where holding period is less than 6 Months ▪ Where holding period is more than 6 Months but less than 12 Months. ▪ Where Holding Period is 12 Months or more but less than Twenty Four Months. ▪ Where holding Period is more than 24 months.	▪ 12.5% ▪ 12.5% ▪ 10% ▪ 0%	--- --- ---	▪ Adjustable ▪ Adjustable ▪ Adjustable ▪ Adjustable

WITH COMPLEMENTS FROM
PAKISTAN RESEARCH INSTITUTE OF TAXATION
SYED HOUSE, 51/A-2, LAWRENCE ROAD, LAHORE.
PH:0423-6301435-36, 6155596-97, 6301434 (FAX)
Email: pakistanresearchinstitute@hotmail.com