

Government of Pakistan
Revenue Division
Federal Board of Revenue

4(25)IT-Budget/2018-Pt

Islamabad, the 20th May, 2019

Subject: **Assets Declaration (Procedure and Conditions) Rules, 2019 – for Objections and Suggestions**

The draft Assets Declaration (Procedure and Conditions) Rules, 2019 is uploaded on FBR's web portal for objections and suggestions by any person, if any, which may be provided **on or before the 22nd May, 2019** to Federal Board of Revenue including through—

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(Ajaz Hussain)
Secretary (Income Tax Budget)

Draft Assets Declaration (Procedure and Conditions) Rules, 2019

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NOTIFICATION
(Assets Declaration)

S.R.O. (I)/2019.— in exercise of the powers conferred by section 15 of the Assets Declaration Ordinance, 2019, the Board is pleased to make the following rules, namely:—

- 1. Short title and commencement.**— (1) These rules may be called the

Assets Declaration (Procedure and Conditions) Rules, 2019.

(2) They shall come into force at once.

2. Definitions.— (1) In these rules, unless there is anything repugnant in subject or context,—

(a) “Board” shall have the same meaning as defined in clause (8) of section 2 of the Income Tax Ordinance, 2001 (XLIX of 2001);

(b) “Ordinance” means the Assets Declaration Ordinance, 2019;

(c) “Value of assets” means value as per section 5 of the Ordinance as on the date of declaration;

(d) “Officer of Inland Revenue” shall have the same meaning as defined in clause (38A) of section 2 of the Income Tax Ordinance, 2001 (XLIX of 2001) or clause (18) of section 2 of the Sales Tax Act, 1990 or clause (12) of section 2 of the Federal Excise Act, 2005.

(2) All other words and expressions used but not defined in these rules shall have the same meaning assigned thereto under the Income Tax Ordinance, 2001 (XLIX of 2001), the Sales Tax Act, 1990, the Federal Excise Act, 2005, or the *Benami* Transactions (Prohibition) Act, 2017(V of 2017) and the rules made thereunder.

3. Manner of filing declaration.— The declaration shall be filed on the form specified on the web portal of Board.

4. Conditions for making declaration.— (1) For the purposes of incorporation of undisclosed assets and undisclosed expenditure declared under the Ordinance,—

(a) where income tax return for tax year 2018 has not been filed, the declarant shall, along with the declaration or such date as extended by the Board, file—

(i) income tax return for the tax year 2018; and

(ii) wealth statement or financial statement, as the case may be, as on 30th June, 2018.

(b) Where income return for tax year 2018 has been filed under the provisions of the Income Tax Ordinance, 2001 (XLIX of 2001), the declarant shall, along with the declaration or such date as extended by the Board, revise—

- (i) income tax return and financial statement filed for tax year 2018, if the declarant is a company; or
- (ii) wealth statement, if the declarant is an individual or an association of persons.

(2) Where a person declares undisclosed sales in terms of section 3, he shall declare the undisclosed sales subject to the Sales Tax Act, 1990 and the Federal Excise Act, 2005 from July, 2014 to June 2018, in the first sales tax and federal excise return, due after the declaration.

(3) For the purposes of sections 3 and 4 of the Ordinance, in case of payment of tax on foreign assets,—

- (a) the value of such assets shall be declared in respective foreign currency on Board's web portal;
- (b) tax shall be paid in foreign currency as per procedure specified by the State Bank of Pakistan at the rate specified under the Ordinance; and
- (c) in case of tax payment after the 30th June, 2019, liability of tax and default surcharge shall be paid in foreign currency as per procedure specified by the State Bank of Pakistan and will be calculated in Pak Rupees at an exchange rate prevailing on the date of payment.

(4) For the purposes of clause (d) of section 8 of the Ordinance, in case of foreign assets not being repatriated into Pakistan, if such assets represent cash or any other bearer assets, the same or its proceeds shall be deposited and retained in a foreign Bank Account of the declarant till the 30th June, 2019 and bank statement as evidence thereof, shall be provided by the 30th July, 2019 or such date as extended by the Board.

5. Payment of tax for original demand.— For the purposes of sub-section (4) of section 6 of the Ordinance, default surcharge and penalty shall not apply if,—

- (a) tax determined by an Officer of Inland Revenue in the original order, is paid up to the 30th June, 2019; and
- (b) such original order or an appellate order passed against such original order has not yet attained finality.

EXPLANATION.— An original order passed by an Officer of Inland

Revenue or an appellate order passed by an appellate authority shall be taken to be final if no right of appeal has been provided against such orders or no appeal has been filed within the time limit prescribed under the applicable laws against such orders.

6. Payment of tax under other laws.— For the purposes of sections 4, 12 and 16 of the Ordinance, where the declarant has paid tax under the Ordinance, no tax shall be payable by the declarant under the Income Tax Ordinance, 2001 (XLIX of 2001), the Sales Tax Act, 1990 and Federal Excise Act, 2005 in respect of such undisclosed assets, undisclosed expenditure or undisclosed sales.

7. Revision of declaration.— Any person who having filed a declaration hereinafter referred to as the “original declaration” discovers any omission, mistakes, computational error or wrong statement therein may file revised declaration within the due date specified in section 3 of the Ordinance subject to the condition that the value of assets and the tax paid thereon shall not be decreased.

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