



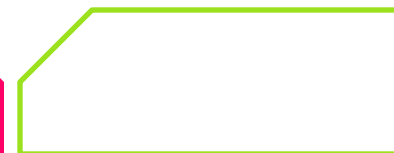
Budget Digest

2021-22





Budget Digest 2021-22



This digest summarises important changes proposed in the Finance Bill 2021 (herein after referred as “Finance Bill”) relating to Income Tax, Sales Tax, Federal Excise Duty and Customs Duty and has been prepared for the guidance and information of our clients and staff only.

Subject to approval of the National Assembly, all changes through the Finance Bill is effective from July 1, 2021, unless otherwise specifically stated.

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

The digest has been jointly prepared by JASB & Associates and B A Partner (Pvt) Limited and can be accessed & downloaded from www.jasb.associates

J.A.S.B & Associates

B A Partner (Pvt) Limited





Category	Changes Proposed in Budget	Impact
General	Reduction/exemption on 328 tariff lines of CD and ACD on raw materials and intermediary goods.	Positive
	Reduction of ACD on goods falling under 2436 tariff lines pertaining to 20% customs duty slab from 7% to 6%	
	Increase in RD on import of non-essential/luxury items to support local industry.	
	Ecommerce to be brought under sales tax net by deeming the online market place as supplier in respect of third-party sales through their platform.	
	For domestic users not in active tax payer list, withholding tax to be applied at 7.5% if electricity bill is higher than Rs 25,000 (previously it was Rs 75,000)	
	Retailers accepting payments through Debit/credit card or any other digital platform will be included in tier-1 retailer.	
	Exemption to Special Economic Zone Enterprises from payment of minimum tax.	





Category	Changes Proposed in Budget	Impact
General	Setting up of Special Technology Zones (STZ), offering incentives such as In-come Tax exemptions for 10 years for IT services, IT enabled exports, IT enabled contracts and technical services firms. In addition, sales tax on raw material and machinery has also been abolished for these companies existing in these STZs.	Positive
	Formulation of an export facilitation scheme which shall supersede existing scheme (existing scheme to be phased out over the next two years). Benefits on export receipts will be automated and tax matters will be streamlined for exporters.	
	Local supplies of raw materials/plant and machinery to registered exporters falling under Export Facilitation Scheme, 2021 will be zero-rated.	
	PKR 30Bn allocated for Naya Pakistan Housing and PKR 3bn markup subsidy for Naya Pakistan Scheme. In addition, for people under the age of 30, PKR 0.3Mn subsidy will be given for small houses and PKR 2Mn worth of interest free loans will be provided under the Naya Pakistan Housing Scheme.	
	Abolishment of 12 types of Withholding Taxes (WHT) on various types of transactions. Most notable of these is reduction in WHT on banking transactions.	





Category	Changes Proposed in Budget	Impact
Capital Market	Capital Gains Tax (CGT) on shares trading reduced from 15% to 12.5% for filers. CGT for non-filers remained unchanged at 30%.	Positive
	Block taxation on interest income will no longer be applicable, if the interest income exceeds PKR5Mn.	
	Removal of withholding tax on <ul style="list-style-type: none">members of a stock exchange registered in Pakistan.marginal financing by NCCPL.	
	Abolishment of Capital Value Tax (CVT). Previously, it was charged at 0.02% on purchase/sale value at the time of buying/selling.	
	GoP has budgeted PKR90bn as dividend income (124%/48% higher than last years revised estimate/ budgeted numbers of PKR40/61bn) from PPL & OGDCL	
	Tax credit on new listings at PSX has been abolished. Previously new companies listed on PSX could avail 20% tax credit for first two years and 10% for subsequent two years.	Negative



Category	Changes Proposed in Budget	Impact
Real Estate (Cement, Steel, Ceramic & Others)	Separate taxation of property income has been proposed to withdraw . Now it will be taxed under normal tax regime.	<p style="color: green; text-align: center;">Positive</p>
	Adjustment of business loss against property income has been allowed	
	Exemption on profit/gain on sale of immovable property to development REIT scheme of commercial building has been extended till 2023.	
	Exemption of CD from 5% on import of HRC. Price of imported HRC, raw material for CRC manufacturers, can come down by 8-9k/ton based on current international HRC price	
	Rs900bn for FY22, up 59% from utilized amount of around Rs566bn in FY21TD, whereas budgeted amount for FY21 was Rs630bn.	
	Imposition of 17% sales tax on the import of steel billets, ingots, ship plates and other long re-rolled items.	
	WHT of 5% removed from extraction of minerals.	
	Rs 57bn for Dasu Hydropower Project, Rs 23bn for Diامر Basha dam, Rs 6bn for Mohmand Dam and Rs 14bn for Neelum Jhelum Hydropower Project.	
	Rs 30 Bn allocated to subsidize low-cost housing under Naya Pakistan Housing	
	Rs 33bn subsidy allocated for low cost housing scheme (Rs 3lac/household)	





Category	Changes Proposed in Budget	Impact
Auto	Reduction in sales tax for small cars up to 850cc from 17% to 12.5%.	Positive
	Exemption from FED on small cars up to 850cc (current FED 2.5%).	
	AVT (AD-valorem tax) exemption of 3% for electric vehicles CKD kits/small cars up till Jun'26 while AVT exemption for 2-3 wheelers in CBU condition is available till Jun-25.	
	Reduction in sales tax from 17% to 1% on locally assembled electric vehicles	
	New clause added in transfer of vehicle cost to penalize business of 'On' money. PKR 50,000, 100,000 and 200,000 imposed on transfer of vehicles below 1000cc, 2000cc and over 2000cc respectively.	
	Turnover tax on bike dealers in-creased from 0.3% to 0.5%.	Negative
Leather & tanneries	Reduction of duties on raw material/inputs of footwear industry	Positive
Electronics	Reduction/Exemption of CD & ACD on inputs for electronics manufacturing industry	Neutral





Category	Changes Proposed in Budget	Impact
Oil Refineries	Customs duty on MS/HSD/crude oil changed from 3/11/3% to 10/10/2.5% respectively.	Positive
	10 year tax holiday for new refineries and BMR projects for existing refineries.	
	Minimum tax on oil refineries has been reduced from 0.75% to 0.5%.	
	Abolishment of zero-rating on crude oil import.	
Oil Marketing	Petroleum levy is set at Rs 610bn as compared to Rs 450bn in FY21.	Negative
	Minimum turnover tax kept unchanged at 0.75%.	Neutral
	GST on RLNG increased from 12% to 17%	Positive
	Advance tax of 0.5% on certain petroleum products has been abolished.	
	Sales tax on imported LNG for servicing CNG sector and local sup-plies have been reduced to 0% from previous 5%.	





Category	Changes Proposed in Budget	Impact
Textile	Abolishment of custom and regulatory duties of 5% on the import of polyester yarn.	Positive
	Increase in general sales tax on raw cotton and ginned cotton from 10% to 17%.	Negative
	Increase in GST on potassium chlorate which will now be imposed at PKR 90/kg from PKR 80/kg at a standard 17% rate.	
Chemicals	Reduction/exemption of CD & ACD on raw materials for paint industry.	Positive
	Reduction/exemption of CD & ACD on raw material for manufacturer of aseptic plastic packaging.	
Packaging	Reduction of CD & ACD on uncoated paper and paperboard for printing and graphic arts Industry	
Agriculture , Fertilizers & Agri Auto	Rate of advance tax on dealers reduced to 0.25% if they appear on active taxpayer's list.	Positive
	An agriculture transformation plan has been devised for this purpose. Under this plan, support will be provided from water to seeds, fertilizer, agri -credit, tractors and machinery, commodity warehousing, cold storage, and food processing industry	





Category	Changes Proposed in Budget	Impact
Technology	Zero rated taxation regime for companies who bring back 80% of their export revenues into Pakistan through formal banking channels.	Positive
	Tax exemption on the import of capital goods and dividend income of private funds from investment in special technology zone enterprise.	
	Ten-year tax exemption for Special Technology Zone Authority, Zone Developers and Zone Enterprises.	
	Import of plant, machinery and raw material by companies in Special Technology Zone is proposed to be exempted from sales tax.	
Telecom	Withholding tax rates reduced from 12.5% to 10% for tax year 2022 and 8% for onward for telephone user on account of mobile telephone and prepaid internet or telephone cards.	Neutral
	The rate of federal excise duty on telecommunication is proposed to be reduced to 16%	
	Federal excise on mobile phone calls exceeding three minutes @ Re 1 per call, SMS message @ Re. 0.1 per SMS, and internet data usage @ Rs. 5 per GB is being proposed. This will result into mild taxation of a broad spectrum of population	
	Rationalization of RD on import of Mobile Phones to encourage import substitution	
	Inclusion of telecommunication services in definition of industrial undertaking	





Category	Changes Proposed in Budget	Impact
Power	Power subsidy increased to Rs. 596 bn (Rs. 140 bn in FY21).	Positive
	Exemption from tax for bagasse fired power generating units and reduced rate of tax to 7.5% on dividend income from such projects.	
Consumer	Reduction / exemption on inputs / raw materials of food processing industry.	Positive
	Reduction/exemption of CD & ACD on inputs for poultry industry.	
	Soya bean Meal is now charged GST at 17% from 10% previously.	
	GST on flavored milk, yogurt, cheese, butter, cream, milk and cream concentrated has been increased from 10% to 17%	
	17% FED on Edible oils excluding soya bean oil has been removed, however, it will now be charged 17% sales tax	
Pharma	Exemption of CD & ACD on more than 350 APIs. This would reduce cost of production and in turn improve the gross margin of the sector.	Positive
	Plant, machinery and equipment subject to concessionary rate of 5% would reduce the cost of financing BMR/expansion projects.	
	Exemption of CD & ACD on six life-saving drugs.	
	Blanket exemption of 10% sales tax on APIs not exceeding 11%	
Banks	Ijarah Sukuk issuance target for next year has been set at PKR1,200Mn, 174% higher from FY21 revised estimate of PKR437Mn	Positive
	Removal of WHT tax (0.6% for non-filers) on banking transactions	
	Tax exemptions and concessions for Roshan digital accounts	
	No more 1% Advance tax remittance abroad through credit/debit or prepaid cards	





Budget Digest
2021-22

TAX LAWS
REVIEW

REVIEW OF TAX LAWS
(Income Tax, Sales Tax, Customs, FED)





- Special regime for export of services at par with export of goods to be taxed @ 1% under final tax regime.
- Elimination of block taxation of property income and shift to normal tax regime.
- Reduction of block taxation on capital gain on disposal of immovable properties if gain exceeds Rs. 20 million.
- Reduction in block taxation on interest income, if it exceeds Rs. 5 million.
- Tax on “on” money on vehicles, if vehicle is disposed without registration.
- Expansion of scope of withholding tax collection from supply chain below manufacturers and importers of specified sectors (sections 236G and 236H).





- Reduction in threshold of monthly electricity bill for withholding tax on electricity consumption from 75,000 to 25,000 from domestic users not appearing on Active Taxpayers' list.
- Removal of requirement of issuance of separate notice in concealment cases.
- Withholding of tax on rental income of sub-lessee.
- Broadening of scope of withholding agents for the purpose of collection of withholding tax on commission income (section 233).
- Streamlining withholding tax collection on sale and purchase of immovable property (section 236C and 236K).
- Rationalization of withholding tax regime for exporters.





- Taxability of profit on debt component of GP fund and other such funds.
- Withdrawal of personal income tax exemptions.
- During the current financial year, Tax Laws (Second Amendment) Ordinance, 2021 was promulgated to implement corporate income tax reforms to provide level playing field to all businesses. Certain tax credits, concessions and exemptions were withdrawn. The provisions of the Ordinance have been made part of the Finance Bill.
- Non recognition of gain/loss on disposal of assets to non-residents under gift from relative, inheritance and agreement to live apart.





- No more withholding tax on following. Deletion of following sections is proposed.

Provision	Description
153B	Collection of tax on payment of royalty to residents.
231A	Collection of tax on cash withdrawal.
231AA	Collection of tax on banking instruments.
236P	Collection of tax on banking transactions other than through cash.
236Y debit	Collection of tax from persons remitting amounts abroad through credit or or prepaid cards.
236B	Collection of tax on domestic air travel.
236L	Collection of tax on international air travel.
236V	Collection of tax on extraction of minerals.
233A	Collection of tax from members by a stock exchange registered in Pakistan.
233AA	Collection of tax on marginal financing by NCCPL.
234A	Collection of tax from CNG stations.
236HA	Collection of tax on certain petroleum products.





- Reduction in generalized rate on Minimum Tax on Turnover basis and increase in threshold for individuals and AOPs for chargeability of minimum tax.
- Broadening of scope of IT services by inclusion of cloud computing and data storage services.
- Exemption to Special Economic Zone Enterprises from payment of minimum tax.
- Ten year tax exemption for Special Technology Zone Authority, Zone Developers and Zone Enterprises.
- Tax exemption on the import of capital goods and dividend income of private funds from investment in special technology zone enterprise.
- Introduction of special tax regime for manufacturing SMEs.
- Exemption from tax on income of deep conversion new refineries and BMR projects of existing refineries for 10 years.





- Reduced rate of withholding tax of 3% on oilfield services, warehousing services, logistic services, collateral management services and telecommunication services.
- Inclusion of telecommunication services in definition of industrial undertaking.
- Exemption to Electronic warehousing receipts traded on Pakistan Mercantile Exchange.
- Allowance of provincial WWF and WPPF as a deductible allowance while calculating income.
- Adjustment of business loss against property income.
- Unconditional grant of exemption from tax to certain organizations.
- No more powers to Commissioner to reject advance tax estimates presented by taxpayer.





- Reduction in tax rate on capital gain tax on disposal of securities from 15% to 12.5%.
- Withdrawal of power of tax authorities to conduct inquiry under section 122(5A).
- Inclusion of live animals, raw hides and unpackaged meat in definition of agriculture produce.
- Reduction in tax liability by 25% for women entrepreneurs.
- Exemption from tax on import of books and agriculture equipment.
- Exemption from tax for bagasse fired power generating units and reduced rate of tax on dividend income from such projects.
- Extension in time limits for availing tax benefits under section 100D and Eleventh Schedule vide Income Tax (Amendment) Ordinance 2021 dated 21.02.2021 made part of the bill.





- Tax exemptions and concessions for Roshan digital accounts and implementation of electric vehicles and mobile phone policy implemented vide Tax Laws (Amendment) Ordinance, 2021 dated 11.02.2021 made part of bill.
- Strengthening mechanism of Alternate dispute resolution.
- Elimination of requirement of filing of application for automated issuance of refund.
- Introduction of time limitation for disposal of show cause notices.
- Recording of e-hearing to be admissible evidence.
- Automated issuance of exemption certificates if application is not disposed by Commissioner within 15 days.
- Removal of requirement of updating tax profile.
- Clarity regarding taxation of income of co-operative societies from sale and services to its own members.





- Delegation of power of Federal Government to Board with the approval of Federal Minister in-charge.
- Extension of time limitation for issuance of notice for filing of return in case of foreign income or foreign assets.
- Time limitation for completion of assessment in pursuance of orders of the Commissioner.
- Streamlining measure for monitoring of withholding taxes requiring taxpayers to file online statement along with reconciliation.
- Tax credit on installation of point of sale machines.
- Notification of business bank accounts made mandatory.
- Measures for the documentation of business of used cars.
- Harmonization of procedure for investigation and prosecution of offences under domestic tax laws.



- The sale of goods through online market place is proposed to be brought into the sales tax net by deeming the online market place as supplier in respect of third party sales through their platform.
- For specified goods, it is proposed that it may be made mandatory for manufacturers of such goods to obtain brand license for each separate brand or SKU.
- Section 56C provides for prize scheme to promote tax culture. To ensure that the said incentive is not misused, a new sub-section is proposed to be inserted to provide for randomize “mystery shopping”.
- The rate of sales tax on potassium chlorate is proposed to be increased from Rs. 80 per kg to Rs. 90 per kg in addition to 17% standard rate.
- Zero-rating is proposed to be withdrawn from Petroleum Crude Oil, parts/components of zero-rated plant and machinery, import of plant and machinery by petroleum and gas sector and supply, repair and maintenance of ships.



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- Sixth Schedule is proposed to be streamlined and exemptions other than relating to basic food items, health and education are proposed to be withdrawn.
- Eighth Schedule is proposed to be streamlined and reduced rates other than relating to basic food items, health and education are proposed to be brought into standard regime.
- Reclaimed lead and used lead batteries is an unorganized sector. Therefore, entire amount of sales tax in respect of sales of such goods is proposed to be withheld at source under Eleventh Schedule.
- To ensure collection of due taxes, sales tax on sugar is proposed to be levied on retail price by including the said product in Third Schedule.
- The minimum annual threshold of turnover from all supplies for cottage industry is proposed to be increased from Rs. 3 million to Rs. 10 million.





- The threshold of shop area in case of furniture outlet/showrooms is proposed to be increased from 1000 square feet to 2000 square feet for inclusion in tier-1 retailer.
- Public limited companies are proposed to be excluded from the purview of section 8B.
- A separate section introduced for allowing extension of time for furnishing of return.
- Exemption is proposed to be granted to art and printing paper for publication and printing of Holy Quran.
- Exemption on import of CKD kits for electric vehicles by manufacturers is proposed to be incorporated in the Sixth Schedule.
- To facilitate international athletes, exemption to goods temporarily imported by athletes/sportsmen is proposed to be incorporated in the Sixth Schedule.
- Tax exemption to auto disable syringes granted vide Tax Laws (Second Amendment) Ordinance, 2021 is proposed to be incorporated in the Sixth Schedule.





- To encourage IT industry in the country, import of plant, machinery and raw material by Special Technology Zone is proposed to be exempted from sales tax.
- To facilitate farmers and encourage storage of grain, tax exemption on locally manufactured silos is proposed to be granted till 30.06.2026.
- Reduced rate of sales tax @ 1% on locally supply of electric vehicles granted vide Tax Laws (Amendment) Ordinance, 2021 is proposed to be incorporated in the Sixth Schedule.
- In order to address litigation issue, fixed tax on SIM cards is proposed to be deleted with effect from 1st July, 2020.
- Exemption from value addition tax on import of electric vehicles, CKD kits for small car, 2-3 wheelers, HCVs and all these vehicles in CBU conditions was granted vide Tax Laws (Amendment) Ordinance, 2021 is proposed to be incorporated in the Twelfth Schedule.
- For facilitation purpose, the concept of constructive payment is proposed to be introduced in section 73.





- To provide relief to the registered persons, the benefit of compensation for delayed payment of refund is also proposed to be extended to those persons in whose case order under section 66 is passed.
- For promoting ease of doing business, the concept of Common Identifier Number is proposed to be introduced.
- For establishment of Border Sustenance Markets, exemption from sales tax is proposed to be granted on food related and other consumable goods.
- In order to introduce umbrella Export Facilitation Scheme by Customs Wing, exemption on import and zero-rating on local supplies in respect of raw materials, components, parts and plant and machinery to authorized exporters is proposed.
- Rising prices of locally manufactured small cars is a major concern for low earning families. Accordingly it is proposed that small cars upto engine capacity of 850cc may be exempted from value added tax besides reducing sales tax rate from 17% to 12.5%.





- Reduction / exemption of CD, ACD & RD on import of goods falling under 589 PCT codes to incentivize the textile industry.
- Reduction / exemption of CD, ACD & RD on import of flat rolled products of HRC and stainless steel.
- Reduction / exemption of CD and ACD on raw materials and intermediary goods and point of sale machines falling under 328 tariff lines as a consequent of tariff rationalization.
- To incentivize the pharmaceutical sector and to keep the prices stable in the market, -
 - Exemption of CD & ACD on more than 350 APIs
 - Plant, machinery and equipment subject to concessionary rate of 5%
 - Exemption of CD & ACD on raw material of auto-disable syringes and
Reduction in tariff on finished auto-disable syringes
- Reduction / exemption on inputs / raw materials of food processing industry.



- Reduction of CD & ACD on uncoated paper and paperboard for printing and graphic arts industry.
- Reduction / exemption of CD & ACD on Vaccines for veterinary medicines and feed additives to incentivize the dairy sector.
- Reduction / exemption of CD & ACD on goods falling under more than 100 PCT codes relating to Tourism industry.
- Reduction of duties on raw material/inputs of footwear industry.
- Reduction / exemption of CD & ACD on inputs for poultry industry.
- Reduction / exemption of CD & ACD on raw material for manufacturer of aseptic plastic packaging.
- Exemption of ACD on import of raw materials for cables / optical fiber manufacturers.



Reduction / Exemption of CD & ACD on raw materials for Paint Industry





- Reduction / Exemption of CD & ACD on raw materials for Chemical and Artificial Leather Industry. Reduction / Exemption of CD & ACD on inputs for Electronics Manufacturing Industry.
- Reduction / exemption of CD & ACD on raw materials / inputs of furniture, coating, boiler manufacturing industry, bobbins and cops manufacturing industry etc.
- Reduction of ACD on goods falling under 2436 tariff lines pertaining to 20% customs duty slab from 7% to 6%.
- Extension in exemption from customs duties on import of COVID-19 related items for further six month.
- Exemption of CD & ACD on Inputs of Ready-To-Use Supplementary Foods (RUSF) and Ready-To-Use Therapeutic Food (RUTF).
- Exemption of CD & ACD on 06 life-saving drugs.



Enhance the value of unsolicited gifts through post or courier from Rs. 20,000 to 25,000





- Exemption of CD & ACD on import of grain storage hermetic bags and cocoons.
- Rationalization of tariff structure on auto sector.
- Rationalization of RD on import of Mobile Phones to encourage import substitution
- Increase in rates of RD on import of non-essential / luxury items to support local industry.
- Reduction of RD on import of cocoa paste, butter and powder being industrial input goods.
- To ease of doing business, a new Uniform Export Facilitation Scheme is being proposed. The existing schemes shall be phased out in next two years.
- Bond to Bond Transfer of goods through WeBOC without prior approval of the Collector is being proposed to be allowed.



Reduction of RD on export of molasses, skin and hides to boost production of the country with our important trading partners across the world.





- Establishment of Border Sustenance Markets to mitigate the problems faced by the people residing in border areas due to fencing and counter-smuggling measures.
- Introduction of a concept of Common bonded warehousing to encourage Small and Medium Enterprises.
- Empowering Collector of customs to determine customs value there by facilitating trade.
- Enabling the Director General Valuation to take appropriate decision on appeal and capping the time limit for such proceedings. Facilitation of trade by avoiding time consumed in unnecessary litigations.
- Allowing the importers to amend manifest till berthing event without seeking approval from custom authorities and hence ease of doing business.
- Enable customs authorities to allow bonafide amendment in into-bonds goods declaration and thus facilitate trade.





- Allowing the Collector to extend warehousing period for six months. Reducing the processing time of the requests and promoting ease of doing business.
- Reducing the time limit allowed for decision of the cases wherein the impugned goods are lying at sea ports, airports or dry-ports and thus decreasing the cost of doing business. Enable customs authorities to issue correction / corrigendum certificate in case of genuine / obvious error and facilitate trade.
- Inclusion of other law enforcement agencies for the purpose of reward and increasing their motivation.
- Affording opportunity of being heard to the registered users of WeBOC in accordance with the canons of natural justice.
- Increasing the period of validity of advance ruling from the current one year to three years in accordance with international benchmarks and facilitating trade thereof.





- Provision for the classification committee to avoid unnecessary litigation on account of classification disputes and consequently decreasing the cost of doing business.
- Removal of fine in case of delay in filing of goods declaration and thereby providing ease of doing business.
- Inclusion of master bill of lading and certificate of origin in the existing definition of document to discourage origin fraud.
- Inclusion of the retailing in definition of smuggling to discourage retailers from selling smuggled goods.
- Making shipping lines responsible for re-export of banned items imported in commercial quantities.
- Increasing the pitch of fine in case of non-placement of invoice and packing list in container to inculcate compliance.
- Discouraging smuggling by denying release of vehicles used repeatedly for smuggling against redemption fine.





- Federal excise on mobile phone calls exceeding three minutes @ Re 1 per call, SMS message @ Re. 0.1 per SMS, and internet data usage @ Rs. 5 per GB is being proposed.
- Electronically heated tobacco products are also proposed to be brought into the tax net by inserting new S. No. 8c of Table-1 of the First Schedule to the Federal Excise Act, 2005.
- Exemption is being given from levy of FED to the industrial units located in FATA and PATA.
- The provision to revise return without prior approval of the Commissioner-IR is now proposed to be made available in Federal Excise Act, 2005.
- Exemption from federal excise duty to 4-wheelers.
- The rate of federal excise duty on telecommunication is proposed to be reduced from 17% to 16%.





- Payment on account of Merchant Discount Rate (MDR) is proposed to be excluded from the purview of FED.
- For establishment of Border Sustenance Markets, exemption from federal excise duty is proposed to be granted on food related and other consumable goods.
- It is proposed that small cars up to engine capacity of 850cc may be exempted from federal excise duty.
- To introduce new Export Facilitation Scheme, 2021, exemption on import and zero-rating on local supplies in respect of raw materials, components, parts and plant and machinery to registered persons is proposed.
- it is proposed to withdraw federal excise duty on juices.





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