

A large, stylized graphic consisting of two thick, dark blue curved lines that form a wide arch, framing the central text.

# TAX DIGEST 2013-14

**J.A.S.B. & Associates**  
Chartered Accountants

## TAX DIGEST

2013-14

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### PREAMBLE

The purpose of this digest is to facilitate the readers about changes made by the Finance Act 2013 including rectification/additions in changes proposed in Finance Bill 2013.

This document also summarizes provision with respect to the salary taxation including average rate of tax on salary and withholding tax and has been prepared for the guidance and information of our clients and staff only.

It is recommended that while considering the application of the amendments/provisions discussed here-in-after, reference should be made to the specific wordings of the relevant statute.

The digest can also be accessed and downloaded from [www.jasb-associates.com](http://www.jasb-associates.com)

**J.A.S.B. & Associates**

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**July 10, 2013**

*For your feedback and queries....*

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**VOTE OF THANKS**

We would like to sincerely thank the team JASB for putting in round the clock efforts to make this Tax Digest 2013-14 possible in such a short time. We hope and believe that this document would assist our clients and team members in better understanding and evaluation of the Budget proposals. As part of our strategy for continuous improvement, we would appreciate feedback on the document.

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### 1. SALIENT FEATURES OF FINANCE ACT, 2013

#### INCOME TAX

- New income and tax slabs proposed for non-salaried individuals, salaried individuals and AOPs;
- In case of non-salaried individuals and AOP, the taxable income exceeding Rs. 6 million is now to be taxed at 35%;
- In case of salaried individual maximum tax at rate of 30% on taxable income exceeding Rs. 7 million will be applicable while marginal relief has been withdrawn;
- Tax rate is 34% for the Tax Year 2014 for companies other than banking companies;
- Income from Property will be taxed at rates applicable on taxpayer. Separate rate of taxes on Income from Property has been withdrawn. Certain deductions and reversals are allowed.
- Corporate dividend income is brought under the Final Tax Regime;
- Initial allowance on plant & machinery has been reduced from 50% to 25%;
- Rate of minimum tax on turnover has been increased to one percent;
- Retailers will continue be taxed at the rate specified.
- Members of Chamber of Commerce and Industry, trade or any business association, any Market Committee or any professional body including PEC, PMDC, ICAP and ICMAP made liable to file return of income;
- Banks are required to share information of its customers who have been declared as tax invaders or defaulters by the Competent Authority or court of law.
- Computerized National Identity Card of individuals will now be used as National Tax Number;
- Filing of wealth tax statements shall be made effective from Tax Year 2013;
- Tax at the rate of 10% is will be charged on profit/ interest on margin financing, margin trading and securities lending;
- Advance tax at the rate of 10% is charged on commercial functions & gatherings including food;
- Advance tax on import stage is increased from 5% to 5.5% for all taxpayers other than Companies and Industrial undertakings which remain be taxed at 5%;
- Withholding tax on supply of goods , services and contracts is enhanced to 4%,7% and 6.5% respectively for all persons other Companies. In case of Companies the tax rates shall remain same as before;
- Advance tax at the rate of 12% of value of film will be charged on Foreign produced films
- Advance tax on Foreign Produced TV Plays and Serials will be charged at specified rates;
- Advance tax is charged on cable and other electronic media at such rates as specified;
- Withholding tax rate on prize bonds or cross-puzzle shall remain 10%, which seems an apparent mistake and needs clarification;

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- Rate of advance tax on cash withdrawals is increased to 0.3% from 0.2%;
- Exemption of free or concessional passage provided to employees by the transporters and airlines is limited to the extent of amount equal to basic salary;
- Exemption available to universities and educational institutions stands is withdrawn. However, income of a university or other educational institutions being run by a non-profit organization existing solely for educational purposes and not for purposes of profit shall be exempted.
- Exemption on dividend in specie is withdrawn;
- Reduction in tax liability available to full time teachers and researchers has been decreased from 75% to 40%;
- The rate of tax on subscriber of mobile phone and pre-paid telephone cards has been increased from 10% to 15% of the amount of bill or sale price of the telephone card or sale of units through any electronic medium or whatever form.
- Rate of tax is reduced to 25% in case of dividend income from money market funds and income funds by Banks from Tax Year 2014 onwards.

### SALES TAX

- Standard rate of sales tax shall increased from 16% to 17%;
- Additional tax at the rate of 1% will be charged if supplies are made to a un-registered person;
- Gas Transmission & Distribution Company shall charge additional sales tax at the rate of 9% for value additions made by the CNG Stations.
- Extra sales tax at the rate of 5% is collectible through electricity and natural gas bills in addition to sales tax at standard rate from un-registered commercial and industrial consumers of electricity and gas whose monthly bill exceeds Rs. 15,000;
- Expansion in list of items which are chargeable to sales tax on retail price with effect from 13 June 2013 inter-alia including lubricating oils, cement, fertilizers, tyres & tubes, batteries, tiles, biscuits & confectionary items, paints, varnishes, household electrical goods including air conditioners, finished articles of textile & leather, etc.;
- Zero-rating on cotton-seed oil withdrawn and standard rate of 17% applies;
- Sales tax exemption on milk products withdrawn;
- Exemption to local supplies against international tender is withdrawn.

### FEDERAL EXCISE DUTY

- Further Duty at 2% of the value of excisable goods and services in addition to applicable rate of FED when such goods / services are supplied to un-registered persons;

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- Federal Excise Duty on aerated water increased from 6% to 9% of retail price with effect from 01st July 2013;
- FED @ 40 paise per kg on imported oil seeds and Re. 1 per kg on locally produced vegetable oil charged with effect from 13th June 2013;
- FED on financial services is being expanded by making all kinds of financial services chargeable to FED at the rate of 16% with effect from 13th June 2013.

### CUSTOMS DUTY

- Custom duty and other taxes on Hybrid Electric Vehicles are reduced from 25% to 100% depending on vehicle's engine capacity
- Duty free import of "bio re-absorbable vascular scaffold" (heart stents)
- Exemption of duty on energy saving tubes
- Reduction of duty on office and school supplies to 20% from 25%.
- Duty free import of solar submersible pumps presently dutiable at 20%
- Reduction of duty on water treatment & purifying machinery from 25% to 15%.
- Duty on betel nuts increased from 5% to 10% and on betel leaves from Rs 200 per kg to Rs 300 per kg
- Reduction of duty on Medium Density Fiber (MDF) Board from 20% to 15%
- Post-dated cheques no more acceptable as security for provisional assessment.

### 2. AMMENDMENTS THROUGH FINANCE ACT, 2013

During approval process of Finance Bill 2013 by the National Assembly of Pakistan, following changes/ amendments have been made and are incorporated in duly approved Finance Act 2013.

#### INCOME TAX

##### ***Income from Property***

*[Section 15]*

Through Finance Act 2013, the income from property would now be included in the total income of the person and be taxed accordingly instead of its taxation as separate block of income using separate rates of income tax under Division VI of Part I of First Schedule which has been omitted.

Some editorial changes have also been made to streamline the consequential impact of changes in taxation mode of Income from property.

##### ***Deductions/Reversals in Computing Income Chargeable Under the Head "Income from Property"***

*[Section 15A]*

A new section is added to allow the deductions/reversals in respect of following against income from property;

- repair allowance equal to 1/5<sup>th</sup> of rent chargeable to tax in respect of building for the year;
- insurance premium paid or payable to insure the building against the risk of damage or destruction;
- any local rate, tax, charge or cess to local authority or government
- Ground Rent paid or payable;
- Any profit paid or payable on any money borrowed including mortgage, acquire, construct, renovate, extend or re-construct the property;
- Share in rent and share in appreciation in value of the property paid or payable to HBFC or Bank, if property acquired etc with capital contributed by HBFC or scheduled bank;
- Profit or interest paid where property is subject to mortgage;
- Any expenditure paid or payable or 6% of the rent chargeable to tax in respect of the property for the year before any deduction whichever is lower.
- Any expenditure paid or payable for legal services to defend person's title to the property or any suit connected with the property in a court.



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- An allowance equal to unpaid rent subject to fulfillment of respective conditions;
- Reversal of unpaid rent on its recovery against which allowance has been deducted.
- Where the liability of the expenditure claimed as deduction has not been paid for three years, such liability shall be added to income from property in the first tax year following the end of three years. On payment of the liability, the deduction may be claimed again in the tax year in which payment has been made.

Any expenditure allowed as deduction against "Income from Property" shall not allowed as a deduction in computing the income chargeable to tax under any other head.

### ***Set Off of Losses***

*[Section 56(i)]*

Loss sustained by a person under any head of income in any tax year shall also not be set off against his income from property. This is in addition to change proposed through Finance Bill 2013 which has been approved.

### ***Minimum Tax on Builders & land Developers***

*[Section 113A & 113B]*

Federal Government is empowered to notify the rates of tax. The rates of tax proposed in Finance Bill have been withdrawn.

### ***Wealth Statement***

*[Section 116]*

Along with other proposed changes, it has also been approved that filing of wealth statements shall be effective from Tax Year 2013 and onward.

### ***Appointment of Appellate Tribunal***

*[Section 130 (3) (c)]*

To appoint judicial member of the Appellate Tribunal the proposed requirement has been changed. Now a law graduate and an officer of In Land Revenue Service in BS-20 or above may be appointed as Judicial member of Tribunal.

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A change has also been made to allow appointment of Chartered Accountant engaged in the professional practice for a period of not less than ten years as “accountant member of Appellate Tribunal.

### ***Advance Tax Paid by the Tax Payer***

*[Section 147]*

Changes have been made to include the income from property for the purposes of determination and payments of advance tax by a tax payer.

### ***Imports***

*[Section 148]*

Change has been made to exclude the import of foreign produced film for the purpose of screening & viewing from Final Tax Regime. The tax so paid at import stage shall be advance tax.

### ***Salary***

*[Section 149 (1) (i)]*

Changes proposed to eliminate the effect of other taxes paid and tax credits available to employees by employers in arriving at average rate of tax on salary has been withdrawn. Now the employees continue to take adjustment of other taxes paid or tax credit available in salary taxation by adjusting average rate of tax being used for withholding of tax on salary income.

### ***Payments to Non Residents***

*[Section 152]*

Change has been made to tax the payment on account Property Income to non-resident person. Change proposed by Finance Bill has also been approved.

### ***Credit for Tax Collected or Deducted***

*[Section 168]*

Tax credit for tax collected or deducted from any person being the owner of goods transport vehicles shall be available.

### ***Tax Collected or Deducted as a Final Tax***

*[Section 169]*

Tax collected or deducted from any person being the owner of goods transport vehicles shall not be final tax.

#### ***Prosecution for Un-authorized Disclosure of Information by Public Servant***

*[Section 198]*

An amendment has been made to specify monetary limit of fine i.e. "Rs 500,000 or more".

#### ***Collection of Tax by National Clearing Company of Pakistan Limited***

*[Section 233AA & Division IIB of Part IV of the First Schedule]*

In addition to the approval of changes through Finance Bill 2013, it has also been approved that provision of this section shall not apply to Mutual Funds deriving income other than capital gains, if not less than 90% of its income is distributed amongst the Units Holders.

#### ***Advance Tax on Foreign Produced TV Plays and Serials etc.***

*[Section 236E & Division XII of Part IV of First Schedule]*

The new section proposed to be inserted vide Finance Bill 2013 has been changed to make it practicable. A licensing Authority certifying any foreign TV drama serial or a play dubbed in Urdu or other regional language for screening and viewing on any landing rights channel shall collect advance tax at rates specified. It is important to highlight that tax on foreign produced film proposed in Finance Bill 2013 has also been changed from Rs. 1 Million to 12% of the value of the film. The tax deducted under this section shall be adjustable.

#### ***Advance Tax on Cable Operators and Other Electronic Media***

*[Section 236F, Division XIII of Part IV of First Schedule]*

The tax rates proposed for other distribution services including Satellite TV and Landing Rights has been substituted and accordingly rate of tax to be collected by PEMRA in case of IPTV, FM Radio, MMDS, Mobile TV, Mobile Audio , Satellite TV Channel and Landing Rights shall be 20% of the Permission Fee or Renewal Fee, as the case may be.

#### ***Rates of tax for Salaried Individuals***

*[Clause 1A, Division I, and Part I of First Schedule]*

The slab rate proposed vide Finance Bill 2013 has been revised and approved. For updated schedule, please refer to **RC-2** in Rate Cards section of this document.

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### **Imports**

*[Section 148 & Part II of the First Schedule]*

Foreign produced film imported for the purpose of screening and viewing has been taxed at the rate of 12% of the value of the film. The change proposed through Finance Bill 2013 in Division XII of Part IV of First Schedule has been withdrawn.

### **Income from Property**

*[Section 15, Division VI Part I of First Schedule]*

Division VI of Part I of First Schedule specifying tax rate on Income from Property has been withdrawn to tax the income from property as part of total income of the taxpayer by using applicable tax rates based on his status. However, the changes proposed in the Division VI vide Finance Bill 2013 have also been approved through Finance Act 2013 which seems a mistake and needs clarification.

### **Income from Property**

*[Section 155, Division V Part III of First Schedule]*

Instead of approving changes proposed by Finance Bill 2013, new changes have been made in Division V of Part III through substitution. For revised rates please refer to **RC-4** in Rate Card section of this document.

### **Telephone Users**

*[Section 236, Division V Part IV of First Schedule]*

The rate of tax on subscriber of mobile phone and pre-paid telephone cards has been increased from 10% to 15% of the amount of bill or sale price of the telephone card or sale of units through any electronic medium or whatever form.

### **Income of University or other Educational Institutions**

*[Clause 58 A, Part 1 of Second Schedule]*

It has been approved to add a new clause to exempt the income of a university or other educational institutions being run by a non-profit organization existing solely for educational purposes and not for purposes of profit.

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### ***Flying and Submarine Allowances***

*[Clause 1, Part III of Second Schedule]*

Proposal to withdraw concession on flying and submarine allowances has been withdrawn. However, a change has been made to limit the concession to the extent of amount equal to basis salary.

### ***Tax payable by a Full Time Teacher or a Researcher***

*[Clause 2]*

Proposal to withdraw concession on tax payable by a full time teacher or researcher has been withdrawn. However, a change has been made to reduce the reduction limit from 75% to 40% of tax liability.

## **SALES TAX**

### ***Scope of Tax***

*[Section 3]*

Rate of additional tax on supplied made to un-registered person has been reduced from 2% to 0%.

Gas Transmission and Distribution Company is required to charge sales tax at the rate of 9% in addition to normal sales tax at the rate of 17%. This additional sales tax shall be chargeable for value additions made by the CNG Stations.

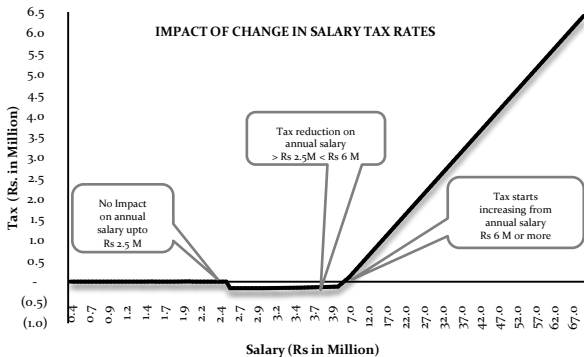
CHANGES THROUGH FINANCE ACT 2013

- Tax slab rates have been revised from last year as well as those proposed in Finance Bill 2013.

IMPACT OF REVISION IN TAX RATES

The analysis reveals as follow;

- No or minor upward impact of tax on annual salary up to Rs 2.5 Million;
- Tax will reduce on annual salaries greater than Rs 2.5 M but less than Rs. 6 Million;
- Tax will increase on annual salaries equal to or more than Rs 6 Million.



### TAXABILITY OF ALLOWANCE, BENEFITS, DEDUCTIONS, EXEMPTIONS & CREDITS

#### Taxable Allowances etc.

Head of Account	Taxability
House Rent Allowance	Full
Allowance for furnished/unfurnished accommodation	Full
Conveyance Allowance	Full
Company provided & maintained vehicles for private use	<b>Full Private Use</b> : 10% of cost of purchase /Fair Market Value (if on lease)
	<b>Partly Private Use</b> : 5% of cost of purchase /Fair Market Value (if on lease)
Leave Fare Assistance	Full
Utility Allowances	Full
Domestic Servant Salary	Full
Tax paid by employer	Full
Capital receipts on termination of employment	Full
Transfer of assets	Full market value less payment on this account
Loan waived/debt discharged by employer	Full Amount waived/debt discharged
Concessionary Loan by Employers	The interest at benchmark rate (10%) less interest actually charged by employer will be added to income of the employee except for <ul style="list-style-type: none"> <li>- Amount of loan is up to Rs,500,000 or</li> <li>- Employee waives interest on his balance with employer.</li> </ul>
Share Schemes for Employees <b>Note:</b> In case of share acquisition under restriction as to transfer, the difference of fair value and acquisition cost will be chargeable to tax on acquiring of transfer rights or actual disposal whichever is earlier.	<b>On Disposal of Right/Option:</b> Difference of consideration for right /option and cost of right /option.  <b>On Share Acquisition:</b> Difference of fair value of such shares and acquisition cost paid.

### Exempt Allowances etc.

Head of Account	Exemption
Medical Allowance	10% of basic salary
Medical reimbursement/benefits in respect of employment terms. NTN of Hospital/Clinic is provided and certifies by employer	100%
Special allowance for meeting expenses incurred in performance of official duties	100%
Employer's annual contribution to Recognized Provident Fund	Rs 100,000 or 10% of salary whichever is lower
Interest credited on balance of Recognized Provident Fund	1/3 of Salary or Rate prescribed by Federal Govt. for this purpose whichever is lower.
Gratuity/Commutation of Pension on retirement /death if received in Pakistan	<b>Approved Fund:</b> 100% <b>Approved Scheme:</b> up to Rs. 200,000 <b>Others:</b> 50% of amount receivable or Rs. 75,000 whichever is lower

### Allowed Deductions from Taxable Income etc.

Head of Account	Allowed Deduction
Donations to approved bodies/institutions as per 2 <sup>nd</sup> Schedule Clause 61 Part 1.	Up to 30% of taxable income.
Zakat paid or deducted under Zakat & Ushr Ordinance.	Full amount of Zakat so paid or deducted.



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### Admissible Tax Credits etc.

Head of Account	Amount Eligible for Tax Credit
Donations to bodies/institutes other than those covered under 2 <sup>nd</sup> Schedule ITO 2001 & Donations to approved NPOs.	Amount donated/fair value of property donated or 30% of taxable income whichever is lower.
Contribution to Approved Pension Fund. <b>Note:</b> Additional contribution (2% for each year exceeding the age of 40 years with the maximum of 50% of last year taxable income) is allowed for person having age of 41 years & above joining Fund up to June 30, 2016.	Actual amount paid or 20% of taxable income whichever is lower.
Profit on Debt for Purchase/construction of house.	Amount paid or 50% of taxable income or Rs. 750,000 whichever is lower.
Investment in shares, life Insurance premiums <b>Note:</b> Investment in shares is applicable to shares acquired through IPO or from Privatization Commission and held for 24 months.	Acquisition cost or 20% of taxable income or Rs. 1,000,000 whichever is lower.
The tax credit against above items shall be available with respect to following formula; Amount Eligible for Tax Credit X $\frac{\text{Tax before tax credits}}{\text{Taxable income for tax year}}$	

### Filing Requirements

S.No.	Annual Salary Income	Total Income	Return Filing	Date of Filing
1.	Less than Rs. 500,000	Comprises of salary income only	Manual filing of return & wealth statement	N/A
		Less than Rs. 1,000,000		30 <sup>th</sup> September
		Rs. 1,000,000 or more		
2.	Rs. 500,000 or more	No	E-filing of return with wealth statement	31 <sup>st</sup> August
		Yes		

### AVERAGE TAX RATE FOR SALARY TAX DEDUCTION

- The income of salaried individual will be taxed at the tax rates mentioned in RC-2
- Under Section 149 of the Income Tax Ordinance 2001, every employer paying salary to an employee shall, at the time of payment of salary; deduct tax from the amount paid at employee's average rate of tax computed at applicable tax rates as per Income Tax Ordinance 2001.
- To facilitate the monthly tax computation by the employers as well as employees, average tax rates has been worked out based on salary income (other than available credits etc.) for various annual salary levels;

ANNUAL SALARY RANGE (Rs.)	ANNUAL AVERAGE DIFFERENCE BETWEEN TWO LEVELS (Rs.)
400,000 - 4,000,000	50,000
4,000,000 - 40,000,000	1,000,000

- The average tax rate has been worked out for two headers viz-a-viz Joining in the Organization (Month) or Expected Stay of the Employee in the Organization.

#### Header 1: Joining in the Organization

For reference of employees joining in a particular month in this financial year and are assumed to be associated with the Organization for rest of financial year; the average rate appearing in the

Column of their month of joining will be applicable e.g. an employee having annual salary income of Rs 1 million joined the organization in September, the average rate at 3.54% will be applicable for the rest of the financial year. This rate will be applied on monthly salary or annual salary of the employee to determine the amount of monthly or annual tax to be deducted as the case may be.

#### Header 2: Joining in the Organization

For reference of contractual employees who joins the organization for certain period. The tenure of their contract shall be used to identify the applicable average tax rate i.e. an employee joins the organization for six months irrespective of joining month shall be taxed at the average rate falling in Header 2 Column 6. e.g. an employee having estimated salary of Rs 1 million joins

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the Organization for six months will be taxed at average rate of 2.13%. This rate will be applied on monthly salary or annual salary of the employee to determine the amount of monthly or annual tax to be deducted as the case may be.

- To cover the employees at large, following schedules of average tax rate are being presented in this Digest;

ESTIMATED ANNUAL SALARY RANGE (Rs.)	SCHEDULE REFERENCE
400,000 - 1,7,000,000	SCHEDULE -I
1,750,000 - 3,050,000	SCHEDULE -II
3,100,000 - 12,000,000	SCHEDULE -III
13,000,000 - 40,000,000	SCHEDULE - IV

- For all employees of the Organization as of 1<sup>st</sup> July 2013, the average rate appearing in the Header -1 "July" Column will be applicable for the rest of financial year.
- For employees whose estimated salary is falling between two estimated annual salary levels, the average of average tax rates of such estimated levels of the respective Header shall be used to calculate estimated average tax of such employee. e.g. An employee having annual salary of Rs 1.25 million joins the Organization in November will be taxed at average rate of 2.925  $\{(2.83+3.02)/2\}$ . The same reference shall be used for calculation of average tax under Header-2.

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## SCHEDULE - I (Estimated Annual Salary Rs. 0.4 Million to Rs.1.7 Million)

Est. Annual Salary '000'	HEADER-1: Joining Since (Month)											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
	HEADER-2: Expected Stay (Months)											
	12	11	10	9	8	7	6	5	4	3	2	1
Average Tax Rate in % age												
400	-	-	-	-	-	-	-	-	-	-	-	-
450	0.56	0.51	0.46	0.42	0.37	0.32	0.28	0.23	0.19	0.14	0.09	0.05
500	1.00	0.92	0.83	0.75	0.67	0.58	0.50	0.42	0.33	0.25	0.17	0.08
550	1.36	1.25	1.14	1.02	0.91	0.80	0.68	0.57	0.45	0.34	0.23	0.11
600	1.67	1.53	1.39	1.25	1.11	0.97	0.83	0.69	0.56	0.42	0.28	0.14
650	1.92	1.76	1.60	1.44	1.28	1.12	0.96	0.80	0.64	0.48	0.32	0.16
700	2.14	1.96	1.79	1.61	1.43	1.25	1.07	0.89	0.71	0.54	0.36	0.18
750	2.33	2.14	1.94	1.75	1.56	1.36	1.17	0.97	0.78	0.58	0.39	0.19
800	2.81	2.58	2.34	2.11	1.88	1.64	1.41	1.17	0.94	0.70	0.47	0.23
850	3.24	2.97	2.70	2.43	2.16	1.89	1.62	1.35	1.08	0.81	0.54	0.27
900	3.61	3.31	3.01	2.71	2.41	2.11	1.81	1.50	1.20	0.90	0.60	0.30
950	3.95	3.62	3.29	2.96	2.63	2.30	1.97	1.64	1.32	0.99	0.66	0.33
1,000	4.25	3.90	3.54	3.19	2.83	2.48	2.13	1.77	1.42	1.06	0.71	0.35
1,050	4.52	4.15	3.77	3.39	3.02	2.64	2.26	1.88	1.51	1.13	0.75	0.38
1,100	4.77	4.38	3.98	3.58	3.18	2.78	2.39	1.99	1.59	1.19	0.80	0.40
1,150	5.00	4.58	4.17	3.75	3.33	2.92	2.50	2.08	1.67	1.25	0.83	0.42
1,200	5.21	4.77	4.34	3.91	3.47	3.04	2.60	2.17	1.74	1.30	0.87	0.43
1,250	5.40	4.95	4.50	4.05	3.60	3.15	2.70	2.25	1.80	1.35	0.90	0.45
1,300	5.58	5.11	4.65	4.18	3.72	3.25	2.79	2.32	1.86	1.39	0.93	0.46
1,350	5.74	5.26	4.78	4.31	3.83	3.35	2.87	2.39	1.91	1.44	0.96	0.48
1,400	5.89	5.40	4.91	4.42	3.93	3.44	2.95	2.46	1.96	1.47	0.98	0.49
1,450	6.12	5.61	5.10	4.59	4.08	3.57	3.06	2.55	2.04	1.53	1.02	0.51
1,500	6.33	5.81	5.28	4.75	4.22	3.69	3.17	2.64	2.11	1.58	1.06	0.53
1,550	6.61	6.06	5.51	4.96	4.41	3.86	3.31	2.76	2.20	1.65	1.10	0.55
1,600	6.88	6.30	5.73	5.16	4.58	4.01	3.44	2.86	2.29	1.72	1.15	0.57
1,650	7.12	6.53	5.93	5.34	4.75	4.15	3.56	2.97	2.37	1.78	1.19	0.59
1,700	7.35	6.74	6.13	5.51	4.90	4.29	3.68	3.06	2.45	1.84	1.23	0.61

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## SCHEDULE -II (Estimated Annual Salary Rs. 1.75 Million to Rs. 3.05 Million)

Est. Annual Salary '000'	HEADER-1: Joining Since (Month)											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
	HEADER-2: Expected Stay (Months)											
	12	11	10	9	8	7	6	5	4	3	2	1
Average Tax Rate in % age												
1,750	7.57	6.94	6.31	5.68	5.05	4.42	3.79	3.45	2.52	1.89	1.26	0.63
1,800	7.78	7.13	6.48	5.83	5.19	4.54	3.89	3.24	2.59	1.94	1.30	0.65
1,850	8.04	7.37	6.70	6.03	5.36	4.69	4.02	3.35	2.68	2.01	1.34	0.67
1,900	8.29	7.60	6.91	6.22	5.53	4.84	4.14	3.45	2.76	2.07	1.38	0.69
1,950	8.53	7.82	7.10	6.39	5.68	4.97	4.26	3.55	2.84	2.13	1.42	0.71
2,000	8.75	8.02	7.29	6.56	5.83	5.10	4.38	3.65	2.92	2.19	1.46	0.73
2,050	8.96	8.22	7.47	6.72	5.98	5.23	4.48	3.73	2.99	2.24	1.49	0.75
2,100	9.17	8.40	7.64	6.88	6.11	5.35	4.58	3.82	3.06	2.29	1.53	0.76
2,150	9.36	8.58	7.80	7.02	6.24	5.46	4.68	3.90	3.12	2.34	1.56	0.78
2,200	9.55	8.75	7.95	7.16	6.36	5.57	4.77	3.98	3.18	2.39	1.59	0.80
2,250	9.72	8.91	8.10	7.29	6.48	5.67	4.86	4.05	3.24	2.43	1.62	0.81
2,300	9.89	9.07	8.24	7.42	6.59	5.77	4.95	4.12	3.30	2.47	1.65	0.82
2,350	10.05	9.22	8.38	7.54	6.70	5.86	5.03	4.19	3.35	2.51	1.68	0.84
2,400	10.21	9.36	8.51	7.66	6.81	5.95	5.10	4.25	3.40	2.55	1.70	0.85
2,450	10.36	9.49	8.63	7.77	6.90	6.04	5.18	4.32	3.45	2.59	1.73	0.86
2,500	10.50	9.63	8.75	7.88	7.00	6.13	5.25	4.38	3.50	2.63	1.75	0.88
2,550	10.69	9.80	8.91	8.01	7.12	6.23	5.34	4.45	3.56	2.67	1.78	0.89
2,600	10.87	9.96	9.05	8.15	7.24	6.34	5.43	4.53	3.62	2.72	1.81	0.91
2,650	11.04	10.12	9.20	8.28	7.36	6.44	5.52	4.60	3.68	2.76	1.84	0.92
2,700	11.20	10.27	9.34	8.40	7.47	6.54	5.60	4.67	3.73	2.80	1.87	0.93
2,750	11.36	10.42	9.47	8.52	7.58	6.63	5.68	4.73	3.79	2.84	1.89	0.95
2,800	11.52	10.56	9.60	8.64	7.68	6.72	5.76	4.80	3.84	2.88	1.92	0.96
2,850	11.67	10.69	9.72	8.75	7.78	6.81	5.83	4.86	3.89	2.92	1.94	0.97
2,900	11.81	10.83	9.84	8.86	7.87	6.89	5.91	4.92	3.94	2.95	1.97	0.98
2,950	11.95	10.95	9.96	8.96	7.97	6.97	5.97	4.98	3.98	2.99	1.99	1.00
3,000	12.08	11.08	10.07	9.06	8.06	7.05	6.04	5.03	4.03	3.02	2.01	1.01
3,050	12.25	11.23	10.21	9.19	8.17	7.15	6.13	5.11	4.08	3.06	2.04	1.02

# TAX DIGEST

2013-14

## SCHEDULE - III (Estimated Annual Salary Rs. 3.1 Million to Rs. 12 Million)

Est. Annual Salary '000'	HEADER-1: Joining Since (Month)											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
	HEADER-2: Expected Stay (Months)											
	12	11	10	9	8	7	6	5	4	3	2	1
Average Tax Rate in % age												
3,100	12.42	11.38	10.35	9.31	8.28	7.24	6.21	5.17	4.14	3.10	2.07	1.03
3,150	12.58	11.53	10.48	9.43	8.39	7.34	6.29	5.24	4.19	3.14	2.10	1.05
3,200	12.73	11.67	10.61	9.55	8.49	7.43	6.37	5.31	4.24	3.18	2.12	1.06
3,250	12.88	11.81	10.74	9.66	8.59	7.52	6.44	5.37	4.29	3.22	2.15	1.07
3,300	13.03	11.94	10.86	9.77	8.69	7.60	6.52	5.43	4.34	3.26	2.17	1.09
3,350	13.17	12.07	10.98	9.88	8.78	7.68	6.59	5.49	4.39	3.29	2.20	1.10
3,400	13.31	12.20	11.09	9.98	8.87	7.76	6.65	5.55	4.44	3.33	2.22	1.11
3,450	13.44	12.32	11.20	10.08	8.96	7.84	6.72	5.60	4.48	3.36	2.24	1.12
3,500	13.57	12.44	11.31	10.18	9.05	7.92	6.79	5.65	4.52	3.39	2.26	1.13
3,550	13.73	12.59	11.44	10.30	9.15	8.01	6.87	5.72	4.58	3.43	2.29	1.14
3,600	13.89	12.73	11.57	10.42	9.26	8.10	6.94	5.79	4.63	3.47	2.31	1.16
3,650	14.04	12.87	11.70	10.53	9.36	8.19	7.02	5.85	4.68	3.51	2.34	1.17
3,700	14.19	13.01	11.82	10.64	9.46	8.28	7.09	5.91	4.73	3.55	2.36	1.18
3,750	14.33	13.14	11.94	10.75	9.56	8.36	7.17	5.97	4.78	3.58	2.39	1.19
3,800	14.47	13.27	12.06	10.86	9.65	8.44	7.24	6.03	4.82	3.62	2.41	1.21
3,850	14.61	13.39	12.18	10.96	9.74	8.52	7.31	6.09	4.87	3.65	2.44	1.22
3,900	14.74	13.51	12.29	11.06	9.83	8.60	7.37	6.14	4.91	3.69	2.46	1.23
3,950	14.87	13.63	12.39	11.16	9.92	8.68	7.44	6.20	4.96	3.72	2.48	1.24
4,000	15.00	13.75	12.50	11.25	10.00	8.75	7.50	6.25	5.00	3.75	2.50	1.25
5,000	17.50	16.04	14.58	13.13	11.67	10.21	8.75	7.29	5.83	4.38	2.92	1.46
6,000	19.17	17.57	15.97	14.38	12.78	11.18	9.58	7.99	6.39	4.79	3.19	1.60
7,000	20.36	18.66	16.96	15.27	13.57	11.88	10.18	8.48	6.79	5.09	3.39	1.70
8,000	21.56	19.77	17.97	16.17	14.38	12.58	10.78	8.98	7.19	5.39	3.59	1.80
9,000	22.50	20.63	18.75	16.88	15.00	13.13	11.25	9.38	7.50	5.63	3.75	1.88
10,000	23.25	21.31	19.38	17.44	15.50	13.56	11.63	9.69	7.75	5.81	3.88	1.94
11,000	23.86	21.88	19.89	17.90	15.91	13.92	11.93	9.94	7.95	5.97	3.98	1.99
12,000	24.38	22.34	20.31	18.28	16.25	14.22	12.19	10.16	8.13	6.09	4.06	2.03

# TAX DIGEST

2013-14

## SCHEDULE -IV (Estimated Annual salary Rs.13 Million to Rs.40 Million)

Est. Annual Salary '000'	HEADER-1: Joining Since (Month)											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
	HEADER-2: Expected Stay (Months)											
	12	11	10	9	8	7	6	5	4	3	2	1
Average Tax Rate in % age												
13,000	24.81	22.74	20.67	18.61	16.54	14.47	12.40	10.34	8.27	6.20	4.13	2.07
14,000	25.18	23.08	20.98	18.88	16.79	14.69	12.59	10.49	8.39	6.29	4.20	2.10
15,000	25.50	23.38	21.25	19.13	17.00	14.88	12.75	10.63	8.50	6.38	4.25	2.13
16,000	25.78	23.63	21.48	19.34	17.19	15.04	12.89	10.74	8.59	6.45	4.30	2.15
17,000	26.03	23.86	21.69	19.52	17.35	15.18	13.01	10.85	8.68	6.51	4.34	2.17
18,000	26.25	24.06	21.88	19.69	17.50	15.31	13.13	10.94	8.75	6.56	4.38	2.19
19,000	26.45	24.24	22.04	19.84	17.63	15.43	13.22	11.02	8.82	6.61	4.41	2.20
20,000	26.63	24.41	22.19	19.97	17.75	15.53	13.31	11.09	8.88	6.66	4.44	2.22
21,000	26.79	24.55	22.32	20.09	17.86	15.63	13.39	11.16	8.93	6.70	4.46	2.23
22,000	26.93	24.69	22.44	20.20	17.95	15.71	13.47	11.22	8.98	6.73	4.49	2.24
23,000	27.07	24.81	22.55	20.30	18.04	15.79	13.53	11.28	9.02	6.77	4.51	2.26
24,000	27.19	24.92	22.66	20.39	18.13	15.86	13.59	11.33	9.06	6.80	4.53	2.27
25,000	27.30	25.03	22.75	20.48	18.20	15.93	13.65	11.38	9.10	6.83	4.55	2.28
26,000	27.40	25.12	22.84	20.55	18.27	15.99	13.70	11.42	9.13	6.85	4.57	2.28
27,000	27.50	25.21	22.92	20.63	18.33	16.04	13.75	11.46	9.17	6.88	4.58	2.29
28,000	27.59	25.29	22.99	20.69	18.39	16.09	13.79	11.50	9.20	6.90	4.60	2.30
29,000	27.67	25.37	23.06	20.75	18.45	16.14	13.84	11.53	9.22	6.92	4.61	2.31
30,000	27.75	25.44	23.13	20.81	18.50	16.19	13.88	11.56	9.25	6.94	4.63	2.31
31,000	27.82	25.50	23.19	20.87	18.55	16.23	13.91	11.59	9.27	6.96	4.64	2.32
32,000	27.89	25.57	23.24	20.92	18.59	16.27	13.95	11.62	9.30	6.97	4.65	2.32
33,000	27.95	25.63	23.30	20.97	18.64	16.31	13.98	11.65	9.32	6.99	4.66	2.33
34,000	28.01	25.68	23.35	21.01	18.68	16.34	14.01	11.67	9.34	7.00	4.67	2.33
35,000	28.07	25.73	23.39	21.05	18.71	16.38	14.04	11.70	9.36	7.02	4.68	2.34
36,000	28.13	25.78	23.44	21.09	18.75	16.41	14.06	11.72	9.38	7.03	4.69	2.34
37,000	28.18	25.83	23.48	21.13	18.78	16.44	14.09	11.74	9.39	7.04	4.70	2.35
38,000	28.22	25.87	23.52	21.17	18.82	16.46	14.11	11.76	9.41	7.06	4.70	2.35
39,000	28.27	25.91	23.56	21.20	18.85	16.49	14.13	11.78	9.42	7.07	4.71	2.36
40,000	28.31	25.95	23.59	21.23	18.88	16.52	14.16	11.80	9.44	7.08	4.72	2.36

**4. TAX DEDUCTION AT SOURCE**

<b>Sect.</b>	<b>On account of</b>	<b>With-holding Tax Agent</b>	<b>Tax Rate</b>	<b>On which to deduct Tax</b>
148	Import of Goods	Collector of Customs	Pls. Refer <b>RC-1</b>	Value of Import or Value of Film as the case may be
149	Payment of Salary	Employer	Average rate of tax worked out from applicable tax rate as per <b>RC-2</b>	Salary income
150	Payment of Dividend	Every person	10%	Gross amount of Dividend
151	Payment of Profit on debt			
	On NSS or Post Office Savings Account (POSA)	Person paying yield	10%	Gross amount of yield / Profit on debt as reduced by amount of zakat, if any paid under Zakat & Usher Ordinance, 1980
	On account/ deposit with Banks/FIs	Banking Company Financial institution		
	On Govt. Securities	Federal Govt./ Provincial Govt./ Local Govt.		
On bonds, certificate, debentures, security, instrument of any kind	Bank/FI/ Company/ Body Corporate/ Finance Society			



# TAX DIGEST

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Sect.	On account of	With-holding Tax Agent	Tax Rate	On which to deduct Tax
152	Payments to Non-Residents			
	Royalty & Fee for Technical Services	Same as defined in Section 153 below	15%	Gross amount paid
	Execution of Contracts		6%	
	Insurance / re-insurance premium		5%	
	Any other Payments		20%	
Payment to non-resident media persons	10%			
153	Payment for goods, services and execution of contracts			
	Payment for goods			
	Rice/ Cotton Seed/ Edible Oil	Same as "Payment for Service Rendered" herein below	1.5%	Gross amount including sales tax (either full, part or advance) paid to Resident Person or Permanent Establishment in Pakistan of Non-Resident Person
	Other Goods		Pls. refer RC-3	
Services of stitching, dying, printing, embroidery, washing, sizing, & weaving	Exporter/ Export House	0.5%		

# TAX DIGEST

2013-14

Sect.	On account of	With-holding Tax Agent	Tax Rate	On which to deduct Tax
153	Payment for goods, services and execution of contracts (continued...)			
	Payment for Services rendered or provided			
	Transport Services	Fed Govt./ Company /registered AOP/AOP & Individual having turnover of Rs 50 M or more/ NPO/Consortium or Joint Venture/ Foreign Contractor or Consultant/Sales Tax Registered Persons	2%	Gross amount including sales tax (either full, part or advance) paid to Resident Person or Permanent Establishment in Pakistan of Non-Resident Person
	Other Services		Pls. refer RC-3	
Execution of Contract				
154	Exports	Authorized dealer in foreign exchange	1%	
	Export of goods			
	Foreign indenting commission		5%	
	Sale of goods to an exporter under an in-land back to back letter of credit	Bank	1%	
	Export of goods by industrial undertakings in export processing zones	Export Processing Zone Authority	1%	Proceed realized

# TAX DIGEST

2013-14

Sect.	On account of	With-holding Tax Agent	Tax Rate	On which to deduct Tax
154	Exports (continued....)			
	Sale of goods by an indirect exporter	Direct Exporter/Export House registered under DTRE	1%	Amount paid for firm contract
	Other Exports	Collector of Customs	1%	Gross value of such goods
155	Income from Property (Rent)	Any Govt./Co/NPO/ Foreign Diplomatic Mission/Charitable Institute, Educational Institute, Boutique, Beauty Parlor, Hospital, Clinic, Maternity Home, Individual or AOP paying annual rent of Rs 1.5 M or more	Pls. refer RC-4	Gross amount of rent
156	Payment for Prizes & Winnings			
	On Prize of Prize Bonds & Crossword Puzzle	Every person making payment on these account	15%	Gross amount of prize
Winnings from Raffle, Lottery, Prize on Winnings a Quiz etc	20%			

# TAX DIGEST

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Sect.	On account of	With-holding Tax Agent	Tax Rate	On which to deduct Tax
156A	Payment of Commission/discount on petroleum products	Every Person selling petroleum products to petrol pump operator	10%	Amount of commission or discount allowed to Petrol pump operator
156B	Payment of withdrawal from any approved Pension Fund-			
	<p><b>Before retirement age by normal alive individual</b></p> <p><b>On or after retirement age</b></p>	Pension Fund Manager	Pls. refer RC-5	<p>Any amount withdrawn</p> <p>Amount withdrawn in excess of 50 of the accumulated balance</p>
231A	Cash Withdrawal from bank if exceeds Rs 50,000/ day	Bank	0.3%	Amount withdrawn
231AA	Tax on Transactions in Bank (Sum of total transactions exceeds Rs 25,000 per day)			
	Issuance of Banking Instruments against cash or DD /PO / CDR/STDR/SDR/ RTC or bearer instrument	Banks/ NBF1/Exchange Company/ Authorized dealer of foreign exchange	0.3%	Amount of transactions

# TAX DIGEST

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Sect.	On account of	With-holding Tax Agent	Tax Rate	On which to deduct Tax
231AA	Tax on Transactions in Bank (Sum of total transactions exceeds Rs 25,000 per day)			
	On-line transfer/TT/MT or any other mode of e-transfer against cash	Banks/ NBF1/Exchange Company/ Authorized dealer of foreign exchange	0.3%	Amount of transactions
231B	Private Motor Vehicles-on Purchase	Motor vehicle registration authorities of Excise and Taxation Dept.	Pls. refer RC-6	As determined based on Engine Capacity
233	Brokerage & Commission	Fed Govt./ Pro Govt./ Local Govt./AOP constituted by, or under, law	10%	Gross amount of brokerage/ commission paid
233A	Collection of Tax by Stock Exchanges			
	Commission of members	Stock Exchanges Registered in Pakistan	0.01%	Purchase & sale value
Trading of Shares	Value of shares traded			
233AA	Margin Financing, Margin Trading or Securities Lending	NCCPL	10%	Profit/markup/interest earned by member, margin financier or securities lender

## TAX DIGEST

2013-14

Sect.	On account of	With-holding Tax Agent	Tax Rate	On which to deduct Tax
234	Tax on Passenger / Goods / Private Vehicles	Person collecting motor vehicle tax (Excise & Taxation Dept.)	Pls. refer RC-7	As determined on passenger & engine capacity
234A	Gas Consumption by CNG stations	Person preparing gas consumption bill	4%	Amount of Gas bill
235	Electricity Consumption	Person preparing gas consumption bill	Pls. refer RC-8	Amount of Electricity bill
236	Telephone Usage			
	Other than Mobile Phone	Person preparing telephone usage bill	10%	Amount of bill exceeding Rs 1,000
	Mobile Phone including pre-paid cards, easy loads etc	Person preparing telephone usage bill or issuing pre-paid cards	15%	Amount of Bill or denomination of card
236A	Sale by Auction	Any Person making sale by Auction	10%	Sale Price
236B	Purchase of domestic air ticket	Person Preparing air tickets	5%	Amount of sale price
236C	Sale or Transfer of Immovable Property	Person responsible for registering or transferring	0.5%	Gross amount of consideration received

# TAX DIGEST

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Sect.	On account of	With-holding Tax Agent	Tax Rate	On which to deduct Tax
236D	Functions & gatherings including Food	Owner/ leaseholder/ operator or manager of Hotel/ Lawn /Restaurant/Hall /Club etc.	10%	Total Amount of Bill
236E	Foreign Produced	Licensing Authority	Rs. 100,000	Per Episode
	TV Drama Serial		Rs. 100,000	Nil
236F	Cable Operators & Other Electronic Media	PEMRA	Pls. refer RC-9	Fixed on license type
236G	Sale to Distributors, Dealers & Wholesalers	Manufacturer or Commercial Importer of following sectors*	0.1%	Gross Amount of Sale
236H	Sales to Retailers	Manufacturer/ Commercial Importer/ Distributor/ Dealer/Wholesaler of following sectors*	0.5%	Gross Amount of Sale
236I	Education Fee	Educational Institute	5%	Amount of Fee
236J	Dealers, Commission Agents & Arhatis	Market Committee	Pls. refer RC-10	Fixed on Group or Class
*electronics, sugar, cement, iron and steel products, fertilizer, motorcycles, pesticides, cigarettes, glass, textile, beverages, paint or foam sector.				

# TAX DIGEST

2013-14

## 5. RATE CARDS (RC)

### RC-1: TAX RATES ON IMPORT

1	Companies & Industrial Undertakings	5%
2	Others	5.5%
3	Foreign Produced Films	12%

### RC-2: SALARY TAX RATES

S. NO.	TAXABLE INCOME(RS)		(RS)	RATE OF TAX	
	From	To		-----	
1	Nil	400,000	0	PLUS	No tax
2	400,001	750,000	0		5% of amount exceeding Rs. 0.4M
3	750,001	1,400,000	17,500		10% of amount exceeding Rs. 0.750M
4	1,400,001	1,500,000	82,500		12.5% of amount exceeding Rs. 1.4 M
5	1,500,001	1,800,000	95,000		15% of amount exceeding Rs. 1.5 M
6	1,800,001	2,500,000	140,000		17.5% of amount exceeding Rs. 1.8 M
7	2,500,001	3,000,000	262,500		20% of amount exceeding Rs. 2.5 M
9	3,000,001	3,500,000	362,500		22.5% of amount exceeding Rs. 3 M
10	3,500,001	4,000,000	475,000		25% of amount exceeding Rs. 3.5 M
11	4,000,001	7,000,000	600,000		27.5% of amount exceeding Rs. 4 M
12	7,000,001	-----	1,425,000		30% of amount exceeding Rs.7 M

### RC-3: PAYMENT FOR GOODS, SERVICES & CONTRACTS

S. NO.	DESCRIPTION	COMPANIES	OTHERS
		% age	
1	Sale of Goods	3-5	4
2	Execution of Contracts	6	6.5
3	Rendering of Services	6	7



# TAX DIGEST

2013-14

## RC-4: INCOME FROM PROPERTY

### *For Individuals & Association of Persons*

S. NO.	GROSS AMOUNT OF RENT (RS)		(RS)	PLUS	RATE OF TAX
	From	To			-----
1	Nil	150,000	0		No tax
2	150,001	1,000,000	0		10% of gross amount exceeding Rs. 0. 15 M
3	1,000,001	-----	85,000		15% of gross amount exceeding Rs. 1 M

### *For Companies*

Tax shall be deducted at the rate of 15% of the gross rent.

## RC-5: PAYMENTS OF WITHDRAWALS FROM PENSION FUNDS

**Tax Rate = (A/B)**

**Where**

“A” is the total tax paid or payable by the employee on the his total taxable income for three preceding tax years; and

“B” is the employee's total taxable income for three preceding tax years

## RC-6: PRIVATE MOTOR VEHICLES

Engine Capacity	Amount of Tax (Rs.)
Up to 850 cc	10,000
851 to 1000 cc	20,000
1001 cc to 1300 cc	30,000
1301 cc to 1600 cc	50,000
1601 cc to 1800 cc	75,000
1801 cc to 2000 cc	100,000
2000 cc & Above	150,000

# TAX DIGEST

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## RC-7: PASSENGER & PRIVATE VEHICLES

### A) If Tax Payment on Annual Basis

#### Goods Transport Vehicles

Goods Transport Vehicles with laden weight less than 8120 kg (no tax shall be paid after 10 years from the date of registration.)	Rs 5 per kg of laden weight
Goods Transport Vehicles with laden weight of 8120 kg or more (tax shall be charged after period of 10 years from the date of registration)	Rs 1,200 per annum

#### Passenger Transport Vehicles

Seating Capacity (Persons)	Rate of Tax per seat per annum (Rs.)
Four - Nine	25
Ten- Nineteen*	60
Twenty or more*	500

\*no tax shall be paid after 10 years from the date of registration

#### Other Private Motor Cars with Engine Capacity

Engine Capacity (CC)	Annual Tax (Rs)
	A
Up to 1000	750
1,001 - 1,199	1,250
1,200 - 1,299	1,750
1,300 - 1,599	3,000
1,600 - 1,999	4,000
2,000 and above	8,000

Note: No tax shall be paid after 10 years from the date of registration on Motor Cars

### B) If Tax Payment on Lumpsum Basis

Engine Capacity (CC)	Lump Sum Tax (Rs)
Up to 1000	7,500
1,001 - 1,199	12,500
1,200 - 1,299	17,500
1,300 - 1,599	30,000
1,600 - 1,999	40,000
2,000 and above	80,000

## TAX DIGEST

2013-14

### RC-8: ELECTRICITY CONSUMPTION

Amount of Bill (Rs)	Tax Per Month (Rs)
Up to 400	0
400.01 - 600	80
600.01 - 800	100
800.01 - 1,000	160
1,000.01 - 1,500	300
1,500.01 - 3,000	350
3,000.01 - 4,500	450
4,500.01 - 6,000	500
6,000.01 - 10,000	650
10,000.01 - 15,000	1,000
15,000.01 - 20,000	1,500
Exceeds 20,000	<ul style="list-style-type: none"><li>• For Commercial Consumer 10%</li><li>• For Industrial Consumer 5</li></ul>

### RC-9: CABLE OPERATORS AND OTHER ELECTRONIC MEDIA

LICENSE CATEGORY (PEMRA RULES 2009)	TAX ON LICENSE FEE	TAX ON RENEWAL
	Rupees	
H	7,500	10,000
H-1	10,000	15,000
H-II	25,000	30,000
R	5,000	30,000
B	5,000	40,000
B-1	30,000	50,000
B-2	40,000	60,000
B-3	50,000	75,000
B-4	75,000	100,000
B-5	87,500	150,000
B-6	175,000	200,000
B-7	262,500	300,000
B-8	437,500	500,000
B-9	700,000	800,000
B-10	875,500	900,000

## TAX DIGEST

2013-14

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Rate of tax to be collected by PEMRA in case of IPTV, FM Radio, MMDS, Mobile TV, Mobile Audio, Satellite TV Channel and Landing Rights shall be 20% of the Permission Fee or Renewal Fee, as the case may be.

**RC-10: TAX ON DEALERS, COMMISSION AGENTS & ARHATIS**

<b>GROUP</b>	<b>TAX (Rs. Per Year)</b>
Group or Class A	10,000
Group or Class B	7,500
Group or Class C	5,000
Any Other Category	5,000



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