

PROPOSED TAX CARD

Tax Year 2011

For Client and Staff Use

| <u>TAX RATES FOR INDIVIDUALS OTHER THAN SALARIED PERSON</u> | | | <u>TAX RATES FOR SALARIED CLASS</u> | | |
|---|----------|--|-------------------------------------|----------|--|
| Income group | Tax Rate | | Income group | Tax Rate | |
| Up to Rs. 300,000 | 0% | | Up to Rs. 300,000 | 0% | |
| Rs. 300,001 to Rs. 400,000 | 7.5% | | Rs. 300,001 to Rs. 350,000 | 0.75% | |
| Rs. 400,001 to Rs. 500,000 | 10.0% | | Rs. 350,001 to Rs. 400,000 | 1.50% | |
| Rs. 500,001 to Rs. 600,000 | 12.5% | | Rs. 400,001 to Rs. 450,000 | 2.50% | |
| Rs. 600,001 to Rs. 800,000 | 15.0% | | Rs. 450,001 to Rs. 550,000 | 3.50% | |
| Rs. 800,001 to Rs. 1,000,000 | 17.5% | | Rs. 550,001 to Rs. 650,000 | 4.50% | |
| Rs. 1,000,001 to Rs. 1,300,000 | 21.0% | | Rs. 650,001 to Rs. 750,000 | 6.0% | |
| Rs. 1,300,001 to above | 25.0% | | Rs. 750,001 to Rs. 900,000 | 7.5% | |
| | | | Rs. 900,001 to Rs. 1,050,000 | 9.0% | |
| | | | Rs. 1,050,001 to Rs. 1,200,000 | 10.0% | |
| | | | Rs. 1,200,001 to Rs. 1,450,000 | 11.0% | |
| | | | Rs. 1,450,001 to Rs. 1,700,000 | 12.5% | |
| | | | Rs. 1,700,001 to Rs. 1,950,000 | 14.0% | |
| | | | Rs. 1,950,001 to Rs. 2,250,000 | 15.0% | |
| | | | Rs. 2,250,001 to Rs. 2,850,000 | 16.0% | |
| | | | Rs. 2,850,001 to Rs. 3,550,000 | 17.5% | |
| | | | Rs. 3,550,001 to above | 18.5% | |
| | | | Rs. 4,550,001 to above | 20.0% | |

| <u>TAX RATES FOR IND & AOP-RENTAL INCOME</u> | | |
|--|-----------------------------------|------|
| Up to Rs. 150,000/- | NIL | |
| Rs. 150,001 to Rs. 400,000/- | 5% | |
| Rs. 400,001 to Rs. 1,000,000/- | Rs. 12,500/- and exceeding amount | 7.5% |
| Rs. 1,000,001 and above | Rs. 57,500/- and exceeding amount | 10% |

| <u>TAX RATES FOR COMPANIES-RENTAL INCOME</u> | | |
|--|-----------------------------------|------|
| Rs. 1 to Rs. 400,000/- | 5% | |
| Rs. 400,001 to Rs. 1,000,000/- | Rs. 20,000/- and exceeding amount | 7.5% |
| Rs. 1,000,001 and above | Rs. 65,000/- and exceeding amount | 10% |

The calculation of marginal relief will be made in accordance with existing provisions of Part I of Division I of Second Schedule

| <u>CAPITAL GAIN ON SALE OF SECURITIES</u> | | |
|--|----------|-------|
| Period | Tax year | Rate |
| 1. Where holding period of a security is less than six months. | 2010 | 10.0% |
| | 2011 | 10.0% |
| | 2012 | 12.5% |
| | 2013 | 15.0% |
| 2. Where holding period of a security is more than six months but less than twelve months. | 2014 | 17.5% |
| | 2010 | 7.5% |
| | 2011 | 8.0% |
| | 2012 | 8.5% |
| | 2013 | 9.0% |
| | 2014 | 9.5% |
| | 2015 | 10% |

The taxable property income shall be taxed under the above prescribed tax rates.

| <u>RATES OF ADVANCE TAX ON SALE OF SECURITIES</u> | | |
|--|-------|--|
| Period | Rate | |
| 1. Where holding period of a security is less than six months. | 2% | |
| 2. Where holding period of a security is more than six months but less than twelve months. | 1.50% | |

| <u>TAX RATES FOR IND & AOP UNDER SECTION 155</u> | | |
|--|-----------------------------------|------|
| Up to Rs. 150,000/- | NIL | |
| Rs. 150,001 to Rs. 400,000/- | 5% | |
| Rs. 400,001 to Rs. 1,000,000/- | Rs. 12,500/- and exceeding amount | 7.5% |
| Rs. 1,000,001 and above | Rs. 57,500/- and exceeding amount | 10% |

| <u>TAX RATES FOR COMPANIES UNDER SECTION 155</u> | | |
|--|-----------------------------------|-----|
| Upto Rs. 1 to Rs. 400,000/- | 5% | |
| Rs. 400,001 to Rs. 1,000,000/- | Rs. 20,000/- and exceeding amount | 10% |
| Rs. 1,000,001 and above | Rs. 65,000/- and exceeding amount | 10% |

- Special tax rebate of 50% of the tax payable shall be allowed for the assessee of 60 years of age or above and earning income upto Rs. 1,000,000/- per annum.

- The rate of tax as prescribed by section 113A for qualifying under PTR is one percent of the Turnover, provided the turnover does not exceed 5 Million, per annum. The said immunity is not for the benefit of share limited companies.

- The rate of tax as prescribed by section 113B for qualifying under PTR are given as under:

| | |
|-------------------------|---|
| From Rs. 1 to Rs. 5 M | Rs. 25,000/- |
| From Rs. 5M to Rs. 10M | 25000+0.5% of the turnover exceeding Rs. 5M |
| From Rs. 10 M and above | Rs. 50,000/-+ 0.75% of the turnover exceeding Rs. 10M |

| <u>RATES FOR DEDUCTION OF TAX AT SOURCE</u> | |
|--|------|
| Particulars | Rate |
| - Other dividend income | 10% |
| - Raffle, lottery, prize or winning a quiz or , Sales promotion schemes | 20% |
| - Yield on a National Saving Deposit Certificate, including a Defense Saving Certificate, under the National Saving Scheme. | 10% |
| - Interest on an account or deposits with banks / financial institutions | 10% |
| - Profit on any security issued by the Federal Government, a Provincial Government or a local authority to any person other than a financial institution. | 10% |
| - Profit on any bond, certificate, debenture, security or instrument of any kind (not a loan agreement between a borrower and a banking company or a development finance institution) by a banking company, financial institution, finance society or a company as defined in the 2001 Ordinance, other than to a financial institution. | 10% |
| - Brokerage & Commission | 10% |
| - On Export of Raw Cotton and Cotton Yarn | 1% |
| - Brokerage & Commission-for Travel and Insurance Agents | 10% |
| - On Contracts of all types | 6% |
| - Telephone Bills/Prepaid payphone Cards | 10% |
| - Cash withdrawal from Bank | 0.3% |
| - Supply of Rice, Cotton and Cotton seed | 1.5% |
| - Telephone and mobile subscriber exceeding bill Rs. 1000/- | 10% |
| - Other supplies | 3.5% |
| - Imports other than following | 5% |
| - DAP Phosphate | 5% |
| - Plant and Machinery | 0% |
| - On gas consumption charges of CNG Stations | 4% |
| - Services rendered: | |
| - Transport Services | 2% |
| - Other Services | 6% |
| - Payments to non-residents for execution of | |
| - Turnkey Contract | 6% |
| - Contract, Sub-Contract for the design, Construction or supply of plant & equipment: | |
| - Under a hydel power project or a transmission line project | 6% |
| - Under any other power project | 6% |
| - Any other contract: | 6% |
| - Advertisement by the Private TV Channels | 6% |
| - Petroleum Products | 10% |
| - Royalties / Fee for technical services | 15% |
| - Local purchase of edible oil | 4% |
| - Purchase of Air Ticket | 5% |
| - On payment to non residents other than salary, dividend, supplies, services, execution of contracts, property, prize money, winning from raffles, lottery or cross word puzzles. | 20% |
| - Payment to non resident media person | 10% |

Other rates

| | |
|----------------------------------|---------------|
| - On Sale and purchase of shares | 0.01% |
| - On purchase of motor vehicle | |
| Engine capacity | Amount |
| Upto Rs. 850cc | Rs. 7,500/- |
| 851 cc to 1000cc | Rs. 10,500/- |
| 1001 cc to 1300cc | Rs. 16,875/- |
| 1301 cc to 1600cc | Rs. 16,875/- |
| 1601 cc to 1800cc | Rs. 22,500/- |
| 1801 cc to 2000cc | Rs. 16,875/- |
| 2000 and above | Rs. 50,000/- |

Rates for Builders and Developers

In case of Building Rs. 50/- per Sq. Ft
In case of Land Rs. 100/- per Sq. yard

| <u>COMPANIES AND AOPs</u> | | |
|--|-----------------|------|
| | <u>TAX YEAR</u> | |
| | 2010 | 2011 |
| Rate of tax for small company | 20% | 25% |
| Rate of tax for all kinds of companies | 35% | 35% |
| Rate of tax for all kinds of AOPs | 25% | 25% |

| <u>RATE OF TAX ON SHIPPING OR AIR TRANSPORT</u> | |
|---|--|
| The rate of tax imposed under section 7 shall be: | |
| - In the case of shipping 8% of the gross amount received or receivable; | |
| - In the case of air transport 3% of the gross amount received or receivable; | |

| <u>RATES OF APPEAL FEE</u> | |
|---|---------------|
| Stage | Appeal Fee |
| Commissioner (Appeals)/Addl. Commissioner | - Rs. 2,000 |
| Income Tax Appellate Tribunal. | - Rs. 2,000/- |

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