

ASIF ASSOCIATES
Chartered Accountants

TAX CARD FOR THE TAX
YEAR 2022

With effect from July 01, 2021



Affectionately dedicated to:

My parents

and

“Muhammad Luqman Kamil”

*Who are and would remain to be a source of
inspiration for me.*

FOREWORD

Asif Associates Chartered Accountants is one of the leading Chartered Accountant firm providing accounting, auditing, taxation, management advisory, consultancy and other corporate services to the public & private organizations in the country.

The firm has requisite multi-disciplinary skills and assembled a team of accounting, auditing, corporate, and financial and HR experts. It has involved persons who are capable of performing tasks expeditiously, having unique combination of knowledge and experience.

Each assignment is handled by a Partner, who is supported by the qualified Manager. For its entire professional staff, the firm carries out a structured training program, which covers all areas of the practice including audit, tax, corporate and management advisory.

Asif Associates, Chartered Accountants proudly presents Summary of Income Tax Rates applicable on various sectors of economy in Pakistan under the Income Tax Ordinance, 2001 as a Tax Card Booklet. While developing this card, efforts have been endured to keep the presentation simple, easy to understand for laymen and changes have been incorporated up to Finance Act, 2021.

Asif Associates team takes pride in saying that we value our clients and have made efforts for developing this document to enable our clients have a ready reference to the tax rates applicable on them under the Income Tax Ordinance, 2001 and Provincial Sales Tax Act.

We are grateful to Almighty Allah for infinite blessings and favours of His and pray that our clients may be successful in all of their business and personal endeavours.

Best Regards

Muhammad Asif Raza (FCA)
Principal

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Chartered Accountants

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FOR SALARIED INDIVIDUALS	
Taxable Income (Rupees)	Rate of Tax
0 to 600,000	0%
600,001 to 1,200,000	5% of amount exceeding Rs.600,000
1,200,001 to 1,800,000	Rs.30,000+10% amount exceeding Rs.1,200,000
1,800,001 to 2,500,000	Rs.90,000+15% amount exceeding Rs.1,800,000
2,500,001 to 3,500,000	Rs.195,000 + 17.5% amount exceeding Rs.2,500,000
3,500,001 to 5,000,000	Rs.370,000 + 20% amount exceeding Rs.3,500,000
5,000,001 to 8,000,000	Rs.670,000+22.5% amount exceeding Rs.5,000,000
8,000,001 to 12,000,000	Rs.1,345,000+25% amount exceeding Rs.8,000,000
12,000,001 to 30,000,000	Rs.2,345,000+27.5% amount exceeding Rs.12,000,000
30,000,000 to 50,000,000	Rs.7,295,000+30% amount exceeding Rs.30,000,000
50,000,001 to 75,000,000	Rs.13,295,000+32.5% amount exceeding Rs.50,000,000
Where Taxable Income exceeds Rs.75,000,000	Rs.21,420,000+35% amount exceeding Rs.75,000,000

*Salaried Individual means income of individual under the head "Salary" exceeds 75% of his taxable income.
 -payment for directorship fee or fee for attending board meeting, will be taxed @20%

FOR NON-SALARIED INDIVIDUALS / ASSOCIATION OF PERSONS (AOP)	
Taxable Income (Rupees)	Rate of Tax
0 to 400,000	0%
400,001 to 600,000	5% of amount exceeding Rs.400,000
600,001 to 1,200,000	Rs.10,000+10% amount exceeding Rs.600,000
1,200,001 to 2,400,000	Rs.70,000+15% amount exceeding Rs.1,200,000
2,400,001 to 3,000,000	Rs.250,000 + 20% amount exceeding Rs.2,400,000
3,000,001 to 4,000,000	Rs.370,000 + 25% amount exceeding Rs.3,000,000
4,000,001 to 6,000,000	Rs.620,000+30% amount exceeding Rs.4,000,000
Where Taxable Income exceeds Rs.6,000,000	Rs.1,220,000+35% amount exceeding Rs.6,000,000

ALLOWANCES AND TAX CREDITS

SECTIONS	PARTICULARS	CONCESSION	MAXIMUM LIMIT
60	Zakat	Straight Income Deduction	N/A
60 (C)	Profit on Debt for Construction of house	Straight Income Deduction	Lower of; -50% of taxable income -Rs.2,000,000
60 (D)	Education Expenses	Income Deduction	If Income of Taxpayer less than Rs. 1,500,000: Lesser of: - 5% of Tuition Fee - 25% of Taxable Income - 60,000 x No. of Children
61	Charitable Donation	Straight Income Deduction / Tax Credit	Lower of; Amount of donation or *30% of taxable income in case of individual /AOP and 20% in case of company
62	Investment in Share and Insurance	Tax Credit	Resident person other than company shall be allowed Lower of; -Total cost of acquiring the shares/ insurance premium paid. -20% of taxable income -Rs.2,000,000
62A	Tax Credit for Investment in Health Insurance	Tax Credit	Resident Filer other than company allowed lesser of: i) Rs. 150,000 ii) 5% of Taxable Income iii) Premium paid
63	Approved Pension Fund	Tax Credit	Allowed to Eligible Person U/s 2(19A): Lower of; -Total contribution or premium paid by individual -20% of taxable income Additional Contribution of 2% of p.a for person exceeding 40 years of age up to June 30, 2019. (Total contribution not exceeding 30% of Total Taxable Income).

64 B	Employment Generation	Tax Credit	Tax Credit to manufacturers setting up units between 01.07.2015 to 30.06.2019 equal to 2% for every 50 employees registered with EOBI.
64 D	Tax credit for Point of Sale Machine	Tax Credit	Lower of; -amount actually invested in purchase of point of sale machine -rupees one hundred and fifty thousand per machine
65F	Tax Credit to certain persons	100% Tax Credit	Available to following persons (a) persons engaged in coal mining projects in Sindh supplying coal exclusively to power generation projects (b) a startup as defined in clause (62A) of section 2 for the tax year in which the startup is certified by the Pakistan Software Export Board and the next following two tax years (c) Income from exports of computer software or IT services or IT enabled services upto the period ending on the 30th day of June, 2025
<i>Second Schedule</i>	<i>Full time teacher or researcher, employed in non-profit education or Research Institution*</i>	<i>Reduction of 25% in tax liability</i>	

*This exemption is not available for teachers of medical profession who derive income from private medical practice or who receive share of consideration received from patients.

TAX RATES FOR THE COMPANIES		
COMPANY	RATE FOR THE TAX YEAR	
	2020	2021
Banking Company	35%	35%
Public Company (other than a Banking Company)	29%	29%
Private Company (other than a Banking Company)	29%	29%
Small Company having Turnover up to Rs.250 million	23%	22%

RATES OF SUPER TAX

Sr. No	Person	Tax year	Tax year	Tax year
		2019	2020	2021 and onwards
1	Banking Company	4%	4%	4%
2	Other Than Banking company having income equal or more than Rs. 500 M	2%	0%	0%

RATES FOR FILING OF APPEALS:

Authority	Individual/AOP		Company	
	Appeal against assessment Order	Other order	Appeal against assessment Order	Other order
Filing of Appeal before CIR(Appeals)				
Appeal Fee	2,500	1,000	5,000	5,000
Filing of Appeal before ATIR				
Appeal Fee	2,500	2,500	5,000	5,000

SMALL & MEDIUM ENTERPRISES (Option under NTR)

Category	Turnover	Rates
Category-1	Where annual business turnover does not exceed Rupees 100 million	7.5% of taxable Income
Category-2	Where annual turnover exceeds Rupees 100 Million but does not exceed Rupees 250 million	15% of taxable Income

SMALL & MEDIUM ENTERPRISES (Option under FTR)

Category	Turnover	Rates
Category-1	Where annual business turnover does not exceed Rupees 100 million	0.25% of gross turnover
Category-2	Where annual turnover exceeds Rupees 100 Million but does not Rupees 250 million	0.5% of gross turnover

WITHHOLDING OF TAX ON PAYMENTS

U/S 148	ADVANCE TAX ON IMPORT STAGE		
	Persons	Filer	Non-Filer
	Persons importing goods classified in Part I of the Twelfth Schedule	1%	2%
	Persons importing goods classified in Part II of the Twelfth Schedule	2%	4%
	Persons importing goods classified in Part III of the Twelfth Schedule.	5.5%	11%
	Manufacturers Covered under rescinded SRO 1125(I) /2011 dated 31.12.2011 on import of items covered under the aforementioned SRO.	1%	2%
Persons importing Finished Pharmaceutical products that are not manufactured otherwise in Pakistan as Certified by DRAP.	4%	8%	
In case of importers of CKD kits of electric vehicles for small cars or SUVs with 50 kwh battery or below and LCVs with 150 kwh battery or below shall be	1%	1%	

U/S 150	DIVIDEND	
	Description	Rate
1	Dividend paid by IPPs where such dividend is a pass-through item under Implementation Agreement, or Power Purchase Agreement or Energy Purchase Agreement and is required to be reimbursed by Central Power Purchasing Agency.	7.50%
2	Mutual Funds and all other cases	15%
3	From Company having no tax is payable due to exemption or carried forward of business losses or claim of tax credits.	25%

U/S 151(1A)	RETURN ON INVESTMENT IN SUKUKS		
	Description	Individual /AOPs	Company
1	If return is less than 1 million.	10%	25%
2	If return above Rs. 1 million.	12.50%	25%

Profit on Debt			
U/S 151		Filers	Non-filers
		Gross Amount	15%
U/S 7B	(Separate Block of Income for Individuals & AOPs) 15%		

U/S 152	Payments to Non-Residents	
	Royalty or fee for Technical services rendered by non-residents. 152(1)	15%
	Fee for offshore digital services. 152(1)	5%
	Contract for Construction / Construction Services, Assembly, Installation including supervisory activities and contract for advertisement 152(1A)	Filer --- 7%
	Insurance premium and re-insurance premium paid to non-resident person. 152(1AA)	Filer --- 5%
		Non-Filer --- 10%
	Advertisement Services to non- resident media person relying outside Pakistan 152(1AAA)	10%
	Capital gain arising on the disposal of debt instruments and government securities maintaining under Foreign Currency Value Account (FCVA) or a non-resident Pakistani Rupee Value Account (NRVA) of a non-resident individual holding Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC). 152(1DA)	10%
	Sports Person	10%
Any other	20%	

Payments to Permanent Establishments of Non – Residents – 152 (2A)	Company		Others	
	Filer	Non-Filer	Filer	Non-Filer
Supply/Sale of Goods by PE of Non-residents	4%	4%	4.5%	4.5%
Services rendered/provided by PE of Non-residents	8%	16%	10%	20%
Execution of Contracts by PE of Non-residents	7%	14%	7%	14%

PAYMENTS AGAINST GOODS, SERVICES & EXECUTION OF CONTRACTS U/S 153				
Sr. No.	Description	2021		Reference
		Filers	Non-Filers	
1	Sale of goods (includes Toll manufacturing now)	4%	8%	Section 153(1)(a), Part III Division III
	-In case of company	4.50%	9%	
	-In case of other taxpayers			
	In case of payments for Cotton seed, rice, edible oil.	1.5%	3%	

	Sale by Distributors of Pharmaceuticals, Cigarette and large import House	1%	2%	45 (A), Part IV of Second Schedule
	Distributors, Dealers & Sub-dealers of wholesaler & retailer of FMCGs, fertilizers, Sugar, Cement and edible oil as recipient of payment.	0.25%	0.50%	24C, Part II of Second Schedule
2	<p>Rendering of services including:</p> <p>Transport services, freight forwarding services, air cargo services, courier services, manpower outsourcing services, hotel services, security guard services, software development services, IT services and IT enabled services as defined in section 2, tracking services, advertising services (other than by print or electronic media), share registrar services, engineering services including architectural services, warehousing services, services rendered by asset management companies, data services provided under license issued by the Pakistan Telecommunication Authority, telecommunication infrastructure (tower) services, car rental services, building maintenance services, services rendered by Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited, inspection, certification, testing and training services, oilfield services, telecommunication services, collateral management services, travel and tour services.</p>	3%	6%	Section 153(1)(b), Part III Division III
	<p>A) Others</p> <p>-In case of company</p> <p>- In case of other taxpayers</p>	8% 10%	16% 20%	
	<p>C) Advertising payment to Electronic & Print Media</p> <p>- Company</p> <p>- Any other Person</p>	1.5% 1.5%	3% 3%	
3	<p>Execution of contracts</p> <p>-In case of company</p> <p>-In case of other taxpayers</p> <p>-In case of sportspersons</p>	6.5% 7% 10%	13% 14% 20%	Section 153(1)(c), Part III Division III
4	Following services rendered to exporter stitching, dying, printing, embroidery, washing, sizing and weaving,	1%	2%	Section 153(2) Part III Division IV

Exports		
U/S 154	Indenting commission. 154 (2)	5%
	Sale of goods to an exporter under inland back-to-back LC or any other Arrangement like SPO. 154 (3)	1%
	Export of Goods	

Export of Services		
U/S 154A	a) exports of computer software or IT services or IT enabled services in case tax credit under section 65F is not available;	1%
	b) services or technical services rendered outside Pakistan or exported from Pakistan;	
	c) royalty, commission or fees derived by a resident company from a foreign enterprise in consideration for the use outside Pakistan of any patent, invention, model, design, secret process or formula or similar property right, or information concerning industrial, commercial or scientific knowledge, experience or skill made available or provided to such enterprise;	
	d) construction contracts executed outside Pakistan	

TAX ON RENTAL INCOME:			
U/S 155	Gross Rentals (Rupees)	Rate	
	0 to 300,000	0%	
	300,001 to 600,000	5%	
	600,001 to 2,000,000	Rs.15,000 + 10%	
	Exceeding Rs.2,000,000	Rs.155,000 + 25%	
	DEDUCTION AT SOURCE AGAINST RENT U/S 155 (COMPANIES):	Filer	Non – Filer
On gross amount of rent.	15%	15%	

U/S 156	Prizes and winnings	Filer	Non - Filer
	Prize on Prize Bond & crossword puzzle. 156	15%	30%
	Winnings from a raffle, lottery, prize on winning a quiz, prize offered by a company for promotion of sales	20%	20%

Commission on petroleum products		
U/S 156 (A)	Filers	12%
	Non-filers	24%

ADVANCE TAX

ADVANCE TAX ON PURCHASE AND TRANSFER OF PRIVATE MOTOR VEHICLES (Section 231B – Division VII, Part IV, 1st Schedule)

PURCHASE / REGISTRATION [Section 231B (1)]		
Engine Capacity	Filer	Non-Filer
Up to 850cc	7,500	15,000
851cc to 1000cc	15,000	30,000
1001cc to 1300cc	25,000	50,000
1301cc to 1600cc	50,000	100,000
1601cc to 1800cc	75,000	150,000
1801cc to 2000cc	100,000	200,000
2001cc to 2500cc	150,000	300,000
2501cc to 3000cc	200,000	400,000
3000cc and above	250,000	500,000

Locally manufactured motor vehicle has been sold prior to registration by the Person who originally purchased it from the local manufacturer [Section 231B (2A)]		
Engine Capacity	Filer	Non-Filer
Up to 1000cc	50,000	100,000
1001cc to 2000cc	100,000	200,000
2001cc and above	200,000	400,000

TRANSFER [Section 231B (2)]		
Engine Capacity	Filer	Non-Filer
Up to 850cc	-	-
851cc to 1000cc	5,000	10,000
1001cc to 1300cc	7,500	15,000
1301cc to 1600cc	12,500	25,000
1601cc to 1800cc	18,750	37,500
1801cc to 2000cc	25,000	50,000
2001cc to 2500cc	37,500	75,000
2501cc to 3000cc	50,000	100,000
3000cc and above	62,500	125,000

- No Tax to be collected after five years of Date of First Registration
- At time of leasing of a Motor Vehicle to NON – FILER, Advance Tax @ 4% to be collected by scheduled bank or an investment bank or a development finance institution or a modaraba.

BROKERAGE & COMMISSION		
[Section 233 & Division II Part IV First Schedule]	Filer	Non - Filer
Advertising agents	10%	20%
Life Insurance Agents where commission received is less than Rs.500,000 per annum	8%	16%
Persons not covered in 1 and 2 above	12%	24%

MOTOR VEHICLE TAX		
DEDUCTION / COLLECTION AT SOURCE (ADJUSTABLE)		
Goods Transport u/s 234	Filer	Non - Filer
Laden weight of vehicles	2.5 Per Kg	5.0 Per Kg
Passenger Transport U/S 234	Filer	Non - Filer
4 or more seat but less than 10	50 per Seat	100 per seat
10 or more seat but less than 20	100 per Seat	200 per seat
20 or More	300 per Seat	600 per seat

PRIVATE MOTOR VEHICLES U/S 234		
Engine Capacity	For filer	For Non filer
Up to 1000cc	800	1,600
1001cc to 1199cc	1,500	3,000
1200cc to 1299cc	1,750	3,500
1300cc to 1499cc	2,500	5,000
1500cc to 1599cc	3,750	7,500
1600cc to 1999cc	4,500	9,000
2000cc and above	10,000	20,000

PRIVATE MOTOR VEHICLES - Lump Sum Tax Paid		
Engine Capacity	For filer	For Non filer
Up to 1000cc	10,000	20,000
1001cc to 1199cc	18,000	36,000
1200cc to 1299cc	20,000	40,000
1300cc to 1499cc	30,000	60,000
1500cc to 1599cc	45,000	90,000
1600cc to 1999cc	60,000	120,000
2000cc and above	120,000	240,000

ELECTRICITY CONSUMPTION [Section 235A & Division IV Part IV First Schedule]		Filer	Non Filer
Domestic	Monthly bill upto Rs. 25,000	0%	0%
	Monthly bill exceeding Rs. 25,000	0%	7.50%
Commercial	upto Rs. 500	Rs. 0	
	exceeds Rs. 500 but does not exceed Rs. 20,000	10% of the amount	
	exceeds Rs.20,000	Rs. 1950 plus 12% of the amount exceeding Rs. 20,000	
Industrial	upto Rs. 500	Rs. 0	
	exceeds Rs. 500 but does not exceed Rs. 20,000	10% of the amount	
	exceeds Rs.20,000	Rs. 1950 plus 5% of the amount exceeding Rs. 20,000	

TELEPHONE USERS [Section 236 & Division V Part IV First Schedule]	Rate
Landline bills exceeding Rs. 1,000	10%
Post-paid internet and prepaid internet cards	10% for tax year 2022 and 8% onwards
Mobile phone bills and prepaid telephone cards	12.50%

Sale by Auction U/S 236A	Filer	Non – Filer
Sale of immovable property	5%	10%
Sale of Goods other than immovable property	10%	20%

Sale/Transfer of Immovable Property U/s 236C	Rate
Filers	1%
Non-filers	2%
Not Applicable if Immovable Property is held for a period Exceeding 4 (four) years.	

Advance tax on sale to Distributer, Dealer U/S 236G	Filer	Non-filer
Fertilizers*	0.70%	1.40%
Other than fertilizer	0.10%	0.20%

*The Rate of advance tax on sale to distributors, dealers or wholesalers shall be 0.25%, if they are already appearing on both the Active Taxpayers' Lists issued under the provisions of the Sales Tax Act, 1990 and the Income Tax Ordinance, 2001 (XLIX of 2001).

Advance tax on sale to Retailers U/S 236H	Filer	Non-filer
pharmaceuticals, poultry and animal feed, edible oil and ghee, battery, tyers, varnishes, chemicals, cosmetics, IT equipment, electronics, sugar, cement, iron and steel products, motorcycles, pesticides, cigarettes, glass, textile, beverages, paint or foam	0.50%	1.00%

Advance tax Collection by Educational Institutions – Section 236I	Rate
Where the Fee Exceeds Rs.200,000 – From Persons not appearing in Active Taxpayer List	5%

Advance tax on Purchase of Immovable Property U/S 236K	Filer	Non-Filer
Value of Property	1% of FMV	2% of FMV

Advance tax on Payment for the right to use Machinery & Equipment – Section 236Q	Rate
On amount of Payment	10%

Omitted Sections	Description
231A	Cash withdrawal from Bank
231AA	Advance tax on transaction in Bank
233A	Collection of tax by stock exchange
233AA	Collection of Tax by NCCPL
234A	CNG Stations
235A	Domestic Electric Consumption
236B	Advance tax on purchase of air tickets
236HA	Tax on sale of certain petroleum products
236L	Advance tax on purchase of international tickets
236P	Advance tax on banking transections
236S	Tax on dividend in specie
236V	Advance tax on extraction of minerals
236Y	Advance tax on remitting abroad through credit card

RATES OF MINIMUM TAX U/S 113

Narration Section	Rates
Oil marketing companies, Sui Southern Gas Company Limited and Sui Northern Gas Pipelines Limited (for the cases where annual turnover exceeds rupees one billion.)	0.75%
Pakistan International Airlines Corporation; and	0.75%
Poultry industry including poultry breeding, broiler production, egg production and poultry feed production;	0.75%
Oil refineries	0.5%
Motorcycle dealers registered under the Sales Tax Act, 1990	0.5%
Distributors of pharmaceutical products, fast moving consumer goods and cigarettes;	0.25%
Petroleum agents and distributors who are registered under the Sales Tax Act, 1990;	0.25%
Rice mills and dealers;	0.25%
Tier-1 retailers of fast moving consumer goods who are integrated with Board or its computerized system for real time reporting of sales and receipts;	0.25%
Person's turnover from supplies through e-commerce including from running an online marketplace as defined in clause (38B) of section 2.	0.25%
Persons engaged in the sale and purchase of used vehicles	0.25%
In all other cases	1.25%

*Provisions of minimum tax under section 113 and ACT under section 113C of the Ordinance would not be applicable on the turnover, income, profits and gains of a builder or a developer opting for taxation under Section 100D.

RATE OF TAX ON CAPITAL GAINS

Rate of tax on Disposal of Immovable Property U/S 37

Amount of Gain	Rate of tax
Not exceed Rs. 5 million	3.50%
Exceeds Rs. 5 million but does not exceed Rs. 10 million	7.50%
Exceeds Rs. 10 million but does not exceed Rs. 15 million	10%
Where the gain exceeds Rs. 15 million	15%

COMPUTATION OF CAPITAL GAINS

Sr. No.	Holding Period	Taxable Capital Gains
1	Where the holding period of an immovable property does not exceed one year	100% Gains
2	Where the holding period of an immovable property exceeds one year but does not exceed two years	75% of the Gains
3	Where the holding period of an immovable property exceeds two years but does not exceed three years	50% of the Gains
4	Where the holding period of an immovable property exceeds three years but does not exceed four years	25% of the Gains
5	Where the holding period of an immovable property exceeds four years	0%

* No Capital Gain Tax shall be applicable if the seller is dependent of Shaheed of Pakistan Armed Forces or of a person who dies while in service of Pakistan Armed Forces or Federal and Provincial Governments and on the first sale of property acquired or allotted as original allottee, duly certified by the official allotment authority.

** Capital Gain Tax rates shall be reduced by fifty percent on the first sale of immovable property acquired or allotted to ex-service men and serving personnel of Pakistan Armed forces or ex-employees or serving personnel of Federal and Provincial Governments, being original allottees of the immovable property, duly certified by the allotment authority.

*** Capital Gain tax will not be applicable on disposal of constructed property by a resident individual subject to the conditions

- the land area of the property does not exceed 500 square yards in case of a house and 4000 square feet in case of a flat
- Exemption has not previously been availed by the individual, his spouse or dependents.
- Property was being used for personal accommodation by the individual, his spouse or dependents at the time of sale and for which any of the utility bills is issued in the name of such individual.

TAX ON CAPITAL GAIN ON DISPOSAL OF SECURITIES: U/S 37A:						
Holding Months	Tax Year 2015	Tax Year 2016	Tax Year 2017	Tax Year 2018, 2019,2020 & 2021		Tax Year 2022 and onwards
				Securities Acquired before 01 July 2016	Securities Acquired after 01 July 2016	
Up to 12	12.50%	15%	15%	15%	15%	12.50%
12 to 24	10%	12.50%	12.50%	12.50%	15%	12.50%
More than 24 months (acquired on or after 01.07.2013)	0%	7.50%	7.50%	7.50%	15%	12.50%
Security was acquired before 01.07.2013	0%	0%	0%	0%	0%	0%
Future Commodity Contracts entered by members of PMEX	0%	0%	5%	5%	5%	5%

SALE TAX ACT, 1990

3rd SCHEDULE ITEMS			
Sr.	DESCRIPTION	Sr.	DESCRIPTION
1	Fruit juices and vegetable juices	17	Shoe polish and shoe cream
2	Ice Cream.	18	Fertilizers
3	Aerated waters or beverages.	19	Cement sold in retail packing
4	Syrups and squashes	20	Mineral/bottled water
5	Cigarettes	21	Household electrical goods, including air conditioners, refrigerators, deep freezers, televisions, recorders and players, electric bulbs, tube-lights, electric fans, electric irons, washing machines and telephone sets.
6	Toilet soap	22	Household gas appliances, including cooking range, ovens, geysers and gas heaters.
7	Detergents	23	Foam or spring mattresses and other foam products for household use.
8	Shampoo	24	Paints, distempers, enamels, pigments, colours, varnishes, gums, resins, dyes, glazes, thinners, blacks, cellulose lacquers and polishes sold in retail packing
9	Toothpaste	25	Lubricating oils, brake fluids, transmission fluid, and other vehicular fluids sold in retail packing.
10	Shaving cream	26	Storage batteries excluding those sold to automotive manufacturers or assemblers
11	Perfumery and cosmetics	27	Tyres and tubes excluding those sold to automotive manufacturers or assemblers
12	Tea	28	Motorcycles
13	Powder drinks	29	Auto rickshaws
14	Milky drinks	30	Biscuits in retail packing with brand name
15	Toilet paper and tissue paper	31	Tiles
16	Spices sold in retail packing bearing brand names and trade marks	32	Auto-parts, in retail packing, excluding those sold to automotive manufacturers or assemblers
17	Shoe polish and shoe cream	33	Sugar except where it is supplied as an industrial raw material to pharmaceutical, beverage and confectionery industries

ELEVENTH SCHEDULE:

Sr. No.	Withholding Agent	Supplier Category	Rate or Extent of deduction
1.	(a) Federal and provincial government departments; autonomous bodies; and public sector organizations (b) Companies as defined in the Income Tax Ordinance, 2001. (XLIX of 2001)	Active Taxpayer	1/5 th of Sales Tax as shown on invoice
2.	(a) Federal and provincial government departments; autonomous bodies; and public sector organizations (b) Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001)	Active Taxpayer registered as a wholesaler, dealer or distributor	1/10 th of Sales Tax as shown on invoice
3.	Federal and provincial government departments; autonomous bodies; and public sector organizations	Persons other than Active Taxpayers	Whole of the tax involved or as applicable to supplies on the basis of gross value of supplies
4.	Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001)	Persons other than Active Taxpayers	5% of gross value of supplies
5.	Registered persons as recipient of advertisement services	Person providing advertisement services	Whole of sales tax applicable
6.	Registered persons purchasing cane molasses.	Persons other than Active Taxpayers	Whole of sales tax applicable
7.	Registered persons manufacturing lead batteries	Persons supplying reclaimed lead or used lead batteries	Whole of the sales tax applicable

SECTORS EXCLUDED FROM WITHHOLDING OF SALE TAX:

- i) Electrical energy;
- ii) Natural gas;
- iii) Petroleum products as supplied by petroleum production and exploration companies, oil refineries, oil marketing companies and dealers of motor spirit and high-speed diesel;
- iv) Vegetable ghee and cooking oil;
- v) Telecommunication services;

- vi) Goods specified in the Third Schedule to the Sales Tax Act, 1990;
- vii) Supplies made by importers who paid value addition tax on such goods at the time of import; and
- viii) Supplies made by an Active Taxpayer as defined in the Sales Tax Act, 1990 to another registered persons with exception of advertisement services.
- ix) Supply of sand, stone, gravel/crush and clay to low cost housing schemes sponsored or approved by Naya Pakistan Housing and Development Authority.

WITHHOLDING AGENTS

PUNJAB

WITHHOLDING AGENTS:

Description	Rate
Departments of Federal Government, Provincial & Local Government	100% of Sales Tax will be withheld.
Public Sector Organizations & Autonomous Bodies	
Company Resident in Punjab	
Company having place of business in Punjab	
Recipient of advertisement services	
PRA registered persons receiving services from unregistered persons	

EXEMPTIONS

- Telecommunication
- Banking Companies
- Courier Companies
- Insurance Companies (Other than re-insurance)
- Active Companies (Except advertisement service providers)

KHYBER PAKHTUNKHWA

WITHHOLDING AGENTS:

Description	Rate
Departments of Federal Government, Provincial & Local Government	100% of Sales Tax will be withheld.
Public Sector Organizations & Autonomous Bodies	
Recipient of advertisement services registered with KPRA or FBR	
KPRA registered persons receiving services from unregistered or Inactive persons	
KPRA registered persons receiving services liable to tax @ reduce rate	
Withholding Agent in all other Cases	50% of Sales Tax will be withheld.

SINDH

WITHHOLDING AGENTS:

Description	Rate
Departments of Federal Government, Provincial & Local Government	20% of Sales Tax will be withheld.
Public Sector Organizations & Autonomous Bodies	
Organization funded by Budget of Federal/Provincial Budget	
Company defined in Sindh Sales Tax Act, 2011	

Recipient of advertisement services registered with SRB or FBR	100% of Sales Tax will be withheld.
Registered persons receiving advertisement services (other than advertisement in newspapers and periodicals), auctioneers, renting of immovable property, intercity transport or carriage of goods by road (other than those through pipeline or conduit), advertising agent services from agents who issue release order or book advertisements space in relation to advertisement services. (use tax fraction)	
Withholding agent receiving taxable services from SRB registered persons where the amount of sales tax is not indicated on the invoice.	
SRB registered persons receiving services from unregistered persons (use tax fraction formula)	

EXEMPTIONS

- Telecommunication
- Banking Companies
- Financial institutions, Insurance Companies (Other than Re-insurance)
- Port Operator
- Terminal Operator
- Airport Ground Services

BALUCHISTAN

WITHHOLDING AGENTS:

Description	Rate
Departments of Federal Government, Provincial & Local Government (Registered including FBR)	20% of Sales Tax will be withheld.
Public Sector Organizations & Autonomous Bodies (Registered including FBR)	
Organization funded by Budget of Federal/Provincial Budget (Registered including FBR)	
Company (Registered including FBR)	
Registered persons receiving advertisement services (other than advertisement in newspapers and periodicals), auctioneers, renting of immovable property, intercity transport or carriage of goods by road, services from non-filers or unregistered persons or Persons not resident in Pakistan, services from registered person where invoice does not show sales tax	100% of Sales Tax will be withheld.

EXEMPTIONS

- Telecommunication
- Banking Companies
- Financial institutions, Insurance Companies (Other than Re-insurance)
- Port Operator
- Terminal Operator
- Airport Ground Services

DISCLAIMER:

We have prepared this Tax card by using provisions of Income Tax Ordinance, 2001 updated to the effect of Finance Act, 2021 & Provincial Sales Tax Acts.

We have exercised due professional care in compiling the above details, however, the above expresses our general interpretation of applicable tax statute and does not constitute any opinion or advice. Further, the above interpretation may also not be acceptable to taxation authorities in any particular case.

Tax laws are subject to change from time to time and we do not accept any responsibility to update the same.

We expressly disclaim any responsibility towards any person relying on the details given above.

With Best Regards

ASIF ASSOCIATES
Chartered Accountants

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