

A

BILL

to give effect to the financial proposals of the Federal Government for the year beginning on the first day of July, 2020, and to amend certain laws

WHEREAS it is expedient to make provisions to give effect to the financial proposals of the Federal Government for the year beginning on the first day of July, 2020, and to amend certain laws for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. **Short title and commencement.** — (1) This Bill shall be called the Finance Bill, 2020.

(2) It shall, unless specified otherwise, come into force on the first day of July, 2020.

2. **Amendments of the Petroleum Products Surcharge Ordinance, 1961 (XXX of 1961).** — In the Petroleum Products Surcharge Ordinance, 1961 (XXV of 1961), in section 3A,—

(a) In sub-section (2), in clause (b), after the figure “2005”, the expression “or general sales tax payable under the Sales Tax Act, 1990” shall be inserted; and

(b) In sub-section (3), after the expression “(IV of 1969),” the expression “the Sales Tax Act, 1990” shall be inserted.

3. **Amendments of Customs Act, 1969 (IV of 1969).** — In the Customs Act, 1969 (IV of 1969), the following further amendments shall be made, namely:-

(1) in section 2, -

- (a) for clause (ai), the following shall be substituted, namely: -
- “(ai) “advance ruling” means a written decision by the Board or any officer or a committee authorized by Board, on the request of an applicant for determination of classification, origin or applicability of a particular relief or exemption on goods prior to their importation or exportation, valid for a specified period of time;”; and
- (b) in clause (s), after the word “force”, the expression “, or in any way being concerned in carrying, transporting, removing, depositing, harbouring, keeping, concealing” shall be inserted;
- (2) in section 7, after the word “Forces”, the expression “, Border Military Police (BMP)” shall be inserted;
- (3) in section 17, for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-
- “Provided that the period of detention shall not exceed fifteen days which may be extended by the Chief Collector or Director General for a period not exceeding fifteen days.”;
- (4) in section 19, in sub-section (5), in the second proviso, for the figure “2020”, the figure “2021” shall be substituted;”;
- (5) for section 19C, the following shall be substituted, namely;
- “19C. Minimal duties not to be demanded.-** Where the value of imported goods does not exceed five thousand rupees, no duties

and taxes shall be demanded, subject to conditions and restrictions as may be prescribed by the Board under the rules.”;

(6) in section 21, in clause (c), for the expression “customs-duties”, the expression “duties as levied under section 18 or 18A and” shall be substituted;

(7) in section 27A, for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that the goods imported in new condition shall not be allowed scrapping and mutilation and shall be classified and chargeable to leviable duty and taxes as new goods.”;

(8) in section 32A,-

(a) in sub-section (1),-

(i) after clause (c), the following new clause (ca) shall be inserted, namely:-

“(ca) declares value which is significantly higher or lower than the actual value, that is, the price actually paid or payable for the goods when sold for export to Pakistan, proceedings may be initiated under this section subject to conditions or limitations as may be prescribed by the Board under the rules;” and

(ii) in clause (e), for the expression “(c)” the expression “(c), (ca)” shall be substituted; and

- (b) in sub-section (2), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that an offence, having no revenue implication but covered under sub-section (1), shall also be served with show cause notice within a period of one hundred and eighty days of detection of such fraud for penal action under the relevant provisions of law.”;

- (9) in section 80, in sub-section (3), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that in case of reassessment, a notice shall be served to the importer through Customs Computerized System and opportunity of hearing shall be provided, if he so desires.”;

- (10) in section 139,-

- (a) for sub-section (2), the following shall be substituted, namely:-

“(2) Where any passenger or a member of the crew makes a false declaration or fails to make such declaration as required under sub-section (1), he shall be guilty of an offence under this Act.”;
and

- (b) after sub-section (2), substituted as aforesaid, the following new sub-section shall be added, namely:-

“(3) Notwithstanding the provisions of sub-section (2), where any person attempts to bring into or takes out of Pakistan,

currency, gold, precious metals or stones, in any form, through concealment in baggage or circumventing customs controls at airports, sea-ports and land border custom-stations, he shall be guilty of an offence of smuggling within the meaning of clause (s) of section 2.”;

(11) in section 156, in sub-section (1), in the Table, in column zero,-

(a) against S.No. 8, for sub-serial (i) and entries relating thereto in columns (1), (2) and (3), the following shall be substituted, namely:-

“(i)	where any goods be smuggled into or out of Pakistan,-	such goods shall be liable to confiscation and any person concerned in the offence shall be liable to-	General”;
	(a) if the value of the goods is from PKR 150,001 to 3,000,000 (both inclusive);	a penalty not exceeding the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding two years;	
	(b) if the value of the goods is from PKR 3,000,001 to	a penalty not exceeding two times the value of the goods; and upon conviction by a Special	

	5,000,000 (both inclusive);	Judge he shall further be liable to imprisonment for a term not exceeding three years: Provided that the sentence of the imprisonment shall not be less than two years.	
	(c) if the value of the goods is from PKR 5,000,001 to 7,500,000 (both inclusive);	a penalty not exceeding three times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding five years: Provided that the sentence of the imprisonment shall not be less than two and half years.	
	(d) if the value of the goods is	a penalty not exceeding four times the value of the	

	from PKR 7,500,001 to 10,000,000 (both inclusive);	goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding ten years: Provided that the sentence of the imprisonment shall not be less than three years.	
	(e) if the value of the goods exceeds PKR 10,000,000;	a penalty not exceeding five times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding fourteen years: Provided that the sentence of the imprisonment shall not be less than five years and the whole or any part of	

		his moveable and immoveable assets and property shall also be liable to forfeiture in accordance with section 187 of the Customs Act, 1969: Provided further that, in the case of such goods as may be notified by the Federal Government in the official Gazette, the sentence of imprisonment shall not be less than five years and the whole or any part of his property shall also be liable to forfeiture.	

- (b) against S.No. 8, for sub-serial (iii) and entries relating thereto in columns (1), (2) and (3), the following shall be substituted, namely:-

“(iii)	If the smuggled or prohibited goods comprise currency,	such currency or goods shall be liable to confiscation and any	General”;

	gold, silver, platinum or precious stones in any form-	person concerned in the offence shall be liable to-	
	(a) if the value of the currency or goods is upto US \$ 10,000 or equivalent in value (currency of other denomination) etc;	a penalty not exceeding the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding two years;	
	(b) if the value of the currency or goods is from US \$ 10,001 to US \$ 20,000 (both inclusive) or equivalent in value (currency of other denomination) etc;	a penalty not exceeding two times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding three years: Provided that the sentence of the imprisonment shall not be less than two years.	

	(c) If value of the currency or goods is from US \$ 20,001 to US \$ 50,000 (both inclusive) or equivalent in value (currency of other denomination) etc;	a penalty not exceeding three times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding five years: Provided that the sentence of the imprisonment shall not be less than two and half years.	
	(d) if the value of the currency or goods is from US \$ 50,001 to US \$ 100,000 (both inclusive) or equivalent in value (currency of other denomination) etc;	a penalty not exceeding four times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding ten years: Provided that the sentence of the	

		imprisonment shall not be less than three years.	
	(e) if the value of the currency or goods exceeds US \$ 100,000 or equivalent in value (currency of other denomination) etc;	a penalty not exceeding five times the value of the goods; and upon conviction by a Special Judge he shall further be liable to imprisonment for a term not exceeding fourteen years: Provided that the sentence of the imprisonment shall not be less than five years and the whole or any part of his moveable and immoveable assets and property shall also be liable to forfeiture in accordance with section 187 of the Customs Act, 1969.	

- (c) against S.No. 8, sub-serial (iv) and entries relating thereto in columns (1), (2) and (3), shall be omitted;
- (12) in section 179, in sub-section (3),-
 - (a) after the colon, the following new proviso shall be inserted , namely:-

“Provided that in cases, wherein the provisions of clause (s) of section 2 have been invoked, such cases shall be decided within a period of thirty days of the issuance of show cause notice:”; and
 - (b) in the existing proviso, after the word “Provided”, the word “further” shall be inserted;
- (13) in section 187, for the full stop at the end, a colon shall be substituted and thereafter the following provisos shall be added, namely:-

“Provided that any person, alleged to have committed an offence under this Act, shall bear the burden of proof that any property owned by him in his name or someone else name was not acquired from the proceeds of such crime:

Provided further that the procedure for forfeiture of such property shall be prescribed by the Board under the rules.”;
- (14) in section 194B, in sub-section (1), after the first proviso, the following new proviso shall be inserted, namely:-

“Provided further that in cases, wherein the provisions of clause (s) of section 2 have been invoked, appeals shall be decided within a period of thirty days:”;
- (15) in section 195C,-

- (a) in sub-section (2), for clause (c), the following shall be substituted, namely:-

“(c) a person to be nominated by the Board from a panel mentioned in clause (b);”;

- (b) for sub-section (3), the following shall be substituted, namely:-

“(3) The Board shall communicate the order of appointment of committee to the court of law or the appellate authority and the Collector.”;

- (c) sub-section (4) shall be omitted;

- (d) in sub-section (5), for the colon at the end, a full stop shall be substituted and the proviso thereafter shall be omitted;

- (e) in sub-section (6), for the expression “on withdrawal of appeal upto the date of decision by the committee”, the expression “from the date of appointment of the committee up to the date of decision of committee or its dissolution, as the case may be” shall be substituted;

- (f) for sub-section (7), the following shall be substituted, namely:-

“(7) The decision of the committee under sub-section (5) shall be binding on the Collector when the aggrieved person, being satisfied with the decision, has withdrawn the appeal pending before the court of law or any appellate authority and has communicated the order of withdrawal to the Collector:

Provided that if the order of withdrawal is not communicated to the Collector within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Collector.”; and

(g) in sub-section (8), for the expression “which issued the order of withdrawal under sub-section (4) and the appeal shall be treated to be pending before such appellate authority as if the appeal had never been withdrawn” the expression “where the dispute is pending” shall be substituted;

(16) in section 201, in sub-section (3), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that, in case wherein goods declaration has been filed, the share of importer in sale proceeds shall not exceed the declared value of the goods.”;

(17) in section 212A, after sub-section (2), the following sub-section shall be added, namely:-

“(3) Notwithstanding anything contained in this Act or any other law for the time being in force, the Board may, subject to such conditions, limitations or restrictions as it thinks fit to impose, grant benefits to the authorized economic operators, in such manner as may be provided under the rules made, including-

- (a) laying down any procedure or mode for collection of customs duties, fee, surcharge, penalty or any other levy under this Act or any other law;
 - (b) deferring collection of customs duties, fee, surcharge, penalty or any other levy either in whole or in part;
 - (c) condoning or substituting whole or part of the bank guarantee or pay order of a scheduled bank required under this Act with any other financial instrument as deemed appropriate.”; and
- (18) after section 212A, amended as aforesaid, the following new section shall be inserted, namely:-

“212B. Advance ruling.- (1) An applicant desirous of advance ruling shall make an application in such form and in such manner as may be prescribed under the rules, stating any of the questions as contained in sub-section (2), on which the advance ruling is sought.

(2) The question on which advance ruling is sought shall be in respect of-

- (i) classification of goods under First Schedule to this Act;
- (ii) determination of origin of the goods under the rules of origin notified for bilateral and multilateral agreements;
- (iii) applicability of notifications issued in respect of duties under this Act or any tax or duty chargeable under any

other law for the time being in force in the same manner as duty of customs leviable under this Act; or

(iv) any other matter as the Board may specify by notification in the official Gazette.

(3) The advance ruling issued under sub-section (1) shall be binding on the applicant.

(4) The advance ruling issued under sub-section (1) shall be binding on the customs collectorates for the period specified by the Board in the rules, unless there is a change in law or facts or circumstances on the basis of which the advance ruling was pronounced.”;

(19) in the First Schedule, -

(i) in Chapter 99, in Sub-Chapter-V, in column (1) against PCT code 9917, in column (2), in paragraph (3), the following amendments shall be made and shall be deemed to have been made with effect from the 1st June, 2020, namely: -

(a) in sub-paragraph (i), for the word “and”, occurring for third time, the expression “, including Gwadar International Terminals Limited and Gwadar Marine Services Limited and their”, shall be substituted;

(b) in sub-paragraph (ii), for the words, “the ships used in the port and its terminals”, the words “all visiting ships including foreign

and local and fishing vessels at Gwadar Port”, shall be substituted; and

(c) for sub-paragraph (iv), the following shall be substituted, namely: -

“(iv) Imports by the following businesses to be established in the Gwadar Free Zone Area for a period of 23 years with effect from 1st July, 2016, packaging, distribution, stuffing and de-stuffing, CFS, container yard, warehousing including cool and cold rooms, transshipment, labelling, light end assembly and re-assembly, imports and exports/value added exports, value adding of imports, other similar or related businesses activities and such commercial activities as are required to support the free zone.”; and

(ii) the amendments set out in the First Schedule to this Act shall be made in the First Schedule to the Customs Act, 1969 (IV of 1969); and

(20) in the Fifth Schedule to, -

(A) in Part-I,

(i) in the preamble, in the explanation, for sub-para (b), the following shall be substituted, namely: -

“(b) use in mining, agriculture, fisheries, animal husbandry, floriculture, horticulture, livestock, cool chain, dairy,

poultry industry, IT sector, storage, communication and infrastructure development of SEZs by Zone Developer.”; and

(ii) in the Table, in column (1), -

(a) for S.No.23 and the entries relating thereto in columns (2), (3), (4) and (5), the following shall be substituted, namely: -

“23	Parts, Components and inputs for manufacturing LED lights:			If imported by LED Light and Bulbs manufacturers
	(i) Housing/Shell, shell cover and base cap for all kinds of LED Lights and Bulbs	Respective headings	0%	registered under the Sales Tax Act, 1990 subject to
	(ii) Pickling preparations for metal surfaces; soldering brazing or welding powders and pastes consisting	3810.9090	0%	annual quota determination by the Input Output Coefficient Organization (IOCO).” ;

	of metal and other materials			
	(iii) Poly Butylene Terephthalate	3907.7000	0%	
	(iv) Bare or Stuffed Metal Clad Printed Circuit Board (MCPCB)	8534. 0000	0%	
	(v) Constant Current Power Supply for of LED Lights and Bulbs (1-300W)	8504.4090	0%	
	(vi) Lenses for LED lights and Bulbs	9001.9000	0%	

- (b) for S. No. 26 and the entries relating thereto in columns (2), (3), (4) and (5), the following shall be substituted, namely: -

"26	Plant machinery and equipment imported during the period commencing on 1 st July, 2014 and ending on 30 th June, 2023 for setting up	Respective headings	0%	The plant machinery and equipment under the said serial number shall

	of industries in erstwhile FATA Areas.			be released on certification from Provincial Home Secretary that the goods are bonafide requirement of the unit as per Annex B. The goods shall not be sold or otherwise disposed of without prior approval of the Board.”; and

- (c) after S.No.35 and corresponding entries relating thereto in columns (2), (3), (4) and (5), the following shall be added, namely: -

“36	Machinery, equipment and other project related items for setting up of Submarine Cable Landing stations			If imported by Internet Service providers registered under the Sales Tax Act 1990, duly certified by the Ministry of Information Technology and Telecommunication and Pakistan Telecommunication Authority (PTA), and subject to annual quota determination by the Input Output Co-efficient Organization (IOCO).
	(i) Tubes Pipes and hollow profiles of cast iron	7303.0000	0%	
	(ii) Articles of non-malleable cast iron	7325.1000	0%	
	(iii) Static Converters	8504.4090	0%	
	(iv) Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus	8517.6290	0%	

	(v) Optical fiber Cables	8544.7000	0%	
37	Other Electric Conductors exceeding 32000 V	8544.6090	11%	If imported by manufacturers of transformers, registered under the Sales Tax Act 1990.”;

(B) in Part II, in Table C, in column (1), after S.No.33, and corresponding entries relating thereto in columns (2), (3) and (4), the following shall be added, namely: -

“34	Meglumine antimonite	3004.9099	0%”;

(C) in Part III, in the Table, in column (1), -

- (i) against S.No.96, in column (4), for the expression “5%” appearing against PCT 7606.9290, the expression “0%” shall be substituted;
- (ii) against S.No.105, in column (5), for the figure “2020” the figure “2030”, shall be substituted; and
- (iii) for S.No.107 and the entries relating thereto in columns (2), (3), (4) and (5), the following shall respectively be substituted, namely: -

“107	(i) Paper having	4802.5510	0%	(1) If imported by a Federal or

	specification 60 gm/m ² in 23X36 inches or 20X30 inches sheets (ii) Art paper having specification 20x30 inches, 23x30 inches, 23x33 inches, 23x36 inches and 700x1000 mm	4810.1310 4810.1990		Provincial Government Institution or a Nashir-e-Quran approved by respective Provincial Quran Board for printing of Holy Quran; (2) In case of Nashir-e-Quran the quantity of paper to be imported would be determined by IOCO; and (3) The Nashir-e- Quran may also get printing done from another printer (vendor), duly

				registered under Sales Tax Act,1990 and with relevant Provincial Quran Board, having suitable in-house facility, subject to approval of the IOCO. Imports made by Nashir-e-Quran availing the facility of printing through vendors will be cleared against submission of bank guarantee or pay order. In such case, -

				(i) the vendor shall have a firm contract with the Nashir-e-Quran; (ii) the Nashir-e-Quran may provide the imported paper, to the vendor; (iii) the vendor shall not be entitled to import the paper, under this scheme for printing of Quran to be supplied to the

				Nashir-e-Quran; (iv) the vendor, after completing the printing, shall supply the printed Quran to that Nashir-e-Quran only with whom he held the firm contract; and (v) the vendor shall also maintain proper record of the imported paper

				utilized, and printed Quran supplied to the Nashir- e-Quran; (vi) the security deposited by the Nashir- e-Quran at the time of clearance shall be released after NOC from IOCO regarding consumption of paper and supply of finished product as

				per the contract.”;

- (iv) for S.No.109 and the entries relating thereto in columns (2), (3), (4) and (5), the following shall respectively be substituted, namely: -

“109	(i) Other craft paper	4804.3900	15%	If imported by a Sales Tax registered manufacturer of Aseptic liquid food packaging material, subject to quota determination by IOCO.”;
	(ii) Multi-ply (clay coated paper and paper board	4810.9200		
	(iii) Aluminum foil (rolled but not further worked)	7607.1100		

- (v) against S.No.116, in column (4), for the expression “10%” appearing against PCT 8529.9090, in column (3), the expression “0%” shall be substituted; and
- (vi) after S.No.118, the following new S. Nos. and entries relating thereto in columns (2), (3), (4) and (5), shall be added, namely: -

"119	Organic composite solvents and thinners, not elsewhere specified or included; prepared paint or varnish removers.	3814.0000	5%	If imported by manufacturers of Butyl Acetate registered under the Sales Tax Act 1990, subject to annual quota determination by Input Output Co-efficient Organization (IOCO).
120	Semi-finished products of Iron or non- alloy steel	7207.1110 7207.1190 7207.1210 7207.1290 7207.1910 7207.1920 7207.1990 7207.2010 7207.2020 7207.2090	5%	If imported by manufacturers of Wire Rods registered under the Sales Tax Act 1990, subject to annual quota determination by Input Output

				Co-efficient Organization (IOCO).
121	Plasticised (Poly Vinyl Chloride)	3904.2200	0%	If imported by manufacturers of disposable syringes and saline infusion sets, registered under the Sales Tax Act 1990, subject to annual quota determination by Input Output Co-efficient Organization (IOCO).
122	Other unsaturated Polyesters	3907.9100	0%	If imported by manufacturers of buttons, registered

				under the Sales Tax Act 1990, subject to annual quota determination by Input Output Co- efficient Organization (IOCO).;
123	Other saturated Polyesters	3907.9900	5%	If imported by manufacturers of interlining/ buckram, registered under the Sales Tax Act 1990, subject to annual quota determination by Input

				Output Co-efficient Organization (IOCO).;
124	(i) Skimmed milk powder	0402.1000	0%	If imported by manufacturers of Ready to Use Supplementary Foods (RUSF), duly authorized by United Nations World Food Program (UNWFP) and subject to annual quota determination by Input Output Co-efficient
	(ii) Chickpeas	0713.2010		
	(iii) Soyabean oil	1507.9000		
	(iv) Palm Olein	1511.9030		
	(v) Hydrogenated vegetable fats	1516.2010		
	(vi) Malto dextrins	1702.9030		
	(vii) Premixes of vitamins and minerals	2106.9090		
	(viii) Emulsifier	3404.9090		
	(ix) Antioxidant	3824.9999		

				Organization (IOCO).; and

- (D) in Part VI, in the Table, in column (1), after S.No.6, and the entries relating thereto in columns (2), (3), (4) and (5), the following shall be added, namely:-

"7	Aircraft engine	8407.1000	0	For use in aircraft and trainer aircraft."

4. **Amendment in the Finance Act, 1989.**— In the Finance Act, 1989 (V of 1989), in section 7, after sub-section (10), the following new sub-section shall be added, namely:
“(11) Sub-section (1) shall cease to apply from the 17th day of April, 2020.”.

5. **Amendments of the Sales Tax Act, 1990.**— In the Sales Tax Act, 1990, the following further amendments shall be made, namely:-

- (1) in section 2,—

- (a) in clause (1),

- (i) in sub-clause (a), the words “or is blocked” shall be omitted;
and

- (ii) in sub-clause (d), for the words “two consecutive monthly”, the word “quarterly” shall be substituted;

- (b) in clause (20), for clause (c), the following shall be substituted, namely:—

“(c) sales tax levied on the services rendered or provided by the person under Islamabad Capital Territory (Tax on Services) Ordinance, 2001 (XLII of 2001);”; and

(c) in clause (46),—

(i) in sub-clause (h), after the word “producer”, the words “or WAPDA” shall be inserted and shall be deemed to have been inserted with effect from 1st July, 2019; and

(ii) in sub-clause (h), the word “and” at the end shall be omitted and in sub-clause (i), for the full stop at the end, the expression “; and” shall be substituted and thereafter the following sub-clause shall be added, namely:—

“(j) in case of registered person who is engaged in purchasing used vehicles from general public on which sales tax had already been paid at the time of import or manufacturing, and which are, later on, sold in the open market after making certain value addition, value of supply will be the difference between sale and purchase price of the said vehicle.”;

(2) in section 3, in sub-section (7),—

(a) after the word “withheld”, the words “by the buyer” shall be omitted; and

(b) after the word “persons”, the words “being purchaser of goods or services” shall be inserted;

- (3) in section 7, after sub-section (4), the following new sub-section shall be added, namely:-

“(5) Notwithstanding anything contained in this Act or the rules made thereunder, the Board, by notification in the official Gazette, may impose restrictions on wastage of material on which input tax has been claimed in respect of the goods or class of goods.”;

- (4) in section 8, in sub-section (1), in clause (m), after the word “goods”, the words “or services” shall be inserted;

- (5) after section 11B, the following new section shall be inserted, namely:—

“11C. **Power of tax authorities to modify orders, etc.**— (1) Where a question of law has been decided by a High Court or the Appellate Tribunal in the case of a registered person, on or after first day of July, 1990, the Commissioner or an officer of Inland Revenue may, notwithstanding that he has preferred an appeal against the decision of the High Court or made an application for reference against the order of the Appellate Tribunal, as the case may be, follow the said decision in the case of the said taxpayer in so far as it applies to said question of law arising in any assessment pending before the Commissioner or an officer of Inland Revenue, until the decision of the High Court or of the Appellate Tribunal is reversed or modified.

(2) In case the decision of High Court or the Appellate Tribunal, referred to in sub-section (1), is reversed or modified, the Commissioner or an officer of Inland Revenue may, notwithstanding the expiry of period of limitation prescribed for making any assessment or order, within a period of

one year from the date of receipt of decision, modify the assessment or order in which the said decision was applied so that it conforms to the final decision.” and

(6) in section 23, in sub-section (1), in clause (b), for the word “fifty”, the words “one hundred” shall be substituted;

(7) in section 25, after sub-section (2), the following new sub-section shall be inserted, namely:—

“(2A) For the purpose of sub-section (2) of section 25, the Commissioner may conduct audit proceedings electronically through video links, or any other facility as prescribed by the Board.”;

(8) in section 26, in sub-section (1), after the word “true”, the comma and word “, complete” shall be inserted;

(9) in section 33, in the Table, in column (1),—

(a) against serial number 25, in column (2),—

(i) for the word “six”, the word “two” shall be substituted; and

(ii) for the words “ and an embargo shall be placed on his sales”, the words “till such time he integrates his business in the manner as stipulated under sub-section (9A) of section 3 or section 40C, as the case may be” shall be substituted; and

(b) after serial number 27 and the entries relating thereto in columns (2) and (3), the following new serial number and the entries relating thereto shall be added, namely:—

“28. Any person who is required to share information under section 56AB, fails to do so in the manner as required under the law	Such person shall pay a penalty of twenty five thousand rupees for first default and fifty thousand rupees for each subsequent default	56AB.”;

(10) in section 38,—

- (a) in sub-section (1), after the word “access”, the words “including real-time electronic access” shall be inserted; and
- (b) after sub-section (3), the following new sub-section shall be added, namely:—

“(4) For the purpose of sub-section (1), the Board may make rules relating to electronic real-time access for audit or a survey of persons liable to tax.”;

(11) in section 45B,—

- (a) in sub-section (1),—
 - (i) in the first proviso, for the colon at the end a full stop shall be substituted and thereafter the second proviso shall be omitted; and
 - (ii) the existing sub-section (1A) shall be re-numbered as sub-section (1C) of that sub-section and before sub-section (1C),

re-numbered as aforesaid, the following new sub-sections (1A) and (1B) shall be inserted, namely:–

“(1A) An appeal under sub-section (1) shall–

- (a) be in the prescribed form;
- (b) be verified in the prescribed manner;
- (c) state precisely the grounds upon which the appeal is made;
- (d) be accompanied by the prescribed fee specified in sub-section (1B); and
- (e) be lodged with the Commissioner (Appeals) within the time set out in sub-section (1).

(1B) The prescribed fee shall be–

- (a) in the case of an appeal against an assessment–
 - (i) where the appellant is a company, five thousand rupees; or
 - (ii) where the appellant is not a company, two thousand and five hundred rupees; and
- (b) in any other case–
 - (i) where appellant is a company, five thousand rupees; or
 - (ii) where the appellant is not a company, one thousand rupees.”; and

- (b) after omitted sub-section (4), the following new sub-section shall be added, namely:—

“(5) The Commissioner (Appeals) shall not admit any documentary material or evidence which was not produced before the Officer Inland Revenue unless the Commissioner (Appeals) is satisfied that the appellant was prevented by sufficient cause from producing such material or evidence before the Officer Inland Revenue.”;

- (12) for section 47A, the following shall be substituted, namely:—

“47A. Alternative dispute resolution.— (1) Notwithstanding any other provision of this Act, or the rules made thereunder, an aggrieved person in connection with any dispute pertaining to—

- (a) the liability of tax against the aggrieved person, or admissibility of refunds, as the case may be;
- (b) the extent of waiver of default surcharge and penalty; or
- (c) any other specific relief required to resolve the dispute,

may apply to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application, which is under litigation in any court of law or an Appellate Authority, except where criminal proceedings have been initiated or where interpretation of question of law having effect on identical cases is involved having effect on other cases.

(2) The Board may, after examination of the application of an aggrieved person, appoint a committee, within sixty days of receipt of such application in the Board, comprising, —

- (a) Chief Commissioner Inland Revenue having jurisdiction over the case; and
- (b) two persons from a panel notified by the Board comprising of chartered accountants, cost and management accountants, advocates, having minimum of ten years' experience in the field of taxation and reputable businessmen.

(3) The Board shall communicate the order of appointment of committee to the court of law or the appellate authority where the dispute is pending and the Commissioner.

(4) The Committee appointed under sub-section (2) shall examine the issue and may, if it deemed necessary, conduct inquiry, seek expert opinion, direct any officer of the Inland Revenue or any other person to conduct an audit and shall decide the dispute through consensus, within one hundred and twenty days of its appointment.

(5) The Committee may, in case of hardship, stay recovery of tax payable in respect of dispute pending before it for a period not exceeding one hundred and twenty days in aggregate or till the decision of the Committee or its dissolution, whichever is earlier.

(6) The decision of the committee under sub-section (4) shall be binding on the Commissioner when the aggrieved person, being satisfied

with the decision, has withdrawn the appeal pending before any appellate authority or the court of law and has communicated the order of withdrawal to the Commissioner:

Provided that if the order of withdrawal is not communicated to the Commissioner within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Commissioner.

(7) If the Committee fails to decide within the period of one hundred and twenty days under sub-section (4), the Board shall dissolve the committee by an order in writing and the matter shall be decided by the court of law or the appellate authority where the dispute is pending.

(8) The Board shall communicate the order of dissolution to the court of law or the Appellate Authority and the Commissioner.

(9) The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the appellate authority, where the dispute is pending.

(10) The aggrieved person may make the payment of sales tax and other taxes as decided by the committee under sub-section (4) and all decisions and orders made or passed shall stand modified to that extent.

(11) The Board may prescribe the amount to be paid as remuneration for the services of the members of the Committee, other than the member appointed under clause (i) of sub-section (2).

- (12) The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.”;
- (13) in section 56,—
- (a) in sub-section (1), in clause (d), for the words “limited companies, both public and private”, the words “registered person” shall be substituted; and
 - (b) in sub-section (2), in clause (d), for the expression “limited companies, both public and private”, the words “registered person” shall be substituted;
- (14) after section 56A, the following new section shall be inserted, namely:—
- “56AB. Real-time access to information and databases.—**
- (1) Notwithstanding anything contained in any law for the time being in force, including but not limited to the National Database and Registration Authority Ordinance, 2000 (Ordinance VIII of 2000), and the Emigration Ordinance, 1979 (Ordinance XVIII of 1979), arrangements shall be made to provide real-time access of information and database to the Board in the prescribed form and manner by—
- (a) the National Database and Registration Authority with respect to information pertaining to National Identity Card (NIC), Pakistan Origin Card, Overseas Identity Card, Alien Registration Card, and other particulars contained in the Citizen Database;

- (b) the Federal Investigation Agency and the Bureau of Emigration and Overseas Employment with respect to details of international entry and exit of all persons and information pertaining to work permits, employment visas and immigration visas;
- (c) the Islamabad Capital Territory and Provincial and local land record and development authorities with respect to record-of-rights including digitized edition of record-of-rights, periodic record, record of mutations and report of acquisition of rights;
- (d) the Islamabad Capital Territory and Provincial Excise and Taxation Departments with respect to information regarding registration of vehicles, transfer of ownership and other associated record;
- (e) all electricity suppliers and gas transmission and distribution companies with respect to particulars of a consumer, the units consumed and the amount of bill charged or paid:

Provided that where the connection is shared or is used by a person other than the owner, the name and NIC of the owner and the user shall also be furnished:

Provided further that all electricity suppliers and gas transmission and distribution companies shall make arrangements by the 1st day of January, 2021 for allowing

consumers to update the ratio of sharing of a connection or the particulars of users, as the case may be; and

(f) any other agency, authority, institution or organization, notified by the Board.

(2) The Board shall make arrangements for laying the infrastructure for real-time access to information and database under sub-section (1) and aligning it with its own database in the manner as may be prescribed.

(3) Until real-time access to information and database is made available under sub-section (1), such information and data shall be provided periodically in such form and manner as may be prescribed.

(4) Subject to section 56B, all information received under this section shall be used only for tax purposes and kept confidential”;

(15) in section 58A, in sub-section (3),—

(a) for the expression “subject to sub-section (4), where a person is a non-resident person, the representative of the persons for the purpose of this Act for a tax year shall be any person in Pakistan”, the expression “subject to sub-section (4), where a person is a non-resident person, the representative of the said person for the purpose of this Act, for a financial year in which the relevant tax period falls, shall be any person in Pakistan” shall be substituted; and

(b) after clause (f), the following explanation shall be added,
namely:–

“Explanation.– For the purposes of this sub-section, non-resident person shall have the same meaning assigned thereto under the Income Tax Ordinance, 2001 (XLIX of 2001).”;

- (16) in section 73, in sub-section (4), for the word “manufacturer or producer”, the word “person” shall be substituted;
- (17) In the Fifth Schedule, in column (1), after S. No. 12 and the entries relating thereto in column (2), the following new Serial Nos. and the entries relating thereto shall with effect from the 1st June, 2020 be added, namely:–

“13.	Supplies of raw materials, components and goods for further manufacture of goods in the Gwadar Free Zone and export thereof, provided that in case of supply to tariff area of Pakistan, tax shall be charged on the value assessed on the Goods Declaration for import
14	Supplies of locally manufactured plant and machinery of the following specifications, to manufacturers in the Gwadar Free Zone, subject to the conditions, restrictions and procedure given below, namely:– (i) plant and machinery, operated by power of any description, as is used for the manufacture or production of goods by that manufacturer.

	(ii) apparatus, appliances and equipment specifically meant or adapted for use in conjunction with the machinery specified in clause (i). (iii) mechanical and electrical control and transmission gear, meant or adapted for use in conjunction with machinery specified in clause (i). (iv) parts of machinery as specified in clauses (i), (ii) and (iii), identifiable for use in or with such machinery. <u>Conditions, restrictions and procedures:-</u> (a) the supplier of the machinery is registered under the Act; (b) proper bill of export is filed showing registration number; (c) the purchaser of the machinery is an established manufacturer located in the Gwadar Free Zone and holds a certificate from the Gwadar Port Authority to that effect; (d) the purchaser submits an indemnity bond in proper form to the satisfaction of the concerned Commissioner Inland Revenue that the machinery shall, without prior permission from the said Commissioner, not be sold, transferred or otherwise moved out of the Gwadar Free

	Zone before a period of five years from the date of entry into the Zone; (e) if the machinery is brought to tariff area of Pakistan outside Gwadar Free Zone, sales tax shall be charged on the value assessed on the Goods Declaration for import; and (f) breach of any of the conditions specified herein shall attract legal action under the relevant provisions of the Act, besides recovery of the amount of sales tax along with default surcharge and penalties involved.”;

(18) in the Sixth Schedule,—

(A) In Table-1, in column (1),—

(a) against Serial No. 100A, in column (2),—

(i) after the word “Port”, occurring for the third time, the words, “by the aforesaid operating companies” shall be inserted with effect from the 1st June, 2020; and

(ii) under the heading “(A). Conditions and procedure for imports”, in condition (iii),—

(I) after the word “imported”, the expression “and also those already imported under Notification No. S.R.O. 115(I)/2008, dated the 6th February, 2008,” shall be inserted with effect from the 1st June, 2020; and

(II) for the words “time of import”, the words
“applicable rate on residual value” shall be
substituted with effect from the 1st June, 2020;
and

(b) after S. No. 100C and the entries relating thereto in columns
(2) and (3), the following new serial number and the entries
relating thereto shall with effect from the 1st June, 2020 be
added, namely:–

“100D	Machinery, equipment, materials and goods imported either for exclusive use within the limits of Gwadar Free Zone, or for making exports therefrom, subject to the conditions that such machinery, equipment, materials and goods, are imported by investors of Gwadar Free Zone, and all the procedures, limitations and restrictions as are applicable on such goods under the Customs Act, 1969 (Act IV of 1969) and rules made thereunder shall, <i>mutatis mutandis</i> , apply provided that if any of such goods is taken out of the Zone for	Respective headings.”;

	purpose other than the export, the tax on the same shall be paid by the importer.	

- (c) against S. No. 103, in column (2), for the figure “2020”, the figure “2023” shall be substituted; and
- (d) after S. No. 153 and the entries relating thereto in columns (2) and (3), the following new serial number and the entries relating thereto shall be added, namely:—

“154.	Dietetic foods intended for consumption by children suffering from inherent metabolic disorder subject to the conditions that the importer shall acquire approval and quota from Ministry of National Health Services, Regulations and Coordination.	Respective heading.”; and

- (B) in Table-3, in column (1),—

- (a) against S. No. 5, in column (4), in condition (ii), the words and comma “under this notification,” shall be omitted; and
- (b) for S. No. 15A and the entries relating thereto in columns (2), (3) and (4), the following S. No. and the entries relating thereto shall be substituted, namely:

"15A.	Parts and Components for manufacturing LED lights:-		
	(i) Housing /shell. Shell cover and base cap for all kinds of LED lights and bulbs	Respective heading	If imported by LED light manufacturers registered under the Sales Tax Act, 1990 subject to annual quota determination by the Input Output Co-efficient Organization (IOCO)";
	(ii) Bare and stuffed Metal Clad Printed Circuit Boards (MCPCB) for LED	8534. 0000	
	(iii) Constant Current Power Supply for of LED Lights and Bulbs (1-300W)	8504.4090	
	(iv) Lenses for LED lights and bulbs	9001.9000	

(19) in the Eighth Schedule,

- (a) in Table-1, in column (1), against S. No. 56, in columns (4) and (5), for the figure "70", the figure "80" shall be substituted; and
- (b) In Table-1, in column (1), against S. No.66, in column (4), for the figure "14", the figure "12" shall be substituted;
- (c) in Table-2, in column (1), against S. No. 4, in column (4), in condition 2, the words and comma "under this notification," shall be omitted;

- (20) in the Ninth Schedule, in the Table, in column (1), against S. No. 2, in column (2),—
- (a) against category A, after the figure “30”, the expression “(excluding smart phones)” shall be added; and
 - (b) against category B, after the figure “100”, the expression “(including smart phones valuing upto US\$ 30)” shall be added;
- (21) in the Eleventh Schedule, in the Table, —
- (a) after the heading “TABLE”, after the word “agent”, for the words “not applicable to goods and supplies specified at the end of the following Table”, the expression “are specified as below provided that withholding tax shall not be applicable to the goods and supplies specified *vide* clauses (i) to (viii) after the Table” shall be substituted;
 - (b) in column (1), against S. No. 1, in column (3), for the words “Registered persons”, the words “Active Taxpayers” shall be substituted;
 - (c) in column (1), against S. No. 2, in column (3), for the word “Person”, the words “Active Taxpayer” shall be substituted; and
 - (d) in column (1), against S. Nos. 3, 4 and 6, in column (3), for the words “Unregistered persons”, the words “persons other than Active Taxpayers” shall be substituted; and
- (22) in the Twelfth Schedule, under the heading “Procedure and conditions”, in condition (2), for clause (i), the following shall be substituted, namely:—

- “(i) Raw materials and intermediary goods imported by a manufacturer for in-house consumption;”.

6. **Amendments of Income Tax Ordinance, 2001 (XLIX of 2001).**—In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:—

(1) in section 2,—

(A) in clause (29C),—

(a) in sub-clause (a), in para (iv), the word "and" shall be omitted;
and

(b) after sub-clause (a), amended as aforesaid, the following new sub-clause shall be inserted, namely,—

"(aa) from the 1st day of May, 2020, a person directly involved in the construction of buildings, roads, bridges and other such structures or the development of land, to the extent and for the purpose of import of plant and machinery to be utilized in such activity, subject to such conditions as may be notified by the Board; and ";

(B) clauses (30A) and (30AA) shall be re-numbered as clauses (30AA) and (30AB) respectively;

(C) after clause (30), the following new clause shall be inserted, namely:—

“(30A) “integrated enterprise” means a person integrated with the Board through approved fiscal electronic device and software,

and who fulfills obligations and requirements for integration as may be prescribed;”;

- (D) after clause (30AB), re-numbered as aforesaid, the following new clause shall be inserted, namely:-

“(30AC) “IRIS” means a web based computer programme for operation and management of Inland Revenue taxes administered by the Board;”;

- (E) for clause (31A), the following shall be substituted, namely:-

“(31A) “Local Government” shall have the same meaning for respective provisions and Islamabad Capital Territory as contained in the Balochistan Local Government Act, 2010 (V of 2010), the Khyber Pakhtunkhwa Local Government Act, 2013 (XXVIII of 2013), the Sindh Local Government Act, 2013 (XLII of 2013), the Islamabad Capital Territory Local Government Act, 2015 (X of 2015) and the Punjab Local Government Act, 2019 (XIII of 2019) ;”;

- (F) in clause (36),—

- (a) in sub-clause (a), for the expression “or development purposes” the expression “purposes for general public” shall be substituted; and
- (b) in sub-clause (b), after the word “registered” the words “by or” shall be inserted;

- (2) in section 4, in sub-section (1), after the expression “Division I” the expression “, IB” shall be omitted;
- (3) in section 6, in sub-section (2), after the word “royalty” the expression “, fee for offshore digital services” shall be inserted;
- (4) in section 7A,—
 - (a) in sub-section (1),—
 - (i) in clause (a), the word “and” at the end shall be omitted; and
 - (ii) in clause (b), for the full stop at the end a semi-colon and the word “and” shall be substituted and thereafter the following new clause shall be added, namely:-
 - “(c) A Pakistan resident ship owning company registered with the Securities and Exchange Commission of Pakistan after the 15th day of November, 2019 and having its own sea worthy vessel registered under Pakistan Flag shall pay tonnage tax of an amount equivalent to seventy five US Cents per ton of gross registered tonnage per annum.”;
 - (b) in sub-section (2), for the figure “2020”, the figure “2023” shall be substituted;
- (5) in section 15A,—
 - (A) in sub-section (1), in clause (h), for the word “six”, the word “two” shall be substituted;

- (B) in sub-section (7), the expression “deriving income exceeding Rs. 4 million under section 15” shall be omitted;
- (6) in section 21,—
- (A) in clause (l),—
- (a) for the words “fifty”, the words “two hundred and fifty” shall be substituted; and
- (b) in the second proviso, in sub-clause (a), for the word “ten”, the words “twenty-five” shall be substituted;
- (B) in clause (m), for the word “fifteen”, the words “twenty-five” shall be substituted;
- (C) in clause (n), the word “and” after the semi-colon shall be omitted;
- (D) in clause (o), for the full stop at the end, a semi colon shall be substituted; and
- (E) after clause (o), amended as aforesaid, the following new clauses shall be added, namely.—
- “(p) any expenditure on account of utility bill in excess of such limits and in violation of such conditions as may be prescribed; and
- (q) any expenditure attributable to sales made to persons required to be registered but not registered under the Sales Tax Act, 1990 by an industrial undertaking computed according to the following formula, namely:—

$$(A/B) \times C$$

where—

- A** is the total amount of deductions claimed under this Part;
- B** is the turnover for the tax year; and
- C** is the total amount of sales exclusive of sales tax and federal excise duty to persons required to be registered but not registered under the Sales Tax Act, 1990 where sales equal or exceed rupees one hundred million per person:

Provided that disallowance of expenditure under this clause shall not exceed twenty percent of total deductions claimed under this Part:

Provided further that the Board may, by notification in the official Gazette, exempt persons or classes of persons from this clause on the basis of hardship.”;

(7) in section 22,—

- (A) in sub-section (2), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

“Provided that where a depreciable asset is used in the person’s business for the first time in a tax year commencing on or after the 1st day of July, 2020, the depreciation deduction shall be reduced by fifty percent.”;

(B) in sub-section (8), for the full stop at the end, a colon shall be substituted, and thereafter the following proviso shall be added, namely:—

“Provided that where a depreciable asset is used in the person’s business for the first time in a tax year commencing on or after the 1st day of July, 2020, depreciation deduction equal to fifty percent of the rate specified in Part I of the Third Schedule shall be allowed in the year of disposal.”;

(8) in section 28, in sub-section (1), in clause (b), for semicolon at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

“Provided that for the purpose of determining the deduction on account of lease rentals the cost of a passenger transport vehicle not plying for hire to the extent of principal amount shall not exceed two and a half million rupees;”;

(9) in section 37,—

(a) for sub-section (3A), the following shall be substituted, namely:-

“(3A) Notwithstanding anything contained in sub-section (3), the amount of any gain arising on disposal of an immovable property shall be computed in accordance with the formula specified in the Table below, namely:-

TABLE

S. No.	Holding period	Gain

(1)	(2)	(3)
1.	Where the holding period of an immoveable property does not exceed one year	A
2.	Where the holding period of an immoveable property exceeds one year but does not exceed two years	$A \times \frac{3}{4}$
3.	Where the holding period of an immoveable property exceeds two years but does not exceed three years	$A \times \frac{1}{2}$
4.	Where the holding period of an immoveable property exceeds three years but does not exceed four years	$A \times \frac{1}{4}$
5.	Where the holding period of an immoveable property exceeds four years	0";

where **A** is the amount of gain determined under sub-section (2).

(b) sub-section (3B) shall be omitted;

(10) in section 61, in sub-section (2), for the full stop in the end, a colon shall be substituted, and thereafter the following proviso shall be added, namely:—

“Provided that where any sum is paid or any property is given to an associate by a donor, clause (b) of component C shall be, in the case of—

(i) an individual or association of persons, fifteen percent of the taxable income of the person for the year; or

- (ii) a company, ten percent of the taxable income of the person for the year.”;
- (11) in section 65C, in sub-section (1), after the word “Pakistan”, the expression “on or before the 30th day of June, 2022” shall be inserted;
- (12) in section 97A, for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, wherever occurring, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (13) in section 100BA, in sub-section (1), after the word “thereon”, the words “in respect of a person not appearing on the active taxpayers’ list” shall be inserted;
- (14) in section 100C,—
 - (A) in sub-section (1),—
 - (a) in clause (d), in the proviso, sub-clauses (a) and (b) shall be re-numbered as (i) and (ii) respectively;
 - (b) in clause (e), in the proviso, after the semi colon, the word “and” shall be omitted;
 - (c) in clause (f), in the proviso, for the colon at the end, a semi-colon and the word “and” shall be substituted and thereafter the following new clause shall be added, namely:—
 - “(g) a statement of voluntary contributions and donations received in the immediately preceding tax year which has been filed in the prescribed form and manner.”;

- (B) in sub-section (1A), for the word “organization”, the expression “organizations, trusts or welfare institutions” shall be substituted;
 - (C) in sub-section (1B), in clause (d), in the explanation, for the words “the donor” the words “a donor not being an associate of the organization” shall be substituted; and
- (15) after section 100C, amended as aforesaid, the following new section shall be inserted, namely:—

“100D.- Special provisions relating to builders and developers.—

(1) For tax year 2020 and onwards, the tax payable by a builder or a developer, as defined in sub-section (9), who opts to pay tax under this section shall be computed and paid in accordance with the rules in the Eleventh Schedule on a project by project basis on the income, profits and gains derived from the sale of buildings or sale of plots, as the case may be, from—

- (a) a new project to be completed by the 30th day of September, 2022; or
- (b) an incomplete existing project to be completed by the 30th day of September, 2022:

Provided that any income, profits and gains of a builder or developer of an incomplete existing project earned up to tax year 2019 shall be subject to the provisions of this Ordinance as were in force prior to the commencement of the Tax Laws (Amendment) Ordinance, 2020 (Ordinance I of 2020):

Provided further that any income of a builder or developer other than income, profits and gains subject to this section shall be subject to tax as per the provisions of this Ordinance.

- (2) Where sub-section (1) applies, —
 - (a) the income shall not be chargeable to tax under any head of income in computing the taxable income of the person;
 - (b) no deduction shall be allowed under this Ordinance for any expenditure incurred in deriving the income;
 - (c) the amount of the income shall not be reduced by —
 - (i) any deductible allowance under Part IX of Chapter III; or
 - (ii) the set off of any loss;
 - (d) no tax credit shall be allowed against the tax payable under sub-section (1) except credit for tax under section 236K collected from the builder or developer after the commencement of the Tax Laws (Amendment) Ordinance, 2020 (I of 2020) on purchase of immoveable property utilized in a project;
 - (e) there shall be no refund of any tax collected or deducted under this Ordinance;

- (f) if the tax payable has not been paid or short paid, the said amount of tax may be recovered and all the provisions of this Ordinance shall apply accordingly; and
- (g) sections 113 and 113C shall not apply on the turnover, income, profits and gains of a builder or developer from a project.

(3) The provisions of section 111 shall not apply to capital investment made in a new project under clause (a) of sub-section (1) in the form of money or land, subject to the following conditions, namely:—

- (a) if the investment is made by a builder or developer being an individual –
 - (i) in the form of money, such builder or developer shall open a new bank account and deposit such amount in it on or before the 31st day of December, 2020; or
 - (ii) in the form of land, such builder or developer shall have the ownership title of the land at the time of commencement of the Tax Laws (Amendment) Ordinance, 2020 (I of 2020);
- (b) if the investment is made by a person in a project through a company or an association of persons,—
 - (i) such company or association of person shall be a single object (builder or developer) company or association of persons registered under the

Companies Act, 2017 (XIX of 2017) or the Partnership Act, 1932 (IX of 1932), as the case may be, after the date of commencement of the Tax Laws (Amendment) Ordinance, 2020 (I of 2020) and on or before the 31st day of December, 2020; and

- (ii) the person shall be a member or shareholder of such association of persons or company, as the case may be;

and if the capital investment is made,—

- (i) in the form of money, such amount shall be invested through a crossed banking instrument deposited in the bank account of such association of persons or company, as the case may be, on or before the 31st day of December, 2020; or
- (ii) in the form of land, such land shall be transferred to such association of persons or company, as the case may be, on or before the 31st day of December, 2020:

Provided that the person shall have the ownership title of the land at the time of commencement of the Tax Laws (Amendment) Ordinance, 2020 (I of 2020);

- (c) a person making an investment under clause (a) or (b) shall submit a prescribed form on IRIS web portal;

- (d) the money or land invested under clause (a) or (b) shall be wholly utilized in a project; and
 - (e) completion of the project shall be certified in the following manner, namely:-
 - (i) in case of a builder, the map approving authority or NESPAK shall certify that grey structure as per the approved map has been completed by the builder on or before the 30th day of September, 2022; and
 - (ii) in case of a developer,—
 - (A) the map approving authority or NESPAK shall certify that landscaping has been completed on or before the 30th day of September, 2022;
 - (B) a firm of chartered accountants having an ICAP QCR rating of 'satisfactory', notified by the Board for this purpose, shall certify that at least 50% of the plots have been booked for sale and at least 40% of the sale proceeds have been received by the 30th day of September, 2022; and
 - (C) at least 50% of the roads have been laid up to sub-grade level as certified by the approving authority or NESPAK.
- (4) The provisions of section 111 shall also not apply to.—

- (a) the first purchaser of a building or a unit of the building purchased from the builder in respect of purchase price of the building or unit of the building subject to the following conditions, namely:—
 - (i) full payment is made through a crossed banking instrument to the builder during a period starting from the date of registration of the project with the Board under this section and ending on the 30th day of September, 2022, in case the purchase is from a new project; and
 - (ii) full or balance amount of payment is made through a crossed banking instrument to the builder during a period starting from the date of registration of the project with the Board under this section and ending on the 30th day of September, 2022, in case the purchase is from an existing incomplete project; and
- (b) the purchaser of a plot who intends to construct a building thereon, if –
 - (i) the purchase is made on or before the 31st day of December, 2020;
 - (ii) the full payment is made on or before the 31st day of December, 2020 through a crossed banking instrument;

- (iii) construction on such plot is commenced on or before the 31st day of December, 2020;
 - (iv) such construction is completed on or before the 30th day of September, 2022; and
 - (v) the person registers himself with the Board on the online IRIS web portal.
- (5) Where sub-section (3) or (4) apply, the value or price of land or building, as the case may be, shall be the higher of clause (a) or (b) below:–
 - (a) 130% of the fair market value as determined by the Board under sub-section (4) of section 68; or
 - (b) at the option of the person making investment, the lower of the values as determined by at least two independent valuers from the list of valuers approved by the State Bank of Pakistan.
- (6) Sub-sections (3) and (4) shall not apply to –
 - (a) holder of any public office as defined in the Voluntary Declaration of Domestic Assets Act, 2018 or his benamidar as defined in the Benami Transactions (Prohibition) Act, 2017 (V of 2017) or his spouse or dependents;
 - (b) a public listed company, a real estate investment trust or a company whose income is exempt under any provision of this Ordinance; or

(c) any proceeds derived from the commission of a criminal offence including the crimes of money laundering, extortion or terror financing but excluding the offences under this Ordinance.

(7) Dividend income paid to a person by a builder or developer being a company out of the profits and gains derived from a project shall be exempt from tax.

(8) Notwithstanding anything contained in this section or the Eleventh Schedule, where a return or declaration has been made through misrepresentation or suppression of facts, such return or declaration shall be void and all the provisions of this Ordinance shall apply:

Provided that no action under this sub-section shall be taken if such misrepresentation has been made on account of a bona fide mistake:

Provided further that no action under this sub-section shall be taken without providing an opportunity of being heard and without prior approval of the Board.”;

(9) In this section,—

(a) “builder” means a person who is registered as a builder with the Board and is engaged in the construction and disposal of residential or commercial buildings;

(b) “capital investment” means investment as equity resources and does not include borrowed funds;

- (c) “developer” means a person who is registered as a developer with the Board and is engaged in the development of land in the form of plots of any kind either for itself or otherwise;
- (d) “existing project” means a construction or development project, which –
 - (i) has commenced before the date of commencement of the Tax Laws (Amendment) Ordinance, 2020;
 - (ii) is incomplete;
 - (iii) is completed on or before the 30th day of September, 2022; and
 - (iv) a declaration is provided in the registration form under Eleventh Schedule to the effect of percentage of the project completed up to the last day of the accounting period pertaining to tax year 2019;
- (e) “first purchaser” means a person who purchases a building or a unit, as the case may be, directly from the builder and does not include a subsequent or a substituted purchaser;
- (f) “new project” means a construction or development project, which –
 - (i) is commenced during the period starting from the date of commencement of the Tax Laws (Amendment) Ordinance, 2020 and ending on the 31st day of December, 2020; and

(ii) is completed on or before the 30th day of September, 2022;

(g) “project” means a project for construction of a building with the object of disposal, or a project for development of land into plots with the object of disposal or otherwise;

(h) “registered with the Board” means registered after submission of form on project-by-project basis on the online IRIS web portal;

(10) The provisions of the Ordinance not specifically dealt with in this section or the rules made thereunder shall apply *mutatis mutandis* to builders and developers in so far as they are not inconsistent with this section or the rules made thereunder.”;

(16) after section 106, the following new section shall be inserted, namely:—

“106A. Restriction on deduction of profit on debt payable to associated enterprise.— (1) Subject to sections 108 and 109, a part of deduction for foreign profit on debt claimed by a foreign-controlled resident company (other than an insurance company, or a banking company) during a tax year, shall be disallowed according to the following formula, namely:—

$$[B] - [(A + B) \times 0.15]$$

where—

A is the taxable income before depreciation and amortization; and

B is the foreign profit on debt claimed as deduction

(2) This section shall not apply to a foreign-controlled resident company if the total foreign profit on debt claimed as deduction is less than ten million rupees for a tax year.

(3) Where in computing the taxable income for a tax year, full effect cannot be given to a deduction for foreign profit on debt, the excessive amount shall be added to the amount of foreign profit on debt for the following tax year and shall be treated to be part of that deduction, or if there is no such deduction for that tax year, be treated to be the deduction for that tax year and so on for three tax years.

(4) Notwithstanding the provisions of section 106, where deduction of foreign profit on debt is disallowed under this section and also under section 106, the disallowed amount under this section and section 106.

(5) This section shall apply in respect of foreign profit on debt accrued with effect from the first day of July, 2020, even if debts were contracted before the first day of July, 2020.

(6) In this section—

(a) “foreign-controlled resident company” means a resident company in which fifty per cent or more of the underlying ownership of the company is held by a non-resident person either alone or together with an associate or associates; and

- (b) "foreign profit on debt" means interest paid or payable to a non-resident person or an associate of the foreign-controlled resident company and includes-
- (i) interest on all forms of debt;
 - (ii) payments made which are economically equivalent to interest;
 - (iii) expenses incurred in connection with the raising of finance;
 - (iv) payments under profit participating loans;
 - (v) imputed interest on instruments such as convertible bonds and zero coupon bonds;
 - (vi) amounts under alternative financing arrangements such as islamic finance;
 - (vii) the finance cost element of finance lease payments;
 - (viii) capitalized interest included in the balance sheet value of related asset, or the amortisation of capitalised interest;
 - (ix) amounts measured by reference to a funding return under transfer pricing rules;
 - (x) where applicable, notional interest amounts under derivative instruments or hedging arrangements related to an entity's borrowings;

- (xi) certain foreign exchange gains and losses on borrowings and instruments connected with the raising of finance;
 - (xii) guarantee fees with respect to financing arrangements; and
 - (xiii) arrangement fee and similar cost related to the borrowing funds.”;
- (17) in section 107, in sub-section (1), after the word “automatic” the words “and spontaneous” shall be inserted;
- (18) in section 111, in sub-section (1), for the expression “in the Commissioner’s opinion, satisfactory, the amount credited, value of the investment, money, value of the article, or amount of expenditure suppressed amount of production, sales or any amount chargeable to tax or of any item of receipt liable to tax shall be included in the person’s income chargeable to tax under head “Income from Other Sources” to the extent it is not adequately explained”, the expression “in the Commissioner’s opinion, satisfactory –
 - (a) the amount credited, value of the investment, money, value of the article, or amount of expenditure shall be included in the person’s income chargeable to tax under the head “Income from Other Sources” to the extent it is not adequately explained; and
 - (b) the suppressed amount of production, sales or any amount chargeable to tax or of any item of receipt liable to tax shall be included in the person’s income chargeable to tax under the head

“Income from Business” to the extent it is not adequately explained”
shall be substituted;

(19) in section 113, in sub-section (1), after the expression “company ,” the expression “permanent establishment of a non-resident company,” shall be inserted;

(20) in section 114,—

(A) in sub-section (1),—

(a) after clause (ad), the following new clause shall be added,
namely:—

“(ae) every person whose income for the year is subject to
final taxation under any provision of this Ordinance;”;

(b) in clause (b), in sub-clause (x), for the word “every”, the word
“is a” shall be substituted;

(B) in sub-section (2), in clause (a), for the semicolon at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

“Provided that the Board may prescribe different returns for
different classes of income or persons including persons subject to
final taxation;”;

(C) in sub-section (6), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

“Provided also that the Commissioner shall grant approval in case of a bonafide omission or wrong statement.”;

(21) after section 114, amended as aforesaid, the following new section shall be added, namely:—

“114A. Taxpayer’s profile.— (1) Subject to this Ordinance, the following persons shall furnish a profile, namely:—

- (a) every person applying for registration under section 181;
- (b) every person deriving income chargeable to tax under the head, “income from business”;
- (c) every person whose income is subject to final taxation;
- (d) any non-profit organization as defined in clause (36) of section 2;
- (e) any trust or welfare institution; or
- (f) any other person prescribed by the Board.

(2) A taxpayer’s profile—

- (a) shall be in the prescribed form and shall be accompanied by such annexures, statements or documents as may be prescribed;
- (b) shall fully state, in the specified form and manner, the relevant particulars of—
 - (i) bank accounts;
 - (ii) utility connections;

- (iii) business premises including all manufacturing, storage or retail outlets operated or leased by the taxpayer;
 - (iv) types of businesses; and
 - (v) such other information as may be prescribed;
- (c) shall be signed by the person being an individual, or the person's representative where section 172 applies; and
- (d) shall be filed electronically on the web as prescribed by the Board.

(3) A taxpayer's profile shall be furnished,—

- (a) on or before the 31st day of December, 2020 in case of a person registered under section 181 before the 30th day of September, 2020; and
- (b) within ninety days registration in case of a person not registered under section 181 before the 30th day of September, 2020.

(4) A taxpayer's profile shall be updated within ninety days of change in any of the relevant particulars of information as mentioned in clause (b) of sub-section (2).”;

(22) in section 115, sub-sections (4), (4A), (5) and (6) shall be omitted;

(23) in section 116,—

(A) in sub-section (3),—

- (a) after the expression “filing revised wealth statement,” the expression“ with the prior approval of the Commissioner,” shall be inserted; and
- (b) for the full stop at the end a colon shall be substituted and thereafter the following new proviso and explanation shall be added, namely:—

“Provided that the Commissioner shall grant approval in case of a bonafide omission or wrong statement.

Explanation.— For the removal of doubt it is clarified that wealth statement cannot be revised after the expiry of five years from the due date of filing of return of income for that tax year.”; and

- (B) sub-section (4) shall be omitted;

(24) in section 118,—

- (A) in sub-section (1), the expression “a statement required under sub-section (4) of section 115,” shall be omitted;
- (B) in sub-section (2), the expression “or a statement under sub-section (4) of section 115” shall be omitted; and
- (C) in sub-section (3),—
 - (a) the expression “, or a statement required under sub-section (4) of section 115” shall be omitted; and
 - (b) in clause (a), the expression ”a statement required under sub-section (4) of section 115 or” shall be omitted;

(25) in section 119, in sub-section (1), clause (c) shall be omitted;

(26) in section 120,—

(A) in sub-section (1),—

(a) in clause (a), for the expression “those respective amounts specified in the return”, the expression “the respective amounts adjusted under sub-section (2A)” shall be substituted; and

(b) in clause (b), for the expression “return was furnished”, the expression “adjustments were made under sub-section (2A)” shall be substituted;

(B) after sub-section (2), the following new section shall be inserted, namely:—

“(2A) A return of income furnished under sub-section (2) of section 114 shall be processed through automated system to arrive at correct amounts of total income, taxable income and tax payable by making adjustments for—

(i) any arithmetical error in the return;

(ii) any incorrect claim, if such incorrect claim is apparent from any information in the return;

(iii) disallowance of any loss, deductible allowance or tax credit under Parts VIII, IX and X respectively of Chapter III; and

(iv) disallowance of carry forward of any loss under clause (b) of sub-section (1) of section 182A:

Provided that no such adjustments shall be made unless a system generated notice is given to the taxpayer specifying the adjustments intended to be made:

Provided further that the response received from the taxpayer, if any, shall be considered before making any adjustment, and in a case where no response is received within thirty days of the issue of such notice, adjustments shall be made.

Provided also that where no such adjustments have been made within six month of filing of return, the amounts specified in the return as declared by the taxpayer shall be deemed to have been taken as adjusted amounts on the day the return was filed and the taxpayer shall be intimated automatically through IRIS.”;

(C) after sub-section (6), the following new sub-section shall be added, namely:—

(7) For the purposes of this section,—

- (a) “arithmetical error” includes any wrong or incorrect calculation of tax payable including any minimum or final tax payable.
- (b) "an incorrect claim apparent from any information in the return" shall mean a claim, on the basis of an entry, in the return,—

- (i) of an item, which is inconsistent with another entry of the same or some other item in such return;
 - (ii) regarding any tax payment which is not verified from the collection system; or
 - (iii) in respect of a deduction, where such deduction exceeds specified statutory limit which may have been expressed as monetary amount or percentage or ratio or fraction.”;
- (27) in section 121, in sub-section (1), clause “(aa)” shall be omitted;
- (28) in section 122, in sub-section (5), for the expression “definite information acquired from an audit or otherwise,” the expression “audit or on the basis of definite information” shall be substituted;
- (29) after omitted section 122C, the following new section shall be inserted, namely:—

“122D. Agreed assessment in certain cases.—(1) Where a taxpayer, in response to a notice under sub-section (9) of section 122, intends to settle his case, he may file offer of settlement in the prescribed form before the assessment oversight committee, hereinafter referred to as the Committee, in addition to filing reply to the Commissioner.

(2) The Committee after examining the aforesaid offer may call for the record of the case and after affording opportunity of being heard to

the taxpayer, may decide to accept or modify the offer of the taxpayer through consensus and communicate its decision to the taxpayer.

(3) Where the taxpayer is satisfied with the decision of the Committee,—

- (a) the taxpayer shall deposit the amount of tax payable including any amount of penalty and default surcharge as per decision of the Committee;
- (b) the Commissioner shall amend assessment in accordance with the decision of the Committee after tax payable including any amount of penalty and default surcharge as per decision of the Committee has been paid;
- (c) the taxpayer shall waive the right to prefer appeal against such amended assessment; and
- (d) no further proceedings shall be undertaken under this Ordinance in respect of issues decided by the Committee unless the tax as per clause (c) has not been deposited by the taxpayer.

(4) Where the Committee has not been able to arrive at a consensus or where the taxpayer is not satisfied with the decision of the Committee, the case shall be referred back to the Commissioner for decision on the basis of reply of the taxpayer in response to notice under

sub-section (9) of section 122 notwithstanding proceedings or decision, if any, of the Committee.

(5) The Committee shall comprise the following income tax authorities having jurisdiction over the taxpayer, namely:—

- (a) the Chief Commissioner Inland Revenue;
- (b) the Commissioner Inland Revenue; and
- (c) the Additional Commissioner Inland Revenue.

(6) This section shall not apply in cases involving concealment of income or where interpretation of question of law is involved having effect on other cases.

(7) The Board may make rules regulating the procedure of the Committee and for any matter connected with, or incidental to the proceedings of the Committee.”;

(30) in section 127,—

(A) in sub-section (1), after the word “under”, occurring for the first time, the expression “sub-section (2A) of section 120,” shall be inserted;

(B) in sub-section (4),—

(a) for clause (a), the following shall be substituted, namely:-

“(a) in the case of an appeal against an assessment –

- (i) where the appellant is a company, five thousand rupees; or
- (ii) where the appellant is not a company, two thousand and five hundred rupees; or”; and

- (b) in clause (b),—
 - (i) in sub-clause (i), for the word “one”, the word “five” shall be substituted; and
 - (ii) in sub-clause (ii), for the words “two hundred”, the words “one thousand” shall be substituted;
- (31) in section 129, in sub-section (4), after the word “shall”, occurring for the first time, the words “specify in the order the amount of tax upheld and” shall be inserted;
- (32) in section 131,—
 - (A) in sub-section (2),—
 - (a) in clause (c), the word “and” at the end shall be omitted;
 - (b) in clause (d), for the full stop at the end a semi colon and the word “and” shall be substituted; and
 - (c) after clause (d), amended as aforesaid, the following new clause shall be added, namely:—
 - “(e) accompanied by proof of payment of ten percent of the amount of tax upheld by the Commissioner (Appeals).”;
 - (B) after sub-section (1), amended as aforesaid, the following new sub-section shall be inserted, namely:—
 - “(2A) No appeal under sub-section (1) shall be admitted by the Appellate Tribunal unless ten percent of the amount of tax upheld by the Commissioner (Appeals) has been deposited by the taxpayer.”; and

(C) for sub-section (3), the following shall be substituted, namely:—

“(3) The prescribed fee shall be five thousand rupees in case of company and rupees two thousand and five hundred in cases other than company.”

(33) for section 134A, the following shall be substituted, namely:—

“134A. Alternative dispute resolution.— (1) Notwithstanding any other provision of this Ordinance, or the rules made thereunder, an aggrieved person in connection with any dispute pending before a court of law or an appellate authority pertaining to—

- (a) the liability of tax against the aggrieved person, or admissibility of refunds, as the case may be;
- (b) the extent of waiver of default surcharge and penalty; or
- (c) any other specific relief required to resolve the dispute,

may apply to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application, which is under litigation in any court of law or an appellate authority, except where criminal proceedings have been initiated or where interpretation of question of law having effect on identical cases is involved having effect on other cases.

(2) The Board may, after examination of the application of an aggrieved person, appoint a committee, within sixty days of receipt of such application in the Board, comprising,—

- (i) Chief Commissioner Inland Revenue having jurisdiction over the case;
- (ii) two persons from a panel notified by the Board comprising of chartered accountants, cost and management accountants, advocates, having minimum of ten years' experience in the field of taxation and reputable businessmen.

(3) The Board shall communicate the order of appointment of committee to the court of law or the appellate authority where the dispute is pending and the Commissioner.

(4) The Committee appointed under sub-section (2) shall examine the issue and may, if it deemed necessary, conduct inquiry, seek expert opinion, direct any officer of the Inland Revenue or any other person to conduct an audit and shall decide the dispute through consensus, within one hundred and twenty days of its appointment.

(5) The Committee may, in case of hardship, stay recovery of tax payable in respect of dispute pending before it for a period not exceeding one hundred and twenty days in aggregate or till the decision of the committee or its dissolution, whichever is earlier.

(6) The decision of the committee under sub-section (4) shall be binding on the Commissioner when the aggrieved person, being satisfied with the decision, has withdrawn the appeal pending before the court of law

or any appellate authority and has communicated the order of withdrawal to the Commissioner:

Provided that if the order of withdrawal is not communicated to the Commissioner within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Commissioner.

(7) If the Committee fails to decide within the period of one hundred and twenty days under sub-section (4), the Board shall dissolve the committee by an order in writing and the matter shall be decided by the court of law or the appellate authority where the dispute is pending.

(8) The Board shall communicate the order of dissolution to the court of law or the appellate authority and the Commissioner.

(9) The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the appellate authority, where the dispute is pending.

(10) The aggrieved person may make the payment of income tax and other taxes as decided by the committee under sub-section (4) and all decisions and orders made or passed shall stand modified to that extent.

(11) The Board may prescribe the amount to be paid as remuneration for the services of the members of the committee, other than the member appointed under clause (i) of sub-section (2).

(12) The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.”;

- (34) in section 138, in sub-section (2),—
- (A) in clause (b), the word “and” at the end shall be omitted; and
 - (B) in clause (c), for the full stop at the end a semi-colon and the word “and” shall be substituted and thereafter the following new clause shall be added, namely:—
 - “(d) as specified under clauses (a), (ca) and (d) of sub-section (1) of section 48 of the Sales Tax Act, 1990.”;
- (35) in section 147,—
- (A) in sub-section (2), for the expression “(a), (b), (ba),”, the expression “(b),” shall be substituted; and
 - (B) in sub-section (4), in the proviso, for the semi-colon at the end a colon shall be substituted and thereafter the following new proviso shall be added, namely:—
 - “Provided further that the Board may prescribe procedure for filing and calculation of turnover for the quarter through an automated system;”;
- (36) in section 148,—
- (A) in sub-section (1),—
 - (a) after the word “Schedule” the expression “in respect of goods classified in Parts I to III of the Twelfth Schedule” shall be inserted; and
 - (b) for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that the Board may, by a notification in the official Gazette, add in the Twelfth Schedule any entry thereto or omit any entry therefrom or amend any entry therein.”;

(B) in sub-section (7),

(a) after the words “import of”, the expression “goods on which tax is required to be collected under this section at the rate of 1% or 2% by an industrial undertaking for its own use.” shall be inserted; and

(b) the hyphen and clauses (a), (c), (d) and (e), occurring thereafter shall be omitted;

(C) sub-sections (8) and (8A) shall be omitted; and

(D) in sub-section (9),—

(a) for the expression “value of goods means the value of the goods as determined under the Customs Act, 1969 (IV of 1969), as if the goods were subject to *ad valorem* duty increased by the customs-duty, federal excise duty and sales tax, if any, payable in respect of the import of the goods.”, the following expression shall be substituted, namely:—

“Value of goods means—

(a) in case of goods chargeable to tax at retail price under the Third Schedule of the Sales Tax Act, 1990, the retail price of such goods increased by sales tax

payable in respect of the import and taxable supply of the goods; and

- (b) in case of all other goods; the value of the goods as determined under the Custom Act, 1969 (IV of 1969), as if the goods were subject to *ad valorem* duty increased by the custom-duty, federal excise duty and sales tax, if any, payable in respect of the import of the goods.”; and

- (b) the explanation occurring thereafter shall be omitted;

(37) section 148A shall be omitted;

(38) in section 152,—

- (A) after sub-section (1BB), the following new sub-section shall be inserted, namely:—

“(1BBB) The tax deductible under sub-section (1AAA) shall be minimum tax on the income of non-resident person arising out of such payment.”;

- (B) for sub-section (2B), the following shall be substituted, namely:—

“(2B) The tax deductible under sub-section (2A) shall be minimum tax:

Provided that tax deductible under clause (a) of sub-section (2A) shall not be minimum tax where payments are received for sale of goods by a company being a manufacturer of such goods.”;

- (C) in sub-section (4A), after the word “made” the words “in the prescribed form” shall be inserted;
 - (D) in sub-section (4B), for the word “thirty”, the word “twenty” shall be substituted; and
 - (E) in sub-section (5),—
 - (i) in clause (a), the word “and” at the end shall be omitted; and
 - (ii) in clause (b), for the full stop at the end a semi-colon and the word “and” shall be substituted and thereafter the following new clause shall be added, namely:—
 - “(c) such other particulars as may be prescribed.”;
- (39) in section 153,—
- (A) in sub-section (1),—
 - (a) the word “or”, occurring for the second time shall be omitted; and
 - (b) in clause (a), after the word “goods”, the words “including toll manufacturing” shall be inserted;
 - (B) in sub-section (3),—
 - (a) the expression “clauses (a) and (c) of” shall be omitted; and
 - (b) in the proviso, clauses (b), (d) and (e) shall be omitted;
 - (C) in sub-section (4), for the full stop at the end, a colon shall be substituted, and thereafter the following new provisos shall be added, namely:—

“Provided that the Commissioner shall issue certificate for payment under clause (a) of sub-section (1) without deduction of tax within fifteen days of filing of application to a public company listed on a registered stock exchange in Pakistan if advance tax liability has been discharged:

Provided further that the Commissioner shall be deemed to have issued the exemption certificate upon the expiry of fifteen days to the aforesaid public listed company and the certificate shall be automatically processed and issued by IRIS:

Provided also that the Commissioner may modify or cancel the certificate issued automatically by IRIS on the basis of reasons to be recorded in writing after providing an opportunity of being heard.”; and

(D) in sub-section (7), in clause (i),—

(i) sub-clause (h), for the word “fifty”, the word “one hundred” shall be substituted;

(ii) in sub-clause (i), for the word “fifty”, the word “one hundred” shall be substituted; and

(iii) in sub-clause (j), after the figures “1990”, the expression “having turnover of one hundred million rupees or more in any of the preceding tax years” shall be inserted;

(40) section 156B shall be omitted;

(41) in section 159,—

- (A) in sub-section (1), after the word “application”, the words “made in the prescribed form and” shall be inserted; and
 - (B) in sub-section (2), after the word “application”, the words “in the prescribed form” shall be inserted;
- (42) in section 165,—
- (A) in sub-section (1),—
 - (a) for the word “biannual”, the word “quarterly” shall be substituted; and
 - (b) in clauses (a), (b) and (c), for the word “half-year”, wherever occurring, the word “quarter” shall be substituted;
 - (B) after sub-section (1), amended as aforesaid, the following new sub-section shall be inserted, namely:—

“(1A) Every person involved or engaged in economic transactions as prescribed by the Board shall furnish to the Commissioner a quarterly statement in the prescribed form and manner.”; and
 - (C) in sub-section (2),—
 - (i) after the expression “sub-section (1)”, the expression “or (1A)” shall be inserted; and
 - (ii) for clauses (a) and (b), the following shall be substituted, namely:—

“(a) in respect of quarter ending on the 31st day of March, on or before the 20th day of April;

- (b) in respect of quarter year ending on the 30th day of June, on or before the 20th day of July;
 - (c) in respect of quarter ending on the 30th day of September, on or before the 20th day of October; and
 - (d) in respect of quarter ending on or before the 31st day of December, on or before the 20th January.”;
- (43) in section 165A, in sub-section (1), in clause (d), the words “exceeding five hundred thousand rupees” shall be omitted;
- (44) in section 168, in sub-section (3), after omitted clause (c), the following new clauses shall be inserted, namely:—
 - “(ca) sub-section (1E) of section 152;
 - (cb) sub-section (2) of section 152A;”;
- (45) in section 169,—
 - (A) in sub-section (1),—
 - (a) clause (a) shall be omitted;
 - (b) in clause (b),—
 - (i) for the expression “sub-section (3) of section 151, sub-section (1B) or sub-section (1BB) of section 152, sub-section (3) of section 153, sub-section 1(AAA) of section 152”, the expression “sub-section (1E) of section 152, 152A” shall be substituted; and
 - (ii) the expression “sub-section (1) and (3) of section 233,” shall be omitted; and

- (B) in sub-section (3),—
- (a) the expression “and the person shall not be required to furnish a return of income under section 114 for the year” shall be omitted;
 - (b) in clause (a), the expression, “or statement under sub-section (4) of section 115” shall be omitted; and
 - (c) in clause (b), the expression “or the statement under sub-section (4) of section 115” shall be omitted;
- (46) in section 170, after sub-section (5), the following new sub-section shall be added, namely:—
- “(6) The Board may make rules regulating procedure for expeditious processing and automatic payment of refunds through centralized processing system with effect from a date to be notified by the Board.”;
- (47) in section 175,—
- (A) in sub-section (1), in clause (a), after the word “access”, the expression “including real-time electronic access” shall be inserted; and
 - (B) after sub-section (8), the following new sub-section shall be added, namely:—
- “(9) For the purpose of clause (a) of sub-section (1), the Board may make rules relating to electronic real-time access for audit or a survey of persons liable to tax.”;

(48) after section 175, amended as aforesaid, the following new section shall be inserted, namely:—

“175A. Real-time access to information and databases.— (1)

Notwithstanding anything contained in any law for the time being in force, including but not limited to the National Database and Registration Authority Ordinance, 2000 (Ordinance VIII of 2000), and the Emigration Ordinance, 1979 (Ordinance XVIII of 1979), arrangements shall be made to provide real-time access of information and database to the Board in the prescribed form and manner by—

- (a) the National Database and Registration Authority with respect to information pertaining to National Identity Card, Pakistan Origin Card, Overseas Identity Card, Alien Registration Card, and other particulars contained in the Citizen Database;
- (b) the Federal Investigation Agency and the Bureau of Emigration and Overseas Employment with respect to details of international entry and exit of all persons and information pertaining to work permits, employment visas and immigration visas;
- (c) the Islamabad Capital Territory and provincial and local land record and development authorities with respect to record-of-rights including digitized edition of record-of-rights, periodic record, record of mutations and report of acquisition of rights;

- (d) the Islamabad Capital Territory and provincial Excise and Taxation Departments with respect to information regarding registration of vehicles, transfer of ownership and other associated record;
- (e) All electricity suppliers and gas transmission and distribution companies with respect to particulars of a consumer, the units consumed and the amount of bill charged or paid:

Provided that where the connection is shared or is used by a person other than the owner, the name and CNIC of the owner and the user shall also be furnished:

Provided further that all electricity suppliers and gas transmission and distribution companies shall make arrangements by the 1st day of January, 2021 for allowing consumers to update the ratio of sharing of a connection or the particulars of users, as the case may be; and

- (f) any other agency, authority, institution or organization notified by the Board.

(2) The Board shall make arrangements for laying the infrastructure for real-time access to information and database under sub-section (1) and aligning it with its own database in the manner as may be prescribed.

(3) Until real-time access to information and database is made available under sub-section (1), such information and data

shall be provided periodically in such form and manner as may be prescribed.

(4) Subject to section 216, all information received under this section shall be used only for tax purposes and kept confidential”;

(49) in section 177, after sub-section (2), the following new sub-sections shall be inserted, namely:—

“(2A) For the purpose of sub-section (2), the Commissioner may conduct audit proceedings electronically through video links, or any other facility as prescribed by the Board.

(2AA) Where a taxpayer—

- (a) has not furnished record or documents including books of accounts;
- (b) has furnished incomplete record or books of accounts; or
- (c) is unable provide sufficient explanation regarding the defects in records, documents or books of accounts,

it shall be construed that taxable income has not been correctly declared and the Commissioner shall determine taxable income on the basis of sectoral benchmark ratios prescribed by the Board.

Explanation.—The expression “sectoral benchmark ratios” means standard business sector ratios notified by the Board on the basis of comparative cases and includes financial ratios, production ratios, gross profit ratio, net

profit ratio, recovery ratio, wastage ratio and such other ratios in respect of such sectors as may be prescribed.”;

(50) in section 182, in sub-section (1), in the Table, in column (1),—

- (A) against S. No. 1A, in column (2) and (4), the figure “115” shall be omitted;
- (B) against S. No 1AA, in column (4), the figure “115” shall be omitted;
- (C) after S. No. 4, the following new serial numbers and entries relating thereto in columns (2), (3) and (4) shall be inserted, namely:—

“4A	Any person who is required to furnish or update a taxpayer’s profile but fails to furnish or update within the due date.	Such a person shall pay a penalty of Rs. 2,500 for each day of default from the due date subject to a minimum penalty of Rs. 10,000.	114A
4B	Any person who contravenes the provisions of section 181AA.	Such a person shall pay a penalty at the rate of Rs. 10,000 for each connection provided to an unregistered person.	181AA”; and

- (D) against S. No. 10, in column (4), the figure “115” shall be omitted;

(51) in section 182A, after sub-section (1), the following new sub-section shall be added, namely:—

“(2) Where a person fails to furnish or update a taxpayer’s profile within the due date or time period specified in sub-section (3) of section 114A or within the date as extended by the Board under section 214A, such person shall not be included in the active taxpayers’ list for the latest tax year ending prior to the aforesaid due date or extended date:

Provided that without prejudice to any other liability under this Ordinance, such person shall be included in the active taxpayers’ list upon filing the taxpayer’s profile after the due date or extended date, if the person pays surcharge at Rupees—

- (a) twenty thousand in case of a company;
- (b) ten thousand in case of an association of persons; and
- (c) one thousand in case of an individual.”;

(52) in section 205, after sub-section (6), the following new sub-section shall be added, namely:—

“(7) Where a person is liable for default surcharge under this Part, the Commissioner may, at his discretion, make assessment of default surcharge for the period of default or part thereof, notwithstanding that the tax due has not actually been paid.”;

(53) in section 209,—

- (A) in sub-section (2), for the full stop at the end, a colon shall be substituted and thereafter the following provisos shall be added, namely:—

“Provided that the Board may also confer upon or assign to any Officer of Inland Revenue the aforesaid powers and functions through Automated Case Selection System:

Provided further that the Board may make rules for conferment or assignment of such powers and functions through Automated Case Selection System.”; and

- (B) after the provisos added as aforesaid, the following explanation shall be added, namely:—

“*Explanation.*— For the purpose of this sub-section, the expression “Automated Case Selection System” means an algorithm for randomized allocation of cases by using suitable technological modes.”;

- (54) in section 210, in sub-section (1A), after the figure “122”, the expression “and amendment of an order of recovery under sub-section (3) of section 161” shall be inserted;
- (55) in section 231B, in sub-section (7), after the full stop at the end, the following explanation shall be added, namely:-

“*Explanation.*— For the removal of doubt, it is clarified that a motor vehicle does not include a rickshaw, motorcycle-rickshaw and any other motor vehicle having engine capacity upto 200cc.”;

- (56) in section 235,—
- (A) in sub-section (1), after the word “in”, the expression “Division IV of” shall be inserted; and
 - (B) in sub-section (3), after the word “tax”, occurring for the third time, the expression “or that he has discharged advance tax liability for the tax year” shall be inserted.;
- (57) section 235B shall be omitted;
- (58) in section 236A, in sub-section (1), after the full stop in the end, the following explanation shall be added, namely:—
- “Explanation.—* For the removal of doubt it is clarified for the purpose of this section that—
- (a) the expression “sale by public auction or auction by a tender” includes renewal of a license previously sold by public auction or auction by a tender; and
 - (b) where payment is received in installments, advance tax is to be collected with each installment.”;
- (59) in section 236C, in sub-section (3), for the word “five”, the word “four” shall be substituted;
- (60) sections 236D and 236F shall be omitted;
- (61) in section 236I, in sub-section (1), after the word “tax” the expression “from a person not appearing on the active taxpayers' list” shall be inserted;
- (62) section 236J shall be omitted;

- (63) in section 236Q, in sub-section (3), for the word “final”, the word “minimum” shall be substituted;
- (64) sections 236R, 236U and 236X shall be omitted;
- (65) in the First Schedule,—
- (A) in Part I,—
- (a) in Division VII, in the TABLE, for the expression, “Tax Years 2018, 2019 and 2020” the expression “Tax Years 2018, 2019, 2020 and onwards” shall be substituted; and
- (b) in Division VIII, for the tabular form, the following shall be substituted, namely:—

“TABLE

S.No.	Amount of Gain	Rate of Tax
(1)	(2)	(3)
1.	Where the gain does not exceed Rs. 5 million	2.5%
2.	Where the gain exceeds Rs. 5 million but does not exceed Rs. 10 million	5%
3.	Where the gain exceeds Rs. 10 million but does not exceed Rs. 15 million	7.5%
4.	Where the gain exceeds Rs. 15 million	10%”;

- (B) for Part II, the following shall be substituted, namely:—

"PART II

RATES OF ADVANCE TAX

[See Division II of Part V of Chapter X]

The rate of advance tax to be collected by the Collector of Customs under section 148 shall be—

S. No.	Persons	Rate
(1)	(2)	(3)
1.	Persons importing goods classified in Part I of the Twelfth Schedule	1% of the import value as increased by customs-duty, sales tax and federal excise duty
2.	Persons importing goods classified in Part II of the Twelfth Schedule	2% of the import value as increased by customs-duty, sales tax and federal excise duty
3.	Persons importing goods classified in Part III of the Twelfth Schedule	5.5% of the import value as increased by customs-duty, sales tax and federal excise duty”;

Provided that the rate specified in column (3),—

- (a) in case of manufacturers covered under rescinded Notification No. S.R.O. 1125(I)/2011 dated the 31st December, 2011 as it stood on

the 28th June, 2019 on import of items covered under the
aforementioned S.R.O. shall be 1%;

- (b) in case of persons importing finished pharmaceutical products that
are not manufactured otherwise in Pakistan, as certified by the Drug
Regulatory Authority of Pakistan shall be 4%:

Provided further that the rate of tax on value of import of mobile phone by
any person shall be as set out in the following table, namely: –

Table

S. No.	C & F Value of mobile phone (in US Dollar)	Tax (in Rs.)	
		In CBU condition PCT Heading 8517.1219	In CKD/SKD condition under PCT Heading 8517.1211
(1)	(2)	(3)	(4)
1	Up to 30 except smart phones	70	0
2	Exceeding 30 and up to 100 and smart phones up to 100	100	0
3	Exceeding 100 and up to 200	930	0
4	Exceeding 200 and up to 350	970	0
5	Exceeding 350 and up to 500	3,000	5,000
6	Exceeding 500	5,200	11,500”;

(C) in Part III,—

- (a) in Division I, after clause (b), the following new clause shall be added, namely:—

“(ba) 25% in case of a person receiving dividend from a company where no tax is payable by such company, due to exemption of income or carry forward of business losses under Part VIII of Chapter III or claim of tax credits under Part X of Chapter III.”;
- (b) in Division IA, in the proviso, after the word “where”, the expression “the taxpayer furnishes a certificate to the payer of profit that during the tax year” shall be inserted;
- (c) in Division IB, in clause (a), for the figures “15” the figures “25” shall be substituted;
- (d) in Division II,—
 - (i) in paragraph (5),—
 - a. for sub-paragraph (i), the following shall be substituted, namely:-

“(i) 3% of the gross amount payable, in the cases of 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 clause (133) of Part I of the Second

Schedule, tracking services, advertising services (other than by print or electronic media), share registrar services, car rental services, building maintenance services, services rendered by Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited inspection and certification, testing and training services;” and

- b. in sub-paragraph (ii), for the word “transport” the expression “sub-paragraph (i)” shall be substituted;

(e) in Division III,—

- (i) in paragraph (1), in sub-paragraph (b), after the word “goods” the words “including toll manufacturing” shall be inserted; and
- (ii) in paragraph (2), in sub-paragraph (i), the words and comma “engineering services,” shall be omitted;

(D) in Part IV,—

- (a) in Division VIII, for full stop at the end a colon shall be substituted; and thereafter the following proviso shall be added, namely:-

“Provided that in case of immovable property sold by auction, the rate of collection of tax under this section shall be 5% of the gross sale price.”;

- (b) Divisions XI and XIII shall be omitted;
- (c) Divisions XVII, XXIV and XXV shall be omitted; and
- (d) in Division XXVI, the expression “for persons who are not appearing in the active taxpayers’ list” shall be omitted;

(66) in the Second Schedule,—

(A) in Part I,—

- (a) in clause (23A), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

“Provided that, excluding the cases mentioned in sub-clauses (b) and (c), in case of withdrawal before retirement age or withdrawal at the time of or after retirement age in excess of fifty percent of the accumulated balance, tax shall be charged at the rate specified in sub-section (6) of section 12 and the pension fund manager shall at the time of making payment deduct tax at the said rate.”;

(b) in clause (61),—

- (i) after serial number (lvi), the following new serial numbers shall be added, namely:—

“(lvii) The Prime Minister’s COVID-19 Pandemic Relief Fund-2020;

“(lviii) Ghulam Ishaq Khan Institute of Engineering Sciences and Technology (GIKI);

(lvxi) Lahore University of Management Sciences;

(lvxii) Dawat-e-Hadiya, Karachi;

(lvxiii) Baitussalam Welfare Trust;

(lvxiv) Patients’ Aid Foundation;

(lvxv) Alkhidmat Foundation;”;

- (ii) in the proviso, the full stop in the end shall be substituted with a colon and thereafter the following new provisos shall be added, namely:-

“Provided further that the amount so donated by an associate shall not exceed—

(a) in the case of an individual or association of persons, fifteen percent of the taxable income of the person for the year; and

(b) in the case of a company, ten percent of the taxable income of the person for the year:

Provided also that the provisions of this clause shall apply only if donation is paid by a crossed cheque drawn on a bank.”;

- (c) for clause (66), the following shall be substituted namely:-

“(66) (1) Any income derived by the following institutions, foundations, societies, boards, trusts and funds, namely: —

Table 1

Sr.No.	Name
(1)	(2)
(i)	International Islamic Trade Finance Corporation.
(ii)	Islamic Corporation for Development of Private Sector.
(iii)	National Memorial Bab-e-Pakistan Trust.
(iv)	Pakistan Agricultural Research Council.
(v)	The corporatized entities of Pakistan Water and Power Development Authority from the date of their creation upto the date of completion of the process of corporatization i.e. till the tariff is notified.
(vi)	The Prime Minister’s Special Fund for victims of terrorism.
(vii)	Chief Minister’s (Punjab) Relief Fund for Internally Displaced Persons (IDPs) of NWFP.
(viii)	The Institutions of the Agha Khan Development Network (Pakistan) as contained in Schedule 1 of the Accord and Protocol, dated November 13, 1994, executed between the Government of the Islamic Republic of Pakistan and the Agha Khan Development Network.
(ix)	Pakistan Council of Scientific and Industrial Research.

(x)	The Pakistan Water and Power Development Authority established under the Pakistan Water and Power Development Authority Act, 1958 (W. P. Act XXXI of 1958).
(xi)	WAPDA First Sukuk Company Limited.
(xii)	Pension of a former President of Pakistan and his widow.
(xiii)	State Bank of Pakistan and State Bank of Pakistan Banking Services Corporation.
(xiv)	International Finance Corporation established under the International Finance Corporation Act, 1956 (XXVIII of 1956) and provided in section 9 of Article VI of Articles of Agreement 1955 as amended through April 1993.
(xv)	Pakistan Domestic Sukuk Company Ltd.
(xvi)	ECO Trade and Development Bank.
(xvii)	The Islamic Chamber of Commerce and Industry under the Organization of Islamic Conference (OIC).
(xviii)	Commission on Science and Technology for Sustainable Development in the South (COMSATS) formed under International Agreement signed on 5th October, 1994.
(xix)	WAPDA on issuance of twenty billion rupees TFC's/SUKUK certificates for consideration of DiamerBhasha Dam Projects.
(xx)	Federal Board of Revenue Foundation.
(xxi)	WAPDA Second Sukuk Company Limited.
(xxii)	Pakistan International Sukuk Company Limited.

(xxiii)	Second Pakistan International Sukuk Company Limited.
(xxiv)	Third Pakistan International Sukuk Company Limited.
(xxv)	Asian Infrastructure Investment Bank and persons as provided in Article 51 of Chapter IX of the Articles of Agreement signed and ratified by Pakistan and entered into force on the 25th December, 2015.
(xxvi)	Supreme Court of Pakistan – DiamerBhasha & Mohmand Dams – Fund.
(xxvii)	National Disaster Risk Management Fund.
(xxviii)	Deposit Protection Corporation established under sub-section (I) of section 3 of Deposit Protection Corporation Act, 2016 (XXXVII of 2016).
(xxix)	SAARC Energy Centre.
(xxx)	The Asian Development Bank established under the Asian Development Bank Ordinance, 1971 (IX of 1971).
(xxxi)	The Prime Minister's COVID-19 Pandemic Relief Fund-2020.
(xxxii)	Saarc Arbitration Council (SARCO).
(xxxiii)	International Parliamentarians' Congress.

(2) Subject to the provisions of section 100C, any income derived by the following institution, foundations, societies, boards, trusts and funds, namely:

Table 2

Sr. No.	Name
	(2)

(i)	Abdul Sattar Edhi Foundation.
(ii)	Al-Shifa Trust.
(iii)	Bilquis Edhi Foundation.
(iv)	Fatimid Foundation.
(v)	Pakistan Engineering Council.
(vi)	The Institution of Engineers.
(vii)	Liaquat National Hospital Association.
(viii)	The Citizens Foundation.
(ix)	Sindh Institute of Urology and Transplantation, SIUT Trust and Society for the Welfare of SIUT.
(x)	Greenstar Social Marketing Pakistan (Guarantee) Limited.
(xi)	Indus Hospital, Karachi.
(xii)	Gulab Devi Chest Hospital.
(xiii)	Pakistan Poverty Alleviation Fund.
(xiv)	National Academy of Performing Arts.
(xv)	Pakistan Sweet Homes Angels and Fairies Place.
(xvi)	National Rural Support Programme.
(xvii)	Pakistan Bar Council.
(xviii)	Pakistan Centre for Philanthropy.
(xix)	Pakistan Mortgage Refinance Company Limited.
(xx)	Aziz Tabba Foundation.
(xxi)	ShaukatKhanum Memorial Trust.
(xxii)	Layton Rahmatullah Benevolent Trust (LRBT).

(xxiii)	The Kidney Centre Post Graduate Training Institute.
(xxiv)	Pakistan Disabled Foundation..
(xxv)	Forman Christian College..
(xxvi)	Habib University Foundation.
(xxvii)	Begum AkhtarRukhsana Memorial Trust Hospital.
(xxviii)	Al-Khidmat Foundation.
(xxix)	Dawat-e-Islami Trust.
(xxx)	Sardar Trust Eye Hospital, Lahore..
(xxxi)	Akhuwat.
(xxxii)	Audit Oversight Board..
(xxxiii)	Patient's Aid Foundation.
(xxxiv)	Al-Shifa Trust Eye Hospital.
(xxxv)	Saylani Welfare International Trust.
(xxxvi)	SARMAYA-E-PAKISTAN LIMITED.
(xxxvii)	Lahore University of Management Sciences, Lahore.
(xxxviii)	Dawat-e-Hadiya, Karachi.
(xxxix)	Ghulam Ishaq Khan Institute of Engineering Sciences and Technology.
(xl)	Society for the Promotion of Engineering Sciences and Technology in Pakistan (SOPREST).
(xli)	Businessmen Hospital Trust.
(xlii)	Baitussalam Welfare Trust.

Provided that with effect from the 1st day of July, 2021, exemption under this sub-clause shall be subject to fulfilling the conditions specified in section 100C.”;

(d) in clause (99A), in the first proviso, for the figure “2020”, the figure “2021” shall be substituted;

(e) after the omitted clause (114A), the following new clause shall be inserted, namely:—

“(114AA) Any income chargeable under the head “capital gains” derived by a resident individual from the sale of constructed residential property:

Provided that exemption under this clause shall only apply, if

(a) at the time of sale, the residential property was being used for the purpose of personal accommodation by the resident individual, his spouse or dependents and for which any of the utility bills is issued in the name of such individual;

(b) 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; and

(c) exemption under this clause has not previously been availed by the individual, his spouse or dependents.”;

and

- (f) in clause (126A), after the words “Gwadar Port”, the words “and Gwadar Free Zone” shall be inserted and shall be deemed to have been inserted with effect from 1st June, 2020;
- (g) in clause (126AB), in paragraph (b), after the expression “China Overseas Ports Holding Company Limited,”, the expression “China Overseas Port Holding Company Pakistan (Private) Limited, Gwadar International Terminals Limited, Gwadar Marine Services Limited and Gwadar Free Zone Company Limited” shall be inserted and shall be deemed to have been inserted with effect from 1st June, 2020;
- (h) in clause (126AC), after the words “Gwadar Port” the words “and Gwadar Free Zone” shall be inserted and shall be deemed to have been inserted with effect from 1st June, 2020;
- (i) in clause (126E), for the full stop in the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that this clause shall also apply to a co-developer as defined in Special Economic Zone Rules, 2013 subject to the condition that a certificate has been furnished—

- (a) by the developer that he has not claimed exemption under this clause and has relinquished his claim in favour of the co-developer; and

- (b) by the Special Economic Zone Authority validating that the developer has not claimed exemption under this clause and has relinquished claim in favour of the co-developer.”; and
- (j) after clause (146), the following new clause shall be added, namely:-

“(147) Any income derived by the Federal Government Employees Housing Authority for the tax year 2020 and the following four tax years.”;
- (B) in Part II,—
 - (a) after clause (5A), the following new clause shall be inserted, namely,—

“(5AA) The rate of tax to be deducted under sub-section (2) of section 152, in respect of payments to an individual, on account of profit on debt earned from a debt instrument, whether conventional or shariah compliant, issued by the Federal Government under the Public Debt Act, 1944 and purchased exclusively through a bank account maintained abroad, a non-resident Rupee account repatriable (NRAR) or a foreign currency account maintained with a banking company in Pakistan shall be ten percent of the gross amount paid:

Provided that tax deducted on such profit on debt shall be final tax.";

- (b) after clause (24C), amended as aforesaid, the following new clause shall be inserted, namely:-

“(24CA) The rate of tax under clause (a) of sub-section (1) of section 153 in case of a person, other than a company, as a recipient of payment for goods supplied to Utility Stores Corporation of Pakistan shall be 1.5% of the gross amount of payment in respect of supply of tea, spices, salt, dry milk, sugar, pulses wheat flour and ghee for the period commencing from the 7th day of April, 2020 and ending on 30th day of September, 2020:

Provided that this clause shall not be applicable to supply of tea, spices, salt and dry milk which are sold under a brand name:

Provided further that this clause shall not be applicable where rate of tax under clause (a) of sub-section (1) of section 153 is less than 1.5% of the gross amount of payment under any provisions of the Ordinance.”;

- (C) in Part III, after clause (9A), the following new clause shall be inserted, namely:-

“(9B) The tax payable on the income, profits and gains of projects of ‘low cost housing’ developed or approved by Naya Pakistan

Housing and Development Authority (NAPHDA) or under the Ehsaas Programme shall be reduced by 90%.”;

(D) in Part IV,—

(a) clause (9A) shall be omitted;

(b) in clause (11A),—

(i) for sub-clause (xiii), the following shall be substituted, namely:-

“(xiii) amodaraba qualifying for exemption under clause (100) of Part-I of this Schedule.”; and

(ii) after sub-clause (xxxiv), the following new sub-clauses shall be added, namely:-

“(xxxv) The Prime Minister’s COVID-19 Pandemic Relief Fund-2020;

(xxxvi) the Federal Government Employees Housing Authority for the tax year 2020 and the following four tax years.”.

(c) after clause (12A), the following new clause shall be added;

“(12B) The provisions of section 148 shall not apply to the import of following goods for a period commencing from 20th day of March, 2020 and ending on 30th day of September, 2020.

TABLE

S. No.	Description	PCT
(1)	(2)	(3)
1.	Real-time PCR system (standard 96-well plate and 0.2ml tubes format, 5 channel)	Respective Headings.”;
2.	Biosafety Cabinet	
3.	Auto Clave 50 Liter Capacity	
4.	Multi channel pipette (0.5-10 µl)	
5.	Single channel pipette a) 2 µl b) 10 µl c) 200 µl d) 1000 µl	
6.	Muti channel pipette 20-200 ml	
7.	Vacuum fold	
8.	Micro Centrifuge (Non-refrigerated, Rotor capacity: 12 x 1.5 / 2.0 ml vessels, 2 x PCR strip, Max. speed: 12,100 x g (13,400 rpm))	
9.	PCR Cabinet (HEPA filter system, UV and white light)	
10	Real-time PCR kit for the detection of Coronavirus (SARS-CoV-2)	
11	Viral RNA Extraction Kit and machine (Automatic Extractors)	
12	VTM (Viral Transport Medium)	
13	Dr Oligo Synthesizer	
14	Refrigerator/freezer (-20 °C)	

15	Vortex Machine	
16	Refrigerated Centrifuge Machine (Rotor capacity 1.5ml x 24, max. speed 14000 rpm)	
17	UPS (6 KVA)	
18	Tyvek Suits	
19	N-95	
20	Biohazard Bags (18 Liters)	
21	PAPR (Powdered Air Purifying respirators)	
22	Multimode ventilator with air compressor	
23	Vital sign monitor with 2IBP and ETco2 two Temp.	
24	ICU motorized patient bed with side cabinet and over bed table	
25	Syringe infusion pump	
26	Infusion pump	
27	Electric suction machine	
28	Defibrillator	
29	X-Ray Mobile Machine	
30	Simple Nebulizer	
31	Ultrasound machine	
32	Noninvasive BIPAP	
33	ECG Machine	
34	Pulse Oximeters	
35	Ripple mattress	

36	Blood gas analyzer	
37	AMBU Bag	
38	Nitrile Gloves	
39	Latex Gloves	
40	Goggles	
41	Face Shields	
42	Gum Boots	
43	Mackintosh bed sheets	
44	Surgical Masks	
45	Air Ways	
46	Diaflow	
47	Disposable Nebulizer Mask Kit	
48	ECG Electrodes	
49	ETT Tube (Endotracheal Tubes) All sizes	
50	Humidifier Disposable Flexible	
51	IV Cannula all sizes	
52	IV Chambers	
53	Oxygen Recovery Kit	
54	Padded Sheets	
55	Stomach Tube	
56	Stylet for Endotracheal Tube	
57	Suction Tube control valve	
58	Tracheostomy Tube 7, 7.5, 8	

59	Ventilator Circuit	
60	Ventury Masks	
61	Disposable shoes cover (water proof)	

(d) after clause (12B) the following new clause shall be inserted,

namely:-

“(12C) The provision of section 148 shall not apply to persons importing pulses for a period commencing from the 7th day of April, 2020 and ending on 30th September, 2020.”;

(e) after clause (46A), the following new clause shall be inserted,

namely:—

“(46AA) The provisions of section 153 shall not apply to the following persons as recipients of payment, namely:—

- (i) a Provincial Government;
- (ii) a local authority;
- (iii) persons who are residents of Azad Kashmir and execute contracts in Azad Kashmir only and produce a certificate to this effect from the concerned income tax authority;
- (iv) persons receiving payments from a company or an association of persons having turnover of fifty million rupees or more or from an individual having turnover of fifty million rupees or more exclusively for the supply of agriculture produce including fresh milk, fish by any

- person engaged in fish farming, live chicken, birds and eggs by any person engaged in poultry farming and by an industrial undertaking engaged in poultry processing which has not been subjected to any process other than that which is ordinarily performed to render such produce fit to be taken to market;
- (v) companies receiving payments for the supply of electricity and gas;
 - (vi) companies receiving payments for the supply of crude oil;
 - (vii) hotels and restaurants receiving payments in cash for providing accommodation or food or both, as the case may be; and
 - (viii) shipping companies and air carriers receiving payments for the supply of passenger tickets and for the cargo charges of goods transported.”;
- (f) in clause (56), after sub-clause (v), the following new clauses shall be added, namely:—
- “(vi) the Federal Government;
 - (vii) a Provincial Government;
 - (vii) a Local Government;
 - (ix) a foreign company and its associations whose majority share capital is held by a foreign government;

- (x) a person who imports plant and machinery for execution of a contract with the Federal Government or a provincial government or a local government and produces a certificate from that government;
- (xi) companies importing high speed diesel oil, light diesel oil, high octane blending component or kerosene oil, crude oil for refining and chemical used in refining thereof in respect of such imports; and
- (xii) Petroleum (E&P) companies covered under the Customs and Sales Tax Notification No. S.R.O.678 (I)/2004, dated the 7th August, 2004, except motor vehicles imported by such companies.”;
- (g) clauses (56C), (56D), (56E),(56G) and (63) shall be omitted;
- (h) after clause (72A), the following new clause shall be inserted, namely:—

“(72AA) The provisions of section 152 shall not apply in case of a Hajj Group Operator in respect of Hajj operations.”;
- (i) clause (72B) shall be omitted;
- (j) after clause (101A), the following new clause shall be inserted, namely:—

“(101AA) The provisions of sections 231A, 231AA and 236P shall not apply to a Pak Rupee Account in a tax year to the

extent of foreign remittances credited into such account during that tax year.”

- (k) after clause (102), the following new clause shall be inserted;
“(102A) The provisions of section 233 shall not apply to commission received by a retail branchless banking agent on any amount disbursed by the Ehsaas Emergency Cash Transfer Programme for the period commencing on 16th April, 2020 and ending on 30th day of September, 2020.”;
- (l) after clause 111, the following new clause shall be inserted, namely:—
“(111A) The provisions of section 100BA and rule 1 of the Tenth Schedule shall not apply to the extent of payment of dividend to non-resident persons.”;
- (m) after clause (112), the following new clause shall be inserted, namely,—
“(112A) The provisions of section 236P shall not apply to a non-resident rupee account repatriable (NRAR) or a foreign currency account maintained with a banking company in Pakistan of a non-resident individual investing in a debt instrument, whether conventional or shariah compliant, issued by the Federal Government under the Public Debt Act, 1944.”;

- (n) in clause (114), for the expression “115(4)”, the expression “clause (ae) of sub-section (1) of section 114” shall be substituted;
- (o) after clause (114), the following new clause shall be inserted, namely,—
- “(114A) The provisions of clause (ae) of sub-section (1) of section 114 and section 181 shall not apply to a non-resident individual solely by reason of profit on debt earned from a debt instrument, whether conventional or shariah compliant, issued by the Federal Government under the Public Debt Act, 1944 and purchased exclusively through a bank account maintained abroad, a non-resident rupee account repatriable (NRAR) or a foreign currency account maintained with a banking company in Pakistan.”; and
- (p) after clause (115), the following new clauses shall be added, namely:-
- “(116) The provisions of section 151, 231A, 231AA and 236P shall not apply to The Prime Minister’s COVID-19 Pandemic Relief Fund-2020.
- (117) The provisions of section 236P shall not apply at the time of transfer of any sum to The Prime Minister’s COVID-19 Pandemic Relief Fund- 2020.”;

- (67) in the Seventh Schedule, in rule (7C), for the figure “2020”, the figure “2021” shall be substituted;
- (68) in the Tenth Schedule,—
- (A) in rule 2, in sub-rule (1), the expression “or a statement under sub-section (4) of section 115,” shall be omitted;
 - (B) in rule (3), in sub-rule (1),—
 - (a) the expression “or statement, as the case may be,” shall be omitted; and
 - (b) the expression “or sub-section (5) of section 115” shall be omitted; and
 - (C) in rule 10,—
 - (a) in sub-rule (b), for the expression (1), (1AA), (2),, the expression “(2A)(a),” shall be substituted;
 - (b) after sub-rule (ba), the following new sub-rule shall be inserted, namely,—

“(bb) tax deducted under sub-section (2) of section 152 to the extent of clause (5AA) of Part II.”; and
 - (c) sub-rules (k), (n), (o), (q), (u), (v), (w) and (x) shall be omitted;
- (69) after the Tenth Schedule, amended as aforesaid, the following new Schedules shall be added, namely:—

“ELEVENTH SCHEDULE

[See section 100D]

RULES FOR COMPUTATION OF PROFITS AND GAINS OF BUILDERS AND DEVELOPERS AND TAX PAYABLE THEREON

- 1. Eligibility.**—These rules shall apply to projects undertaken by builders and developers under section 100D.
- 2. Scope and payment of tax.**—(1) Income computed and tax payable thereon shall be on Project-by-Project basis which shall be computed and paid at the rates provided in rule 10.

(2) (a) The above-referred rates shall be applicable for computing tax liability for the project on annual basis. The annual tax liability shall be worked out as under:

Tax liability as per the rates in rule 10

Estimated project life in years

- (b) The estimated project life for tax purposes shall not exceed two and a half years:

Provided that in case of existing incomplete projects, the estimated project life shall be treated as three years from tax year 2020 through tax year 2022, and the tax payable shall be reduced by the percentage of completion up to the last day of the accounting period pertaining to tax year 2019 as declared in registration form:

Provided further that tax liability of tax year 2020 shall be paid along with return.

- (b) Year shall include fraction of a year; and

(c) The tax liability so calculated and paid shall be final tax.

3. Registration and filing of return.—(1) A builder or developer shall electronically register a project on IRIS through FBR website on or before the 31st day of December, 2020 through submission of –

(a) registration form as may be prescribed which shall include, *inter alia*, details of a member or shareholder of a builder or developer, as the case may be:

Provided that a developer who is also a builder in case of a project shall submit two separate forms for registration as a developer and as a builder; and

(b) an irrevocable option to be assessed under this Schedule in respect of each project.

(2) A builder or developer availing this scheme shall electronically file a return of income and wealth statement as may be prescribed accompanied with evidence of payment of due tax which shall be taken for all purposes of this Ordinance to be an assessment order issued to the taxpayer by the Commissioner to the extent of income computed under these rules.

4. Certification.— Every builder or developer shall be required to obtain and provide to the Board in the prescribed manner a certificate from approving authority or map approving authority or NESPAK, as the case may be, to the following effect, namely:-

- (a) 'total land area' in square yards;
- (b) 'covered area' in square feet;

- (c) 'saleable area' in square feet; and
- (d) type (commercial, residential or industrial) of saleable area or the total land area, as the case may be.

5. Advance tax.—A builder or developer falling under this scheme shall pay advance tax equal to one-fourth of the tax liability for the year as determined in accordance with sub-rule (1) of rule 2 in four equal installments in the manner laid down in section 147.

6. Incorporation of profits and gains for computation of income. – A builder or developer opting for taxation under section 100D shall not be allowed to incorporate profits and gains accruing from such projects in excess of ten times of the tax paid under rule 2:

Provided that such builder or developer shall not be allowed to incorporate profits and gains accruing from a low cost housing project as defined in clause (f) of rule 9 in excess of ten times of the tax liability under rule 2.

7. Exemption from withholding of tax under sections 150 and 153. –

(1) The provisions of section 153 shall not apply to builders and developers on –

- (a) the purchase of building material except steel and cement;
- (b) services of plumbing, electrification, shuttering and other similar services other than those provided by companies.

(2) The provisions of section 150 shall not apply to payment of dividend exempt under sub-section (7) of section 100D.

- 8. Restriction on change in pattern of ownership of a builder or developer before completion of a project.**— Where exemption from the provisions of section 111 has been claimed under sub-section (3) of section 100D, the following restrictions shall apply, namely:-
- (a) a shareholder or a partner of a builder or developer shall not be allowed a change in ownership of an incomplete project except where at least fifty percent of the total project cost, as certified by a firm of chartered accountants having an ICAP QCR rating of 'satisfactory', notified by the Board for this purpose, has been incurred up to the date of change of ownership;
 - (b) The succession to legal heirs in case of deceased shareholder or a partner shall be allowed;
 - (c) The additional partners or shareholders in a builder or developer after the 31st day of December, 2020 may join but additional partners or shareholders shall not be eligible for exemption provided under sub-section (3) of section 100D.
- 9. Definitions.**— (1) In these rules, unless there is anything repugnant in the subject or context,
- (a) **“area”** means
 - (i) in case of a builder, —
 - (a) in case of a commercial or a residential building excluding a house, the saleable area of the building;
 - and

- (b) in case of a house, the covered area of house;
 - (ii) in case of a developer, the total land area of the project;
- (b) **“building”** means a residential or commercial building or unit thereof;
- (c) **“commercial building”** includes any building or part thereof which is to be used for commercial purposes in accordance with the relevant laws;
- (d) **“commencement of project”** means,—
 - (i) in case of a construction project, when layout plan is approved by the concerned authority; and
 - (ii) in case of a development project, when the development plan is approved by the concerned authority:

Provided that where the builder or developer has taken all actions and done all things which are required and necessary to procure any approvals but any such approval is delayed beyond a period of 30 days from date of relevant application and the cutoff date of 31st day of December, 2020 is not adhered to by the builder or developer, the Board may provisionally accept commencement of such project on a case to case basis;

- (e) **“completion of project”** means. -
 - (i) in the case of a builder, the date on which the grey structure is completed:

Provided that such grey structure shall only be considered as completed when the roof of the top floor has been laid as per the approved plan;

- (ii) in the case of a developer, the date on which –
 - (A) at least 50% of the total plots have been booked in name of buyers;
 - (B) at least 40% of the sale proceeds have been received;
 - (C) landscaping has been completed; and
 - (D) at least 50% of the roads have been laid up to sub-grade level as certified by the approving authority or NESPAK;
- (f) **'low cost housing'** means a housing scheme as developed or approved by NAPHDA or under the 'Ehsaas Programme';
- (g) **"NAPHDA"** means Naya Pakistan Housing and Development Authority;
- (h) **"NESPAK"** means National Engineering Services Pakistan (Private) Limited;
- (i) **"residential building"** means a building which is not a commercial building but does not include buildings used for industrial purposes;
- (j) **"saleable area"** in case of buildings, means saleable area as determined by the approving authority or map approving authority or NESPAK under the relevant laws;
- (k) **"unit"** means a self-contained or independent building or part thereof including houses, apartments, shops, offices, etc.

(2) All other expressions used but not defined in these rules shall have the same meaning as assigned to them under this Ordinance.

10. Rate and computation of tax liability.— (1) The rate of tax under section 100D shall be computed in accordance with the Table below, namely:-

TABLE

	Rate in respect of		
(1)	(2)	(3)	(4)
Area in	Karachi, Lahore and Islamabad	Hyderabad, Sukkur, Multan, Faisalabad, Rawalpindi, Gujranwala, Sahiwal, Peshawar, Mardan, Abbottabad, Quetta	Urban Areas not specified in columns (2) and (3)
<u>TAX ON BUILDERS</u>			
FOR COMMERCIAL BUILDINGS			
Sq. Ft.	-	-	-
Any size	Rs.250 per Sq. ft	Rs.230 per Sq. ft	Rs.210 per Sq. ft

FOR RESIDENTIAL BUILDINGS			
Sq. ft.	-	-	-
upto 3000	Rs.80 per Sq. ft	Rs.65 per Sq. ft	Rs.50 per Sq. ft
3000 and above	Rs.125 per Sq. ft	Rs.110 per Sq. ft	Rs.100 per Sq. ft
<u>TAX ON DEVELOPERS (ENTIRE PROJECT)</u>			
Sq. Yds.	-	-	-
Any size	Rs.150 per Sq. yd	Rs.130 per Sq. yd	Rs.100 per Sq. yd
FOR DEVELOPMENT OF INDUSTRIAL AREA			
Sq. Yds.	-	-	-
Any size	Rs.20 per Sq. yd	Rs.20 per Sq. yd	Rs.10 per Sq. yd

- (2) In case of mixed use buildings having both commercial and residential areas, respective rates mentioned above shall apply.
- (3) In case of development of plots and constructing buildings on the same plots as one project, both rates shall apply:

Provided that in the case of 'low cost housing' and all projects developed by NAPHDA, the higher rates shall apply.

THE TWELFTH SCHEDULE

[See Section 148]

PART I

PCT CODE	DESCRIPTION
(1)	(2)
2711.1100	- - Natural Gas
3102.1000	- Urea, Whether Or Not In Aqueous Solution
31.04	Mineral or chemical fertilisers, potassic.
52.01	Cotton, not carded or combed.
52.02	Cotton waste (including yarn waste and garnetted stock).
5203.0000	Cotton, carded or combed.
71.08	Gold (including gold plated with platinum) unwrought or in semi-manufactured forms, or in powder form.
72.04	Ferrous waste and scrap; remelting scrap ingots of iron or steel.
84.01	Nuclear reactors; fuel elements (cartridges), non- irradiated, for nuclear reactors; machinery and apparatus for isotopic separation.
84.02	Steam or other vapour generating boilers (other than central heating hot water boilers capable also of producing low pressure steam); super-heated water boilers.
84.03	Central heating boilers other than those of heading 84.02.
84.04	Auxiliary plant for use with boilers of heading 84.02 or 84.03 (for example, economisers, super- heaters, soot removers, gas recoverers); condensers for steam or other vapour power units.

84.05	Producer gas or water gas generators, with or without their purifiers; acetylene gas generators and similar water process gas generators, with or without their purifiers.
84.06	Steam turbines and other vapour turbines.
84.10	Hydraulic turbines, water wheels, and regulators therefor.
84.11	Turbo-jets, turbo-propellers and other gas turbines.
84.12	Other engines and motors.
84.16	Furnace burners for liquid fuel, for pulverised solid fuel or for gas; mechanical stokers, including their mechanical grates, mechanical ash dischargers and similar appliances.
84.17	Industrial or laboratory furnaces and ovens, including incinerators, non-electric.
84.19	Machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of heading 85.14), for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling, other than machinery or plant of a kind used for domestic purposes; instantaneous or storage water heaters, non-electric.
84.20	Calendering or other rolling machines, other than for metals or glass, and cylinders therefor.

84.21	Centrifuges, including centrifugal dryers; filtering or purifying machinery and apparatus, for liquids or gases.
8422.3000	- Machinery for filling, closing, sealing, or labelling bottles, cans, boxes, bags or other containers; machinery for capsuling bottles, jars, tubes and similar containers; machinery for aerating beverages
8422.4000	- Other packing or wrapping machinery (including heat- shrink wrapping machinery)
84.23 (Except 8423.1000)	Weighing machinery (excluding balances of a sensitivity of 5 cg or better), including weight operated counting or checking machines; weighing machine weights of all kinds.
84.26	Ships' derricks; cranes, including cable cranes; mobile lifting frames, straddle carriers and works trucks fitted with a crane.
84.27	Fork- lift trucks; other works trucks fitted with lifting or handling equipment.
84.28 (Except 8428.1010 and 8428.4000)	Other lifting, handling, loading or unloading machinery (for example, lifts, escalators, conveyors, teleferics).
84.29	Self- propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers.

84.30	Other moving, grading, levelling, scraping, excavating, tamping, compacting, extracting or boring machinery, for earth, minerals or ores; pile- drivers and pile- extractors; snow- ploughs and snow- blowers.
84.31	Parts suitable for use solely or principally with the machinery of headings 84.25 to 84.30.
84.32	Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports- ground rollers.
84.33 (Except 8433.1100 and 8433.1900)	Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, other than machinery of heading 84.37.
84.34	Milking machines and dairy machinery.
84.35	Presses, crushers and similar machinery used in the manufacture of wine, cider, fruit juices or similar beverages.
84.36	Other agricultural, horticultural, forestry, poultry- keeping or bee- keeping machinery, including germination plant fitted with mechanical or thermal equipment; poultry incubators and brooders.
84.37	Machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables; machinery used in the milling industry or for the working of cereals or dried leguminous vegetables, other than farm- type machinery.

84.38	Machinery, not specified or included elsewhere in this Chapter, for the industrial preparation or manufacture of food or drink, other than machinery for the extraction or preparation of animal or fixed vegetable fats or oils.
84.39	Machinery for making pulp of fibrous cellulosic material or for making or finishing paper or paperboard.
84.40	Book- binding machinery, including book- sewing machines.
84.41	Other machinery for making up paper pulp, paper or paperboard, including cutting machines of all kinds.
84.42	Machinery, apparatus and equipment (other than the machines of headings 84.56 to 84.65), for preparing or making plates, cylinders or other printing components; plates, cylinders and other printing components; plates, cylinders and lithographic stones, prepared for printing purposes (for example, planed, grained or polished).
8443.1100	Offset printing machinery, reel-fed
8443.1200	Offset printing machinery, sheet-fed, office type (using sheets with one side not exceeding 22 cm and the other side not exceeding 36 cm in the unfolded state)
8443.1300	Other offset printing machinery
8443.1400	Letterpress printing machinery, reel fed, excluding flexographic printing
8443.1500	Letterpress printing machinery, other than reel fed, excluding flexographic printing

8443.1600	- Flexographic printing machinery
8443.1700	Gravure printing machinery
8443.1910	Hot stamping machines
8443.1920	Label printing/embossing machines
8443.1930	Flat bed printing presses
8443.1940	Proof presses
8443.1951	On cotton textile
8443.1959	Other
8443.1990	Other
8444.0000	Machines for extruding, drawing, texturing or cutting man- made textile materials.
84.45	Machines for preparing textile fibres; spinning, doubling or twisting machines and other machinery for producing textile yarns; textile reeling or winding (including weft- winding) machines and machines for preparing textile yarns for use on the machines of heading 84.46 or 84.47.
84.46	Weaving machines (looms).
84.47	Knitting machines, stitch- bonding machines and machines for making gimped yarn, tulle, lace, embroidery, trimmings, braid or net and machines for tufting.
84.48	Auxiliary machinery for use with machines of heading 84.44, 84.45, 84.46 or 84.47 (for example, dobbies, Jacquards, automatic stop motions, shuttle changing mechanisms); parts and accessories suitable

	for use solely or principally with the machines of this heading or of heading 84.44, 84.45, 84.46 or 84.47 (for example, spindles and spindle flyers, card clothing, combs, extruding nipples, shuttles, healds and heald- frames, hosiery needles).
8449.0000	Machinery for the manufacture or finishing of felt or nonwovens in the piece or in shapes, including machinery for making felt hats; blocks for making hats.
84.51	Machinery (other than machines of heading 84.50) for washing, cleaning, wringing, drying, ironing, pressing (including fusing presses), bleaching, dyeing, dressing, finishing, coating or impregnating textile yarns, fabrics or made up textile articles and machines for applying the paste to the base fabric or other support used in the manufacture of floor coverings such as linoleum; machines for reeling, unreeling, folding, cutting or pinking textile fabrics.
84.53	Machinery for preparing, tanning or working hides, skins or leather or for making or repairing footwear or other articles of hides, skins or leather, other than sewing machines.
84.54	Converters, ladles, ingot moulds and casting machines, of a kind used in metallurgy or in metal foundries.
84.55	Metal- rolling mills and rolls therefor.
84.56	Machine- tools for working any material by removal of material, by laser or other light or photon beam, ultrasonic, electro- discharge, electro-

	chemical, electron beam, ionic- beam or plasma arc processes; water-jet cutting machines.
84.57	Machining centres, unit construction machines (single station) and multi-station transfer machines, for working metal.
84.58	Lathes (including turning centres) for removing metal.
84.59	Machine- tools (including way- type unit head machines) for drilling, boring, milling, threading or tapping by removing metal, other than lathes (including turning centres) of heading 84.58.
84.60	Machine- tools for deburring, sharpening, grinding, honing, lapping, polishing or otherwise finishing metal or cermets by means of grinding stones, abrasives or polishing products, other than gear cutting, gear grinding or gear finishing machines of heading 84.61.
84.61	Machine- tools for planing, shaping, slotting, broaching, gear cutting, gear grinding or gear finishing, sawing, cutting- off and other machine- tools working by removing metal or cermets, not elsewhere specified or included.
84.62	Machine- tools (including presses) for working metal by forging, hammering or die- stamping; machine- tools (including presses) for working metal by bending, folding, straightening, flattening, shearing, punching or notching; presses for working metal or metal carbides, not specified above.
84.63	Other machine- tools for working metal or cermets, without removing material.

84.64	Machine- tools for working stone, ceramics, concrete, asbestos- cement or like mineral materials or for cold working glass.
84.68	Machinery and apparatus for soldering, brazing or welding, whether or not capable of cutting, other than those of heading 85.15; gas- operated surface tempering machines and appliances.
84.74	Machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances, in solid (including powder or paste) form; machinery for agglomerating, shaping or moulding solid mineral fuels, ceramic paste, unhardened cements, plastering materials or other mineral products in powder or paste form; machines for forming foundry moulds of sand.
84.75	Machines for assembling electric or electronic lamps, tubes or valves or flashbulbs, in glass envelopes; machines for manufacturing or hot working glass or glassware.
84.77	Machinery for working rubber or plastics or for the manufacture of products from these materials, not specified or included elsewhere in this Chapter.
84.78	Machinery for preparing or making up tobacco, not specified or included elsewhere in this Chapter.
84.79 (Except 8479.8960	Machines and mechanical appliances having individual functions, not specified or included elsewhere in this Chapter.

and 8479.8990)	
84.80	Moulding boxes for metal foundry; mould bases; moulding patterns; moulds for metal (other than ingot moulds), metal carbides, glass, mineral materials, rubber or plastics.
84.86	Machines and apparatus of a kind used solely or principally for the manufacture of semiconductor boules or wafers, semiconductor devices, electronic integrated circuits or flat panel displays; machines and apparatus specified in Note 9 (c) to this Chapter; parts and accessories.
8501.3300	Of an output exceeding 75 kW but not exceeding 375 kW
8501.3400	Of an output exceeding 375 kW
8502.1190	Other
8502.1200	Of an output exceeding 75 kVA but not exceeding 375 kVA
8502.3100	Wind-powered
8502.3900	Other
8503.0090	Other
8504.2100	Having a power handling capacity not exceeding 650 kVA
8504.2200	Having a power handling capacity exceeding 650 kVA but not exceeding 10,000 kVA
8504.2300	Having a power handling capacity exceeding 10,000 kVA
8504.3400	Having a power handling capacity exceeding 500 kVA
8504.5000	Other inductors

85.14	Industrial or laboratory electric furnaces and ovens (including those functioning by induction or dielectric loss); other industrial or laboratory equipment for the heat treatment of materials by induction or dielectric loss.
85.15	Electric (including electrically heated gas), laser or other light or photon beam, ultrasonic, electron beam, magnetic pulse or plasma arc soldering, brazing or welding machines and apparatus, whether or not capable of cutting; electric machines and apparatus for hot spraying of metals or cermets.
8543.3000	- Machines and apparatus for electroplating, electrolysis or electrophoresis
85.45 (Except 8545.1100 and 8545.9020)	Carbon electrodes, carbon brushes, lamp carbons, battery carbons and other articles of graphite or other carbon, with or without metal, of a kind used for electrical purposes.
85.46	Electrical insulators of any material.
85.47	Insulating fittings for electrical machines, appliances or equipment, being fittings wholly of insulating material apart from any minor components of metal (for example, threaded sockets) incorporated during moulding solely for purposes of assembly, other than insulators of heading 85.46; electrical conduit tubing and joints therefor, of base metal lined with insulating material.

89052000	- Floating Or Submersible Drilling Or Production Platforms

Part II

PCT CODE	DESCRIPTION
(1)	(2)
05.05	Skins and other parts of birds, with their feathers or down, feathers and parts of feathers (whether or not with trimmed edges) and down, not further worked than cleaned, disinfected or treated for preservation; powder and waste of feathers or parts of feathers.
05.06	Bones and horn- cores, unworked, defatted, simply prepared (but not cut to shape), treated with acid or degelatinised; powder and waste of these products.
05.07	Ivory, tortoise- shell, whalebone and whalebone hair, horns, antlers, hooves, nails, claws and beaks, unworked or simply prepared but not cut to shape; powder and waste of these products.
05.08	Coral and similar materials, unworked or simply prepared but not otherwise worked; shells of molluscs, crustaceans or echinoderms and cuttle- bone, unworked or simply prepared but not cut to shape, powder and waste thereof.
0510.0000	Ambergris, castoreum, civet and musk; cantharides; bile, whether or not dried; glands and other animal products used in the preparation of pharmaceutical products, fresh, chilled, frozen or otherwise provisionally preserved.

05.11	Animal products not elsewhere specified or included; dead animals of Chapter 1 or 3, unfit for human consumption.
07.01	Potatoes, fresh or chilled.
0702.0000	Tomatoes, fresh or chilled.
07.03	Onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled.
07.04	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled.
07.05	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium spp.</i>), fresh or chilled.
07.06	Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled.
0707.0000	Cucumbers and gherkins fresh or chilled.
07.08	Leguminous vegetables, shelled or unshelled, fresh or chilled.
07.11	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption.
07.13	Dried leguminous vegetables, shelled, whether or not skinned or split.
10.02	Rye.
10.03	Barley.
10.04	Oats.
10.05	Maize (corn).
1006.1010	Seed for sowing
11.08	Starches; inulin.

12.01	Soya beans, whether or not broken.
12.05	Rape or colza seeds, whether or not broken.
1206.0000	Sunflower seeds, whether or not broken.
12.07	Other oil seeds and oleaginous fruits, whether or not broken.
12.09	Seeds, fruit and spores, of a kind used for sowing.
12.10	Hop cones, fresh or dried, whether or not ground, powdered or in the form of pellets; lupulin.
12.11	Plants and parts of plants (including seeds and fruits), of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes, fresh, chilled, frozen or dried, whether or not cut, crushed or powdered.
15.02	Fats of bovine animals, sheep or goats, other than those of heading 15.03.
15.07	Soya- bean oil and its fractions, whether or not refined, but not chemically modified.
15.11	Palm oil and its fractions, whether or not refined, but not chemically modified.
1518.0000	Animal or vegetable fats and oils and their fractions, boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vacuum or in inert gas or otherwise chemically modified, excluding those of heading 15.16; inedible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, not elsewhere specified or included.

18.03	Cocoa paste, whether or not defatted.
23.06	Oil- cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of vegetable fats or oils, other than those of heading 23.04 or 23.05.
2502.0000	Unroasted iron pyrites.
2503.0000	Sulphur of all kinds, other than sublimed sulphur, precipitated sulphur and colloidal sulphur.
25.04	Natural graphite.
25.05	Natural sands of all kinds, whether or not coloured, other than metal bearing sands of chapter 26.
25.06	Quartz (other than natural sands); quartzite, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape.
2507.0000	Kaolin and other kaolinic clays, whether or not calcined.
25.08	Other clays (not including expanded clays of heading 68.06), andalusite, kyanite and sillimanite, whether or not calcined; mullite; chamotte or dinas earths.
2509.0000	Chalk.
25.10	Natural calcium phosphates, natural aluminium calcium phosphates and phosphatic chalk.
25.11	Natural barium sulphate (barytes); natural barium carbonate (witherite), whether or not calcined, other than barium oxide of heading 28.16.

2512.0000	Siliceous fossil meals (for example, kieselguhr, tripolite and diatomite) and similar siliceous earths, whether or not calcined, of an apparent specific gravity of 1 or less.
25.13	Pumice stone; emery; natural corundum, natural garnet and other natural abrasives, whether or not heat- treated.
2514.0000	Slate, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape.
25.18	Dolomite, whether or not calcined or sintered, including dolomite roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape; dolomite ramming mix.
25.19	Natural magnesium carbonate (magnesite); fused magnesia; dead-burned (sintered) magnesia, whether or not containing small quantities of other oxides added before sintering; other magnesium oxide, whether or not pure.
25.20	Gypsum; anhydrite; plasters (consisting of calcined gypsum or calcium sulphate) whether or not coloured, with or without small quantities of accelerators or retarders.
2521.0000	Limestone flux; limestone and other calcareous stone, of a kind used for the manufacture of lime or cement.
25.25	Mica, including splittings; mica waste.
2528.0000	Natural borates and concentrates thereof (whether or not calcined), but not including borates separated from natural brine; natural boric acid containing not more than 85 % of H ₃ BO ₃ calculated on the dry weight.

25.29	Feldspar; leucite; nepheline and nepheline syenite; fluorspar.
25.30	Mineral substances not elsewhere specified or included.
26.01	Iron ores and concentrates, including roasted iron pyrites.
2602.0000	Manganese ores and concentrates, Including ferruginous manganese ores and concentrates with a manganese content of 20 % or more, calculated on the dry weight.
2603.0000	Copper ores and concentrates.
2604.0000	Nickel ores and concentrates.
2605.0000	Cobalt ores and concentrates.
2606.0000	Aluminium ores and concentrates.
2607.0000	Lead ores and concentrates.
2608.0000	Zinc ores and concentrates.
2609.0000	Tin ores and concentrates.
2610.0000	Chromium ores and concentrates.
2611.0000	Tungsten ores and concentrates.
26.12	Uranium or thorium ores and concentrates.
26.13	Molybdenum ores and concentrates.
2614.0000	Titanium ores and concentrates.
26.15	Niobium, tantalum, vanadium or zirconium ores and concentrates.
26.16	Precious metal ores and concentrates.
26.17	Other ores and concentrates.
2618.0000	Granulated slag (slag sand) from the manufacture of iron or steel.

2619.0000	Slag, dross (other than granulated slag), scalings and other waste from the manufacture of iron or steel.
26.20	Slag, ash and residues (other than from the manufacture of iron or steel) containing metals, arsenic or their compounds.
27.01	Coal; briquettes, ovoids and similar solid fuels manufactured from coal.
27.02	Lignite, whether or not agglomerated, excluding jet.
2703.0000	Peat (including peat litter), whether or not agglomerated.
27.04	Coke and semi- coke of coal, of lignite or of peat, whether or not agglomerated; retort carbon.
2705.0000	Coal gas, water gas, producer gas and similar gases, other than petroleum gases and other gaseous hydrocarbons.
27.07	Oils and other products of the distillation of high temperature coal tar; similar products in which the weight of the aromatic constituents exceeds that of the non- aromatic constituents.
27.08	Pitch and pitch coke, obtained from coal tar or from other mineral tars.
2709.0000	Petroleum oils and oils obtained from bituminous minerals, crude
28.03	Carbon (carbon blacks and other forms of carbon not elsewhere specified or included).
28.04	Hydrogen, rare gases and other non- metals.
28.05	Alkali or alkaline- earth metals; rare- earth metals, scandium and yttrium, whether or not intermixed or inter- alloyed; mercury.
28.08	Nitric acid; sulphonitric acids.

28.09	Diphosphorus pentaoxide; phosphoric acid; polyphosphoric acids, whether or not chemically defined.
28.11	Other inorganic acids and other inorganic oxygen compounds of non-metals.
28.14	Ammonia, anhydrous or in aqueous solution.
28.15	Sodium hydroxide (caustic soda); potassium hydroxide (caustic potash); peroxides of sodium or potassium.
2817.0000	Zinc oxide; zinc peroxide.
28.18	Artificial corundum, whether or not chemically defined; aluminium oxide; aluminium hydroxide.
28.19	Chromium oxides and hydroxides.
28.20	Manganese oxides.
28.21	Iron oxides and hydroxides; earth colours containing 70 % or more by weight of combined iron evaluated as Fe_2O_3 .
2822.0000	Cobalt oxides and hydroxides; commercial cobalt oxides.
28.23	Titanium oxides.
28.24	Lead oxides; red lead and orange lead.
28.25	Hydrazine and hydroxylamine and their inorganic salts; other inorganic bases; other metal oxides, hydroxides and peroxides.
28.26	Fluorides; fluorosilicates, fluoroaluminates and other complex fluorine salts.
28.27	Chlorides, chloride oxides and chloride hydroxides; bromides and bromide oxides; iodides and iodide oxides.

28.28	Hypochlorites; commercial calcium hypochlorite; chlorites; hypobromites.
28.29	Chlorates and perchlorates; bromates and perbromates; iodates and periodates.
28.30	Sulphides; polysulphides, whether or not chemically defined.
28.31	Dithionites and sulfoxylates.
28.32	Sulphites; thiosulphates.
28.33	Sulphates; alums; peroxosulphates (persulphates).
28.34	Nitrites; nitrates.
28.35	Phosphinates(hypophosphites), phosphonates (phosphites) and phosphates; polyphosphates, whether or not chemically defined.
28.36	Carbonates;peroxocarbonates (percarbonates); commercial ammonium carbonate containing ammonium carbamate.
28.39	Silicates; commercial alkali metal silicates.
28.40	Borates; peroxoborates (perborates).
28.41	Salts of oxometallic or peroxometallic acids.
28.42	Other salts of inorganic acids or peroxyacids (including aluminosilicates whether or not chemically defined), other than azides.
28.43	Colloidal precious metals; inorganic or organic compounds of precious metals, whether or not chemically defined; amalgams of precious metals.

28.44	Radioactive chemical elements and radioactive isotopes (including the fissile or fertile chemical elements and isotopes) and their compounds; mixtures and residues containing these products.
28.45	Isotopes other than those of heading 28.44; compounds, inorganic or organic, of such isotopes, whether or not chemically defined.
28.46	Compounds, inorganic or organic, of rare- earth metals, of yttrium or of scandium or of mixtures of these metals.
28.49	Carbides, whether or not chemically defined.
2850.0000	Hydrides, nitrides, azides, silicides and borides, whether or not chemically defined, other than compounds which are also carbides of heading 28.49.
28.52	Inorganic or organic compounds of mercury, whether or not chemically defined, excluding amalgams.
28.53	Phosphides, whether or not chemically defined, excluding ferrophosphorus; other inorganic compounds (including distilled or conductivity water and water of similar purity); liquid air (whether or not rare gases have been removed); compressed air; amalgams, other than amalgams of precious metals.
29.01	Acyclic hydrocarbons.
29.02	Cyclic hydrocarbons.
29.03	Halogenated derivatives of hydrocarbons.
29.04	Sulphonated, nitrated or nitrosated derivatives of hydrocarbons, whether or not halogenated.

29.05	Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.06	Cyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.07	Phenols; phenol- alcohols.
29.08	Halogenated, sulphonated, nitrated or nitrosated derivatives of phenols or phenol- alcohols.
29.09	Ethers, ether- alcohols, ether- phenols, ether- alcohol- phenols, alcohol peroxides, ether peroxides, ketone peroxides (whether or not chemically defined), and their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.10	Epoxides, epoxyalcohols, epoxyphenols and epoxyethers, with a three-membered ring, and their halogenated, sulphonated, nitrated or nitrosated derivatives.
2911.0000	Acetals and hemiacetals, whether or not with other oxygen function, and their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.12	Aldehydes, whether or not with other oxygen function; cyclic polymers of aldehydes; paraformaldehyde.
2913.0000	Halogenated, sulphonated, nitrated or nitrosated derivatives of products of heading 29.12.
29.14	Ketones and quinones, whether or not with other oxygen function, and their halogenated, sulphonated, nitrated or nitrosated derivatives.

29.15	Saturated acyclic monocarboxylic acids and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.16	Unsaturated acyclic monocarboxylic acids, cyclic monocarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.17	Polycarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.18	Carboxylic acids with additional oxygen function and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.19	Phosphoric esters and their salts, including lactophosphates; their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.20	Esters of other inorganic acids of non- metals (excluding esters of hydrogen halides) and their salts; their halogenated, sulphonated, nitrated or nitrosated derivatives.
29.21	Amine- function compounds.
29.22	Oxygen- function amino- compounds.
29.23	Quaternary ammonium salts and hydroxides; lecithins and other phosphoaminolipids, whether or not chemically defined.
29.24	Carboxamide- function compounds; amide- function compounds of carbonic acid.

29.25	Carboxyimide- function compounds (including saccharin and its salts) and imine- function compounds.
29.26	Nitrile- function compounds.
29.27	Diazo- , azo- or azoxy- compounds.
29.28	Organic derivatives of hydrazine or of hydroxylamine.
29.29	Compounds with other nitrogen function.
29.30	Organo- sulphur compounds.
29.31	Other organo- inorganic compounds.
29.32	Heterocyclic compounds with oxygen hetero- atom(s) only.
29.33	Heterocyclic compounds with nitrogen hetero- atom(s) only.
29.34	Nucleic acids and their salts, whether or not chemically defined; other heterocyclic compounds.
29.35	Sulphonamides.
29.36	Provitamins and vitamins, natural or reproduced by synthesis (including natural concentrates), derivatives thereof used primarily as vitamins, and intermixtures of the foregoing, whether or not in any solvent.
29.37	Hormones, prostaglandins, thromboxanes and leukotrienes, natural or reproduced by synthesis; derivatives and structural analogues thereof, including chain modified polypeptides, used primarily as hormones.
29.38	Glycosides, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives.
29.39	Alkaloids, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives.

29.41	Antibiotics.
2942.0000	Other organic compounds.
30.01	Glands and other organs for organo- therapeutic uses, dried, whether or not powdered; extracts of glands or other organs or of their secretions for organo- therapeutic uses; heparin and its salts; other human or animal substances prepared for therapeutic or prophylactic uses, not elsewhere specified or included.
31.02 (except 3102.1000)	Mineral or chemical fertilisers, nitrogenous.
31.03	Mineral or chemical fertilisers, phosphatic.
31.05	Mineral or chemical fertilisers containing two or three of the fertilising elements nitrogen, phosphorus and potassium; other fertilisers; goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg.
32.01	Tanning extracts of vegetable origin; tannins and their salts, ethers, esters and other derivatives.
32.02	Synthetic organic tanning substances; inorganic tanning substances; tanning preparations, whether or not containing natural tanning substances; enzymatic preparations for pre- tanning.
32.14	Glaziers' putty, grafting putty, resin cements, caulking compounds and other mastics; painters' fillings; non- refractory surfacing preparations for facades, indoor walls, floors, ceilings or the like.

33.02	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages.
34.03	Lubricating preparations (including cutting- oil preparations, bolt or nut release preparations, anti- rust or anti- corrosion preparations and mould release preparations, based on lubricants) and preparations of a kind used for the oil or grease treatment of textile materials, leather, furskins or other materials, but excluding preparations containing, as basic constituents, 70 % or more by weight of petroleum oils or of oils obtained from bituminous minerals.
3504.0000	Peptones and their derivatives; other protein substances and their derivatives, not elsewhere specified or included; hide powder, whether or not chromed.
35.05	Dextrins and other modified starches (for example, pre- gelatinised or esterified starches); glues based on starches, or on dextrins or other modified starches.
37.02	Photographic film in rolls, sensitised, unexposed, of any material other than paper, paperboard or textiles; instant print film in rolls, sensitised, unexposed.
37.03	Photographic paper, paperboard and textiles, sensitised, unexposed.

3704.0000	Photographic plates, film, paper, paperboard and textiles, exposed but not developed.
3705.0000	Photographic plates and film, exposed and developed, other than cinematographic film.
37.07	Chemical preparations for photographic uses (other than varnishes, glues, adhesives and similar preparations); unmixed products for photographic uses, put up in measured portions or put up for retail sale in a form ready for use.
38.01	Artificial graphite; colloidal or semi- colloidal graphite; preparations based on graphite or other carbon in the form of pastes, blocks, plates or other semi- manufactures.
3803.0000	Tall oil, whether or not refined.
3804.0000	Residual lyes from the manufacture of wood pulp, whether or not concentrated, desugared or chemically treated, including lignin sulphonates, but excluding tall oil of heading 38.03.
38.06	Rosin and resin acids, and derivatives thereof; rosin spirit and rosin oils; run gums.
38.09	Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs and other products and preparations (for example, dressings and mordants), of a kind used in the textile, paper, leather or like industries, not elsewhere specified or included.
38.10	Pickling preparations for metal surfaces; fluxes and other auxiliary preparations for soldering, brazing or welding; soldering, brazing or

	welding powders and pastes consisting of metal and other materials; preparations of a kind used as cores or coatings for welding electrodes or rods.
38.12	Prepared rubber accelerators; compound plasticisers for rubber or plastics, not elsewhere specified or included; anti- oxidising preparations and other compound stabilisers for rubber or plastics.
38.15	Reaction initiators, reaction accelerators and catalytic preparations, not elsewhere specified or included.
3816.0000	Refractory cements, mortars, concretes and similar compositions, other than products of heading 38.01.
3817.0000	Mixed alkylbenzenes and mixed alkyl naphthalenes, other than those of heading 27. 07 or 29. 02.
3818.0000	Chemical elements doped for use in electronics, in the form of discs, wafers or similar forms; chemical compounds doped for use in electronics.
3821.0000	Prepared culture media for the development or maintenance of micro-organisms (including viruses and the like) or of plant, human or animal cells
38.23	Industrial monocarboxylic fatty acids; acid oils from refining; industrial fatty alcohols.
38.24	Prepared binders for foundry moulds or cores; chemical products and preparations of the chemical or allied industries (including those

	consisting of mixtures of natural products), not elsewhere specified or included.
39.01	Polymers of ethylene, in primary forms.
39.02	Polymers of propylene or of other olefins, in primary forms.
39.03	Polymers of styrene, in primary forms.
39.04	Polymers of vinyl chloride or of other halogenated olefins, in primary forms.
39.07	Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resins, polyallyl esters and other polyesters, in primary forms.
39.08	Polyamides in primary forms.
3910.0000	Silicones in primary forms.
39.14	Ion- exchangers based on polymers of headings 39.01 to 39.13, in primary forms.
40.01	Natural rubber, balata, gutta- percha, guayule, chicle and similar natural gums, in primary forms or in plates, sheets or strip.
40.02	Synthetic rubber and factice derived from oils, in primary forms or in plates, sheets or strip; mixtures of any product of heading 40.01 with any product of this heading, in primary forms or in plates, sheets or strip.
4003.0000	Reclaimed rubber in primary forms or in plates, sheets or strip.
40.04	Waste, parings and scrap of rubber (other than hard rubber) and powders and granules obtained therefrom.

40.05	Compounded rubber, unvulcanised, in primary forms or in plates, sheets or strip.
41.01	Raw hides and skins of bovine (including buffalo) or equine animals (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment- dressed or further prepared), whether or not dehaired or split.
41.02	Raw skins of sheep or lambs (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment- dressed or further prepared), whether or not with wool on or split, other than those excluded by Note 1 (c) to this Chapter.
41.03	Other raw hides and skins (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment- dressed or further prepared), whether or not dehaired or split, other than those excluded by Note 1 (b) or 1 (c) to this Chapter.
41.04	Tanned or crust hides and skins of bovine (including buffalo) or equine animals, without hair on, whether or not split, but not further prepared.
41.05	Tanned or crust skins of sheep or lambs, without wool on, whether or not split, but not further prepared.
41.06	Tanned or crust hides and skins of other animals, without wool or hair on, whether or not split, but not further prepared.
41.07	Leather further prepared after tanning or crusting, including parchment-dressed leather, of bovine (including buffalo) or equine animals, without hair on, whether or not split, other than leather of heading 41. 14.

4112.0000	Leather further prepared after tanning or crusting, including parchment-dressed leather, of sheep or lamb, without wool on, whether or not split, other than leather of heading 41.14.
41.13	Leather further prepared after tanning or crusting, including parchment-dressed leather, of other animals, without wool or hair on, whether or not split, other than leather of heading 41. 14.
41.14	Chamois (including combination chamois) leather; patent leather and patent laminated leather; metallised leather.
41.15	Composition leather with a basis of leather or leather fibre, in slabs, sheets or strip, whether or not in rolls; parings and other waste of leather or of composition leather, not suitable for the manufacture of leather articles; leather dust, powder and flour.
42.05 (Except 4205.0090)	Other articles of leather or of composition leather.
43.01	Raw furskins (including heads,tails, paws and other pieces or cuttings, suitable for furriers' use), other than raw hides and skins of heading 41.01, 41.02 or 41.03.
43.02	Tanned or dressed furskins (including heads, tails, paws and other pieces or cuttings), unassembled, or assembled (without the addition of other materials) other than those of heading 43.03.

44.01	Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; wood in chips or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms.
44.02	Wood charcoal (including shell or nut charcoal), whether or not agglomerated.
44.03	Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared.
44.04	Hoopwood; split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwise; wooden sticks, roughly trimmed but not turned, bent or otherwise worked, suitable for the manufacture of walking- sticks, umbrellas, tool handles or the like; chipwood and the like.
4405.0000	Wood wool; wood flour.
44.06	Railway or tramway sleepers (cross- ties) of wood.
4701.0000	Mechanical wood pulp.
4702.0000	Chemical wood pulp, dissolving grades.
47.03	Chemical wood pulp, soda or sulphate, other than dissolving grades.
47.04	Chemical wood pulp, sulphite, other than dissolving grades.
4705.0000	Wood pulp obtained by a combination of mechanical and chemical pulping processes.
47.06	Pulps of fibres derived from recovered (waste and scrap) paper or paperboard or of other fibrous cellulosic material.
47.07	Recovered (waste and scrap) paper or paperboard.

48.04	Uncoated kraft paper and paperboard, in rolls or sheets, other than that of heading 48.02 or 48.03.
48.10	Paper and paperboard, coated on one or both sides with kaolin (China clay) or other inorganic substances, with or without a binder, and with no other coating, whether or not surface- coloured, surface- decorated or printed, in rolls or rectangular (including square) sheets, of any size.
48.13	Cigarette paper, whether or not cut to size or in the form of booklets or tubes.
48.22	Bobbins, spools, cops and similar supports of paper pulp, paper or paperboard (whether or not perforated or hardened).
4823.9040	- - - Double Side Adhesive Tapes
5001.0000	Silk- worm cocoons suitable for reeling.
5002.0000	Raw silk (not thrown).
5003.0000	Silk waste (including cocoons unsuitable for reeling, yarn waste and garnetted stock).
5004.0000	Silk yarn (other than yarn spun from silk waste) not put up for retail sale.
5005.0000	Yarn spun from silk waste, not put up for retail sale.
51.01	Wool, not carded or combed.
51.02	Fine or coarse animal hair, not carded or combed.
51.03	Waste of wool or of fine or coarse animal hair, including yarn waste but excluding garnetted stock.
5104.0000	Garnetted stock of wool or of fine or coarse animal hair.

51.05	Wool and fine or coarse animal hair, carded or combed (including combed wool in fragments).
51.06	Yarn of carded wool, not put up for retail sale.
51.07	Yarn of combed wool, not put up for retail sale.
51.08	Yarn of fine animal hair (carded or combed), not put up for retail sale.
52.05	Cotton yarn (other than sewing thread), containing 85 % or more by weight of cotton, not put up for retail sale.
52.06	Cotton yarn (other than sewing thread), containing less than 85 % by weight of cotton, not put up for retail sale.
53.01	Flax, raw or processed but not spun; flax tow and waste (including yarn waste and garnetted stock).
53.02	True hemp (<i>Cannabis sativa L.</i>), raw or processed but not spun; tow and waste of true hemp (including yarn waste and garnetted stock).
53.03	Jute and other textile bast fibres (excluding flax, true hemp and ramie), raw or processed but not spun; tow and wastes of these fibres (including yarn waste and garnetted stock).
53.05	Coconut, abaca (Manila hemp or <i>Musa textilis Nee</i>), ramie and other vegetable textile fibres, not elsewhere specified or included, raw or processed but not spun; tow, noils and waste of these fibres (including yarn waste and garnetted stock).
53.06	Flax yarn.
53.07	Yarn of jute or of other textile bast fibres of heading 53.03.

54.02	Synthetic filament yarn (other than sewing thread), not put up for retail sale, including synthetic monofilament of less than 67 decitex.
55.01	Synthetic filament tow.
55.02	Artificial filament tow.
55.03	Synthetic staple fibres, not carded, combed or otherwise processed for spinning.
55.04	Artificial staple fibres, not carded, combed or otherwise processed for spinning.
55.05	Waste (including noils, yarn waste and garnetted stock) of man- made fibres.
55.06	Synthetic staple fibres, carded, combed or otherwise processed for spinning.
5507.0000	Artificial staple fibres, carded, combed or otherwise processed for spinning.
55.08	Sewing thread of man- made staple fibres, whether or not put up for retail sale.
55.09	Yarn (other than sewing thread) of synthetic staple fibres, not put up for retail sale.
55.10	Yarn (other than sewing thread) of artificial staple fibres, not put up for retail sale.
55.11	Yarn (other than sewing thread) of man- made staple fibres, put up for retail sale.

55.12	Woven fabrics of synthetic staple fibres, containing 85 % or more by weight of synthetic staple fibres.
55.13	Woven fabrics of synthetic staple fibres, containing less than 85 % by weight of such fibres, mixed mainly or solely with cotton, of a weight not exceeding 170 g/m ² .
55.14	Woven fabrics of synthetic staple fibres, containing less than 85 % by weight of such fibres, mixed mainly or solely with cotton, of a weight exceeding 170 g/m ² .
55.15	Other woven fabrics of synthetic staple fibres.
55.16	Woven fabrics of artificial staple fibres.
56.01	Wadding of textile materials and articles thereof; textile fibres, not exceeding 5 mm in length (flock), textile dust and mill neps.
56.08	Knotted netting of twine, cordage or rope; made up fishing nets and other made up nets, of textile materials.
59.02	Tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyesters or viscose rayon.
63.10	Used or new rags, scrap twine, cordage, rope and cables and worn out articles of twine, cordage, rope or cables, of textile materials.
68.15	Articles of stone or of other mineral substances (including carbon fibres, articles of carbon fibres and articles of peat), not elsewhere specified or included.
70.02	Glass in balls (other than microspheres of heading 70.18), rods or tubes, unworked.

71.05	Dust and powder of natural or synthetic precious or semi- precious stones.
72.01	Pig iron and, spiegeleisen in pigs, blocks or other primary form.
72.02	Ferro- alloys.
72.03	Ferrous products obtained by direct reduction of iron ore and other spongy ferrous products, in lumps, pellets or similar forms; iron having a minimum purity by weight of 99.94 %, In lumps, pellets or similar forms.
72.05	Granules and powders, of pig iron, spiegeleisen, iron or steel.
72.06	Iron and non- alloy steel in ingots or other primary forms (excluding iron of heading 72.03).
72.08	Flat- rolled products of iron or non- alloy steel, of a width of 600 mm or more, hot- rolled, not clad, plated or coated.
72.09	Flat- rolled products of iron or non- alloy steel, of a width of 600 mm or more, cold- rolled (cold- reduced), not clad, plated or coated.
72.10	Flat- rolled products of iron or non- alloy steel, of a width of 600 mm or more, clad, plated or coated.
72.11	Flat- rolled products of iron or non- alloy steel, of a width of less than 600 mm, not clad, plated or coated.
72.12	Flat- rolled products of iron or non- alloy steel, of a width of less than 600 mm, clad, plated or coated.
72173010	Of A Kind Used In Manufacture Of Pneumatic Tyres(Bead Wire)
72.18	Stainless steel in ingots or other primary forms; semi- finished products of stainless steel.

72.19	Flat- rolled products of stainless steel, of a width of 600 mm or more.
72.20	Flat- rolled products of stainless steel, of a width of less than 600 mm.
72.25	Flat- rolled products of other alloy steel, of a width of 600 mm or more.
72.26	Flat- rolled products of other alloy steel, of a width of less than 600 mm.
72.27	Bars and rods, hot- rolled, in irregularly wound coils, of other alloy steel.
7315.1920	Other For Motor Cars And Vehicles
7401.0000	Copper mattes; cement copper (precipitated copper).
7402.0000	Unrefined copper; copper anodes for electrolytic refining.
74.03	Refined copper and copper alloys, unwrought.
74.04	Copper waste and scrap.
7405.0000	Master alloys of copper.
74.06	Copper powders and flakes.
74.07	Copper bars, rods and profiles.
74.08	Copper wire.
74.09	Copper plates, sheets and strip, of a thickness exceeding 0.15 mm.
74.10	Copper foil (whether or not printed or backed with paper, paperboard, plastics or similar backing materials), of a thickness (excluding any backing) not exceeding 0.15 mm.
74.11	Copper tubes and pipes.
7413.0000	Stranded wire, cables, plaited bands and the like, of copper, not electrically insulated.
75.01	Nickel mattes, nickel oxide sinters and other intermediate products of nickel metallurgy.

75.02	Unwrought nickel.
7503.0000	Nickel waste and scrap.
7504.0000	Nickel powders and flakes.
75.05	Nickel bars, rods, profiles and wire.
75.06	Nickel plates, sheets, strip and foil.
76.01	Unwrought aluminium.
76.02	Aluminium waste or scrap.
76.03	Aluminium powders and flakes.
76.06	Aluminium plates, sheets and strip, of a thickness exceeding 0.2 mm.
76071100	Rolled But Not Further Worked
76.08	Aluminium tubes and pipes.
78.01	Unwrought lead.
7802.0000	Lead waste and scrap.
78.04	Lead plates, sheets, strip and foil; lead powders and flakes.
79.01	Unwrought zinc.
7902.0000	Zinc waste and scrap.
79.03	Zinc dust, powders and flakes.
79.04	Zinc bars, rods, profiles and wire.
79.07	Other articles of zinc.
80.01	Unwrought tin.
8002.0000	Tin waste and scrap.
8003.0000	Tin bars, rods, profiles and wire
81.01	Tungsten (wolfram) and articles thereof, including waste and scrap.

81.02	Molybdenum and articles thereof, including waste and scrap.
81.03	Tantalum and articles thereof, including waste and scrap.
81.04	Magnesium and articles thereof, including waste and scrap.
81.05	Cobalt mattes and other intermediate products of cobalt metallurgy; cobalt and articles thereof, including waste and scrap.
8106.0000	Bismuth and articles thereof, including waste and scrap.
81.07	Cadmium and articles thereof, including waste and scrap.
81.08	Titanium and articles thereof, including waste and scrap.
81.09	Zirconium and articles thereof, including waste and scrap.
81.10	Antimony and articles thereof, including waste and scrap.
8111.0000	Manganese and articles thereof, including waste and scrap.
81.12	Beryllium, chromium, germanium, vanadium, gallium, hafnium, indium, niobium (columbium), rhenium and thallium, and articles of these metals, including waste and scrap.
8113.0000	Cermets and articles thereof, including waste and scrap.
83.09	Stoppers, caps and lids (including crown corks, screw caps and pouring stoppers), capsules for bottles, threaded bungs, bung covers, seals and other packing accessories, of base metal.
83.11	Wire, rods, tubes, plates, electrodes and similar products, of base metal or of metal carbides, coated or cored with flux material, of a kind used for soldering, brazing, welding or deposition of metal or of metal carbides; wire and rods, of agglomerated base metal powder, used for metal spraying.

84.07	Spark- ignition reciprocating or rotary internal combustion piston engines.
84.08	Compression- ignition internal combustion piston engines (diesel or semi- diesel engines).
84.09	Parts suitable for use solely or principally with the engines of heading 84.07 or 84.08.
8414.1000	Vacuum pumps
8414.3010	Used with HCFC and non-CFC gases
8414.9010	Of machines of heading 8414.1000 and 8414.3010
84.65	Machine- tools (including machines for nailing, stapling, glueing or otherwise assembling) for working wood, cork, bone, hard rubber, hard plastics or similar hard materials.
84.66	Parts and accessories suitable for use solely or principally with the machines of headings 84.56 to 84.65, including work or tool holders, self- opening dieheads, dividing heads and other special attachments for the machines; tool holders for any type of tool for working in the hand.
84.67	Tools for working in the hand, pneumatic, hydraulic or with self- contained electric or non- electric motor.
8479.8990	Other
84.82	Ball or roller bearings.
84.84	Gaskets and similar joints of metal sheeting combined with other material or of two or more layers of metal; sets or assortments of gaskets

	and similar joints, dissimilar in composition, put up in pouches, envelopes or similar packings; mechanical seals.
8501.1000	Motors of an output not exceeding 37.5 W
8501.2000	Universal AC/DC motors of an output exceeding 37.5 W
8501.3110	Photovoltaic generators consisting of panels of photocells combined with other apparatus
8501.4010	Of an output not exceeding 60 watts
8501.4090	Other
8501.5120	AC clutch motors for industrial sewing machine
8501.5310	Of an output exceeding 75 kW but not exceeding 375 kW (500 HP)
85.03 (except 8503.0090)	Parts suitable for use solely or principally with the machines of heading 85.01 or 85.02.
8504.9010	On load-tape changer for power transformers
8504.9020	Bushings for power transformers
8504.9030	Of machines of heading 8504.4090
8504.9040	Toroidal cores and strips
8504.9090	Other
85.05	Electro- magnets; permanent magnets and articles intended to become permanent magnets after magnetisation; electro- magnetic or permanent magnet chucks, clamps and similar holding devices; electro- magnetic couplings, clutches and brakes; electro- magnetic lifting heads.

85.11	Electrical ignition or starting equipment of a kind used for spark- ignition or compression- ignition internal combustion engines (for example, ignition magnetos, magneto- dynamos, ignition coils, sparking plugs and glow plugs, starter motors); generators (for example, dynamos, alternators) and cut- outs of a kind used in conjunction with such engines.
85.12	Electrical lighting or signalling equipment (excluding articles of heading 85.39), windscreen wipers, defrosters and demisters, of a kind used for cycles or motor vehicles.
8528.7213	In CKD/SKD condition
85.29	Parts suitable for use solely or principally with the apparatus of headings 85.25 to 85.28.
85.33	Electrical resistors (including rheostats and potentiometers), other than heating resistors.
8534.0000	Printed circuits.
85.35	Electrical apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits (for example, switches, fuses, lightning arresters, voltage limiters, surge suppressors, plugs and other connectors, junction boxes), for a voltage exceeding 1,000 volts.
85.37	Boards, panels, consoles, desks, cabinets and other bases, equipped with two or more apparatus of heading 85.35 or 85.36, for electric control or the distribution of electricity, including those incorporating instruments

	or apparatus of Chapter 90, and numerical control apparatus, other than switching apparatus of heading 85.17.
85.38	Parts suitable for use solely or principally with the apparatus of heading 85.35, 85.36 or 85.37.
85.40	Thermionic, cold cathode or photo- cathode valves and tubes (for example, vacuum or vapour or gas filled valves and tubes, mercury arc rectifying valves and tubes, cathode- ray tubes, television camera tubes).
85.41	Diodes, transistors and similar semi- conductor devices; photosensitive semiconductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; light-emitting diodes(LED); mounted piezo- electric crystals.
85.42	Electronic integrated circuits.
8545.1100	Of A Kind Used For Furnaces
8545.9020	For dry battery cells
85.48	Waste and scrap of primary cells, primary batteries and electric accumulators; spent primary cells, spent primary batteries and spent electric accumulators; electrical parts of machinery or apparatus, not specified or included elsewhere in this Chapter.
8701.2010	Components For The Assembly / Manufacture Of Road Tractors For Semi-Trailers (Prime Movers), In Any Kit Form, Of Less Than 280 Hp

8701.2030	Components For The Assembly / Manufacture Of Road Tractors For Semi-Trailers (Prime Movers), In Any Kit Form, Of 280 Hp And Above
8702.1010	Components For Assembly / Manufacture Of Vehicles, In Any Kit Form
8703.2111	Components For The Assembly/ Manufacture Of Vehicles, In Any Kit Form Excluding Those Of Headings 8703.2113 And 8703.2115
8703.2112	Components For The Assembly / Manufacture Of Mini Van Type Vehicles, In Any Kit Form
8703.2114	Components For The Assembly/ Manufacture Of Auto Rickshaws, In Any Kit Form
8703.2191	Components For The Assembly / Manufacture Of Vehicles, In Any Kit Form Excluding Those Of Heading 8703.2193 And 8703.2195
8703.2194	Components For The Assembly / Manufacture Of Mini Van, In Any Kit Form
8703.2210	Components For The Assembly / Manufacture Of Vehicles, In Any Kit Form Excluding Those Of Heading 8703.2240
8703.2311	Components For The Assembly / Manufacture Of Vehicles, In Any Kit Form
8703.2321	Components For The Assembly / Manufacture Of Vehicles, In Any Kit Form Excluding Of Heading 8703.2323
8703.2322	Components For The Assembly / Manufacture Of Sport Utility Vehicles 4X4, In Any Kit Form

8703.3310	Components For The Industrial Assembly/ Manufacture Of Vehicles, In Any Kit Form
8704.1010	Components For Assembly/ Manufacture Of Dump Trucks Designed For Off-Highway Use
8704.2110	Components For The Assembly / Manufacture Of Vehicles, In Any Kit Form
8704.2211	Components For The Assembly / Manufacture Of Vehicles, In Any Kit Form
8704.2291	Components For The Assembly / Manufacture Of Vehicles, In Any Kit Form
8704.2310	Components For The Assembly / Manufacture Of Vehicles, In Any Kit Form
8704.3110	Components For The Assembly / Manufacture, In Any Kit Form Excluding Those Of Heading 8704.3130 And 8704.3150
8704.3120	Components For The Assembly / Manufacture Of Mini Cargo Van, In Any Kit Form
8704.3140	Components For The Assembly / Manufacture Of 3-Wheeler Cargo Loader, In Any Kit Form
8711.2010	Components For The Assembly / Manufacture Of Vehicles, In Any Kit Form
8908.0000	Vessels and other floating structures for breaking up.
90.32	Automatic regulating or controlling instruments and apparatus.

91.04	Instrument panel clocks and clocks of a similar type for vehicles, aircraft, spacecraft or vessels.
9107.0000	Time switches with clock or watch movement or with synchronous motor.
9401.9010	Seat Parts Made Of Foam, Head/Arm Rests And Seat Frames For Motor Cars Of Heading 87.03 And Vehicles Of Sub-Headings 8703.2113, 8703.2115, 8703.2193, 8703.2195, 8703.2240,
9401.9030	Other For Motor Cars And Vehicles
96.06	Buttons, press- fasteners, snap- fasteners and press- studs, button moulds and other parts of these articles; button blanks.
96.07	Slide fasteners and parts thereof.

Part III

PCT CODE	DESCRIPTION
(1)	(2)
Respective headings	Goods not specifically mentioned in Part I or II.”;

7. **Amendments of the Federal Excise Act, 2005.** — In the Federal Excise Act, 2005, the following further amendments shall be made, namely:—

- (1) in section 6, after sub-section (2A), the following new sub-section shall be added, namely:—

“(2AB) Notwithstanding anything contained in this Act or the rules made thereunder, the Board may, by notification in the official Gazette, may impose restrictions on wastage of material on which input tax has been claimed in respect of the goods or class of goods.”;

- (2) after section 14B, the following new section 14C shall be inserted, namely:–

“14C. **Power of tax authorities to modify orders, etc.**– (1) Where a question of law has been decided by a High Court or the Appellate Tribunal in the case of a registered person, on or after first day of July 2005, the Commissioner or an officer of Inland Revenue may, notwithstanding that he has preferred an appeal against the decision of the High Court or made an application for reference against the order of the Appellate Tribunal, as the case may be, follow the said decision in the case of the said taxpayer in so far as it applies to said question of law arising in any assessment pending before the Commissioner or an officer of Inland Revenue, until the decision of the High Court or of the Appellate Tribunal is reversed or modified.

(2) In case the decision of High Court or the Appellate Tribunal, referred to in sub-section (1), is reversed or modified, the Commissioner or an officer of Inland Revenue may, notwithstanding the expiry of period of limitation prescribed for making any assessment or order, within a period of one year from the date of receipt of decision, modify the assessment or order in which the said decision was applied so that it conforms to the final decision.”;

- (3) in section 26, for sub-section (1), the following shall be substituted, namely:–

“(1) The counterfeited cigarettes or beverages which have been manufactured or produced unlawfully and other dutiable goods on which duty of excise has not been paid in the manner as required under this Act

and the rules made thereunder, shall be liable to seizure alongwith the conveyance, which has been used for the movement, carriage or transportation of such goods.”;

(4) in section 27,—

- (a) in the marginal note, for the expression “of cigarettes, un-manufactured tobacco or beverages”, the words “of goods subject to Federal Excise Duty” shall be substituted; and
- (b) in sub-section (2), for the expression “cigarettes, un-manufactured tobacco or beverages”, wherever occurring, the words “dutiable goods” shall be substituted;

(5) in section 33,—

- (a) after sub-section (1A), the following new sub-sections shall be inserted, namely:—

“(1B) An appeal under sub-section (1) shall—

- (a) be in the prescribed form;
- (b) be verified in the prescribed manner;
- (c) state precisely the grounds upon which the appeal is made;
- (d) be accompanied by the prescribed fee specified in sub-section (1C); and
- (e) be filed with the Commissioner (Appeals) within the time set out in sub-section (1); and

(1C) The prescribed fee shall be—

- (a) in the case of an appeal against an assessment–
 - (i) where the appellant is a company, five thousand rupees; or
 - (ii) where the appellant is not a company, two thousand and five hundred rupees; and
 - (b) in any other case–
 - (i) where appellant is a company, five thousand rupees; or
 - (ii) where the appellant is not a company, one thousand rupees.”; and
- (b) after sub-section (3), a new sub-section (4) shall be added, namely:–

“(4) The Commissioner (Appeals) shall not admit any documentary material or evidence which was not produced before the Officer Inland Revenue unless the Commissioner (Appeals) is satisfied that the appellant was prevented by sufficient cause from producing such material or evidence before the Officer Inland Revenue.”;
- (6) in section 34, after sub-section (1) and omitted sub-section (2), the following new sub-section (3) shall be added, namely:–

“(3) The Appellate Tribunal may admit, hear and dispose of the appeal as per procedure laid down in sections 131 and 132 of the Income Tax Ordinance, 2001 (XLIX of 2001), and rules made thereunder.”;

(7) for section 38, the following shall be substituted, namely:—

“38. Alternative Dispute Resolution.— (1) Notwithstanding any other provision of this Act, or the rules made thereunder, an aggrieved person in connection with any dispute pertaining to—

(a) the liability of duty against the aggrieved person, or admissibility of refunds, as the case may be;

(b) the extent of waiver of default surcharge and penalty; or

(c) any other specific relief required to resolve the dispute, may apply to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application, which is under litigation in any court of law or an appellate authority, except where criminal proceedings have been initiated or where interpretation of question of law having effect on identical cases is involved having effect on other cases.

(2) The Board may, after examination of the application of an aggrieved person, appoint a committee, within sixty days of receipt of such application in the Board, comprising, —

(i) Chief Commissioner Inland Revenue having jurisdiction over the case; and

(ii) two persons from a panel notified by the Board comprising of chartered accountants, cost and management accountants, advocates, having minimum of ten years' experience in the field of taxation and reputable businessmen.

(3) The Board shall communicate the order of appointment of committee to the court of law or the appellate authority where the dispute is pending and the Commissioner.

(4) The Committee appointed under sub-section (2) shall examine the issue and may, if it deemed necessary, conduct inquiry, seek expert opinion, direct any officer of the Inland Revenue or any other person to conduct an audit and shall decide the dispute through consensus, within one hundred and twenty days of its appointment.

(5) The committee may, in case of hardship, stay recovery of tax payable in respect of dispute pending before it for a period not exceeding one hundred and twenty days in aggregate or till the decision of the Committee or its dissolution, whichever is earlier.

(6) The decision of the committee under sub-section (4) shall be binding on the Commissioner when the aggrieved person, being satisfied with the decision, has withdrawn the appeal pending before the court of law or any appellate authority and has communicated the order of withdrawal to the Commissioner:

Provided that if the order of withdrawal is not communicated to the Commissioner within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Commissioner.

(7) If the committee fails to decide within the period of one hundred and twenty days under sub-section (4), the Board shall dissolve

the committee by an order in writing and the matter shall be decided by the court of law or the appellate authority where the dispute is pending.

(8) The Board shall communicate the order of dissolution to the court of law or the appellate authority and the Commissioner.

(9) The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the appellate authority, where the dispute is pending.

(10) The aggrieved person may make the payment of federal excise duty and other taxes as decided by the committee under sub-section (4) and all decisions and orders made or passed shall stand modified to that extent.

(11) The Board may prescribe the amount to be paid as remuneration for the services of the members of the committee, other than the member appointed under clause (i) of sub-section (2).

(12) The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.”;

(8) in section 42B, after sub-section (1), the following new sub-section shall be inserted, namely:—

“(1A) Notwithstanding anything contained in this Act or any other law, for the time being in force, the Board shall keep the parameters confidential.”;

(9) in section 46, sub-section (10) shall be omitted;

(10) in section 47,—

- (a) in sub-section (1), in clause (d), for the expression “limited companies, both public and private”, the words “registered person” shall be substituted; and
 - (b) in sub-section (2), in clause (d), for the expression “limited companies, both public and private”, the words “registered person” shall be substituted;
- (11) after section 47A, the following new section shall be inserted, namely:—

“47AB. Real-time access to information and databases.—

(1) Notwithstanding anything contained in any law for the time being in force, including but not limited to the National Database and Registration Authority Ordinance, 2000 (Ordinance VIII of 2000) and the Emigration Ordinance, 1979 (Ordinance XVIII of 1979), arrangements shall be made to provide real-time access of information and database to the Board in the prescribed form and manner by—

- (a) the National Database and Registration Authority with respect to information pertaining to National Identity Card (NIC), Pakistan Origin Card, Overseas Identity Card, Alien Registration Card and other particulars contained in the citizen database;
- (b) the Federal Investigation Agency and the Bureau of Emigration and Overseas Employment with respect to details of international entry and exit of all persons and information pertaining to work permits, employment visas and immigration visas;

- (c) the Islamabad Capital Territory and provincial and local land record and development authorities with respect to record-of-rights including digitized edition of record-of-rights, periodic record, record of mutations and report of acquisition of rights;
- (d) the Islamabad Capital Territory and provincial excise and taxation departments with respect to information regarding registration of vehicles, transfer of ownership and other associated record;
- (e) all electricity suppliers and gas transmission and distribution companies with respect to particulars of a consumer, the units consumed and the amount of bill charged or paid:

Provided that where the connection is shared or is used by a person other than the owner, the name and NIC of the owner and the user shall also be furnished:

Provided further that all electricity suppliers and gas transmission and distribution companies shall make arrangements by the 1st day of January, 2021 for allowing consumers to update the ratio of sharing of a connection or the particulars of users, as the case may be; and

- (f) any other agency, authority, institution or organization notified by the Board.
- (2) The Board shall make arrangements for laying the infrastructure for real-time access to information and database under sub-section (1) and aligning it with its own database in the manner as may be prescribed.

(3) Until real-time access to information and database is made available under sub-section (1), such information and data shall be provided periodically in such form and manner as may be prescribed.

(4) Subject to section 47B, all information received under this section shall be used only for tax purposes and kept confidential.”; and

(12) in the First Schedule, in Table I, in column (1),–

(a) after S. No. 6 and the entries relating thereto in columns (2), (3) and (4), the following S. No. and the entries relating thereto shall be inserted, namely:–

“6a.	Caffeinated	2202.1010	25% of the retail price”;
	energy drinks	2202.9900	

(b) against S. No. 8, in column (1),–

(i) for the entry, in column (2), the following shall be substituted, namely:–

“Cigars, cheroots, cigarillos and cigarettes of tobacco and tobacco substitutes.”;

(ii) in column (4), for the words “Sixty Five”, the word “Hundred” shall be substituted;

(c) after S. No. 8 and the entries relating thereto in columns (2), (3) and (4), amended as aforesaid, the following new S. No. and entries relating thereto shall be inserted, namely:–

"8a	E-liquids by whatsoever name called, for electric cigarette kits	Respective heading	Rupees ten per ml";

- (d) against S. No. 13, in column (4), for the word "two", the words "one rupee and seventy five paisa" shall be substituted;
- (e) after S. No. 55B and the entries relating thereto in columns (2), (3) and (4), the following new S. Nos. and the entries relating thereto shall be inserted, namely:—

"55C.	Imported double cabin (4x4) pick-up vehicles	8704.2190 8704.3190	25% ad val
55D	Locally manufactured double cabin (4x4) pick-up vehicles	8704.2190 8704.3190	7.5% ad val"; and

- (f) against S. No. 56, in column (4), for the figure "0.75", the word "one" shall be substituted.

8. **Amendment of section 51, Act XIV of 2015.** — In the Anti-Dumping Duties Act, 2015 (XIV of 2015), in section 51, in sub-section (1), in clause (c), for semi-colon at the end a colon shall be substituted and thereafter the following proviso shall be added, namely:-

"Provided that where a competent court of law has stayed preliminary or final determination of anti-dumping duty, goods shall be provisionally released against security in shape of bank guarantee or pay order of a scheduled bank along with indemnity bond equal to the amount of anti-dumping duty imposed on subject goods. In case preliminary or final determination is upheld by the court, duty shall be paid by the importer and security with the customs department shall

be released otherwise the same shall be en-cashed to settle the duty liability. If the preliminary or final determination is set aside by the court, security shall be released, if not required for recovery of any outstanding previous liability."

9. **Amendments of Public Finance Management Act, 2019.**- In the Public Finance Management Act, 2019,-

- (a) in the preamble, in the third paragraph, for the expression “,118 to 127”, shall be omitted;
- (b) in section 2,-
 - (i) after clause (m), the following new clause shall be inserted, namely:-
 - (ma) “non-tax revenue” means revenues received by the Government in terms of clause (1) of Article 78 of the Constitution, and the recurring income of the Government from investments and provision of services but does not include that mentioned in clause (3) of Article 160 of the Constitution;
 - (ii) in clause (u), after the word “account”, occurring for the second time, the words “within one grant or appropriation” shall be inserted;
 - (iii) after clause (u), the following new clause shall be inserted, namely:-
 - (ua) “revenue collection office” means a ministry, division or its attached department or subordinate office responsible for collection, monitoring and reporting of non tax revenue; and

- (iv) in clause (w), for the words “grant and budget authorization in another grant”, the words “grant or appropriation and budget authorization in another grant or appropriation” shall be substituted;
- (c) in section 3,-
 - (i) in sub-section (1), for the word “March”, the word “April” shall be substituted; and
 - (ii) in sub-section (2), for the words “discuss the budget strategy paper with Standing Committees responsible”, the words “also present the budget strategy paper before the Standing Committees” shall be substituted;
- (d) in section 4,-
 - (i) in sub-section (1), for the words “detailed items for each demand for grant”, the words “major objects for each demand for grant and appropriation” shall be substituted; and
 - (ii) in sub-section (2), after the word “grant”, the words “and appropriation” shall be substituted;
- (e) for section 5, the following shall be substituted, namely:-

“5. Plan based Government’s expenditure.- All government expenditures, whether from a recurrent or development demand for grant, shall be based on well-defined plans and the strategic priorities approved in budget strategy paper as per section 3.”;
- (f) in section 9,-

- (i) in sub-section (1), for the words “along with the Annual Budget Statement”, the words “report along with the Annual Budget” shall be substituted; and
 - (ii) in sub-section (2), after the word “budget”, the word “report” shall be substituted;
- (g) in section 11,-
 - (i) for the words “at any time before the close of the financial”, the words “by thirty-first day of May each” shall be substituted; and
 - (ii) for the full stop at the end a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that in an exceptional case of exigency, the Finance Division may extend the prescribed time limit.”;
- (h) in section 12,-
 - (i) for the words “at least twenty-five days before the presentation of the budget in the National Assembly”, the words “by thirty-first day of May each year” shall be substituted; and
 - (ii) for the full stop at the end a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that in an exceptional case of exigency, the Finance Division may extend the prescribed time limit.”;
- (i) in section 23,-
 - (i) in the marginal heading, after the word “Fund”, the words “and Public Account” shall be inserted;

- (ii) in sub-section (1), in clause (c), for the figure “10” the figure “11” shall be substituted;
- (iii) in sub section (2),-
 - (a) after the word “account”, occurring for the first time, the words “including the assignment accounts” shall be inserted; and
 - (b) for the full stop at the end a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that the principal accounting officers in respect of all the spending units under his control shall submit a certificate to the Finance Division on half yearly basis.”;
- (j) section 28 shall be re-numbered as sub-section (1) of that section and thereafter the following new sub-section shall be added, namely:-

“(2) The Federal Government shall, within a period of six months prescribe the procedures and role and functions of the office of chief finance and accounts officer, in consultation with the Finance Division, Auditor General of Pakistan and the office of Controller General of Accounts.”;
- (k) in section 29,-
 - (i) for the word “twelve”, the word “eighteen” shall be substituted; and
 - (ii) section 29, amended as aforesaid, shall be re-numbered as sub-section (1) of that section and thereafter the following new sub-sections shall be added, namely:-

“(2) There shall be an internal audit policy board for over all policy making and setting scope and standards, approving internal audit manuals and charter of internal audit, monitoring the overall effectiveness of internal audit function for the Government institutions , comprising-

- (a) Secretary, Finance Division Chairman;
- (b) Controller General of Accounts Member;
- (c) Deputy Auditor General Member;
- (d) Additional Secretary, Finance Division Member and Secretary);
- (e) one representative from a professional Member organization of Pakistan

(3) Finance Division shall provide secretarial support to the board constituted under sub-section (2).

- (l) in section 30, in sub-section (2),-
 - (i) in clause (f), for the figure “35”, the figure “36” shall be substituted;
and
 - (ii) in clause (g), for the figure “35”, the figure “36” shall be substituted;
- (m) in section 31, in sub section (1), after the word “Fund”, the words “and Public Account” shall be inserted;
- (n) in section 32, for the words “to establish a fund”, the words “for a fund established under any law or with the approval of the Federal Government” shall be substituted;

- (o) after section 40, the following shall be inserted, namely:-

“CHAPTER VIII A

NON TAX REVENUE

40A. Policy and administration.- The administrative ministries and divisions shall be responsible for policy formulation and administration of non tax revenue as per the distribution of business approved by the Government.

- (2) The Finance Division shall advise ministries and divisions in policy formulation as per the strategic priorities of Government’s revenue policies.

40B. Levy and collection.- (1) Non tax revenue shall be levied and charged in accordance with the provisions of relevant laws and such other applicable instruments.

- (3) Notwithstanding anything to the contrary contained in any other law for the time being in force, public entities as defined under section 36 shall pay non tax revenue representing-

- (a) mark up on loans lent by the Government, as per the amortization schedule attached with the financing agreement;
- (b) dividend against the Government’s equity investments as declared by the respective board of directors out of accrued profits of the entity:

Provided that if public entity is wholly or substantially owned by the Government, proposals with regard to declaration of dividend and allocation for reserve fund, capital requirements etc shall be examined by the controlling Division

in consultation with the Finance Division before deliberations and decision in the board of directors.

- (c) surplus profits as per the provisions of relevant laws; and
- (d) any other amount owed to the Government as accrued:

Provided that the public entities shall pay accrued amounts of non tax revenue as per clauses (a) to (d) being the first charge on their gross revenues or profits, as the case may be.

(3) Non tax revenue representing foreign grants and payments, receipts from provision of services, rents, recovery of overpayments, sale of property etc shall accrue on completion of the prescribed process.

(4) The revenue collection offices shall be responsible for collection of all the accrued amounts of non tax revenue from liable public entities, individuals, firms, companies etc as per the time specified in the relevant laws and rules. Finance Division shall prescribe procedures for monitoring and reporting of non tax revenue by the revenue collection offices.

40C. Deposit in Federal Consolidated Fund.- (1) Subject to section 40B, the revenue collection offices shall deposit the collected amounts in Federal Consolidated Fund promptly without delay in prescribed manner under the head of account specified by the Finance Division in consultation with the Controller General of Accounts.

(2) The revenue collection offices shall not retain or appropriate the collected amounts to meet departmental expenditures except through budgetary mechanism as provided under Articles 80 to 83 of the Constitution.

40D. Late payment surcharge.- (1) Notwithstanding anything to the contrary contained in any other law for the time being in force, an amount equal to monthly weighted financing cost of Government's domestic borrowings shall be payable during the period of default, in addition to the amount due under section 40B if not paid within the stipulated time.

(2) Finance Division may prescribe procedure for levy and collection of the surcharge under sub-section (1).

40E. Recovery of non tax revenue by Commissioner (Inland Revenue).- (1) If the amounts as per sections 40B and 40D are not paid within ninety days of having been due, the Finance Division, in consultation with the concerned Division may refer any defaulter's case to the Commissioner (Inland Revenue) concerned for recovery as it were an arrear of income tax.

(2) The Commissioner (Inland Revenue) shall recover the arrear in accordance with the provisions of the Income Tax Ordinance, 2001(XLIX of 2001) and deposit the receipt in the Federal Consolidated Fund as per section 40C.”; and

(p) in section 42, in sub-section (2), for the full stop at the end a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that existing instruments, contrary to the provisions of this Act and the rules made thereunder, shall have no legal effect.”.

10. **Tax on luxury houses in Islamabad Capital Territory –** (1) There shall be levied a luxury tax at the rates specified in column (3) of Table 1 below, on residential houses

of different categories located within the limits of Islamabad Capital Territory as specified in column (2) of the said Table, namely:-

TABLE 1

Sr. No.	Category of residential house	Rate of tax in rupees
(1)	(2)	(3)
1.	two kanal to four kanal with covered area of more than 6000 Square feet.	100,000 per kanal
2.	Five kanal or above with covered area of more than eight thousand square feet.	200,000 per kanal

(2) There shall be levied a luxury tax at the rates specified in column (3) of Table 2 below, on farm houses of different categories located within the limits of Islamabad Capital Territory as specified in column (2) of the said Table, namely:-

TABLE 2

S.No.	Category of Farm house	Rate of tax in rupees
(1)	(2)	(3)
1.	Four Kanal including area under farming	
(i)	A farm house with covered area between 5000 to 7000 square feet	25 per square foot of the covered area per annum
(ii)	A farm house with covered area between 7001 to 10,000 square feet	40 per square foot of the covered area per annum

(iii) A farm house with covered area of more than 10,000 square feet		50 per square foot of the covered area per annum
2.	More than Four Kanal including area under farming	
(i) A farm house with covered area between 5000 to 7000 square feet		60 per square foot of the covered area per annum
(ii) A farm house with covered area between 7001 to 10,000 square feet		70 per square foot of the covered area per annum
(iii) A farm house with covered area of more than 10,000 square feet		80 per square foot of the covered area per annum

(3) The taxes mentioned in sub-section (1) and sub-section (2) shall not be applicable on the self-occupied houses of widows.

(4) Ministry of Interior shall be responsible for collection of tax through its attached departments and deposit in the Federal Consolidated Fund.

STATEMENT OF OBJECTS AND REASONS

The purpose of this bill is to make financial provisions for the year beginning on the first day of July, 2020 and shall come into force on the first day of July, 2020

(Abdul Hafeez Shaikh)

Advisor to Prime Minister on Finance, Revenue
and Economic Affairs

NOTES ON CLAUSES

FINANCE BILL, 2020

CUSTOMS ACT, 1969 (IV OF 1969)

Clause 3(1)(a)	Seeks to amend section 2(ai) to include origin in the definition of “Advance Ruling” alongwith classification as provided for in the WTO Trade Facilitation Agreement (TFA).
Clause 3(1)(b)	Seeks to amend section 2 (s) to include transportation, storage and safe-keeping of smuggled goods in the definition of smuggling to render it more comprehensive.
Clause 3(2)	Seeks to amend section 7 to legally bound Border Military Police (BMP), operating in D.G Khan and Rajanpur to assist officers of Pakistan Customs in discharge of their official functions.
Clause 3(3)	Seeks to amend section 17 to prescribe time limit for detention of goods for early resolution of cases and to avoid causing unnecessary hardships in genuine cases.
Clause 3(4)	Seeks to amend section 19 to restore the powers of the Federal Government to exempt customs duty and to provide legal cover to notifications issued under this section.
Clause 3(5)	Seeks to amend section 19C to enhance the monetary limit of duty free goods to provide relief to common man and to facilitate trade and business especially e-commerce besides fulfilling

	Revised Kyoto Convention (RKC)'s requirement.
Clause 3(6)	Seeks to amend Section 21 on the recommendation of National Tariff Commission to clarify that repayment of duty and taxes includes additional customs duty, regulatory duty or special customs duty, whatever the case may be.
Clause 3(7)	Seeks to amend section 27A to exclude new imported goods from the ambit of mutilation and or scrapping and to extend the said facility only to old and used goods to stop misuse of the facility of mutilation and scrapping.
Clause 3(8)(a)(i)	Seeks to add new clause (ca) in section 32A to make the offence of under-invoicing cognizable under Section 156(1)(8) 14A as criminal offence.
Clause 3(8)(a)(ii)	Seeks to insert the expression "(ca)," in clause (e) of section 32A for referral purpose.
Clause 3(8)(b)	Seeks to amend sub-section (2) of section 32A to enable customs authorities to take cognizance even in cases other than having revenue implications.
Clause 3(9)	Seeks to amend section 80 to provide opportunity of hearing to the importer in case of reassessment of goods after their release so as to meet the requirement of "fair notice" in dispensation of natural justice.
Clause 3(10)(a)	Seeks to substitute sub-section (2) of section 139 to differentiate general passengers or crew at the airport making false declaration or who fail to declare from unscrupulous elements

	with intent of smuggling.
Clause 3(10)(b)	Seeks to add new sub-section to section 139 to differentiate general passengers or crew at the airport making false declaration or who fail to declare from unscrupulous elements with intent of smuggling.
Clause 3(11)(a)	Seeks to substitute clause 8(i) of section 156(1) to rationalize the punishments for smuggling of goods in a cascading manner and to make them consistent with the COVID-19 (Prevention of Smuggling) Ordinance, 2020.
Clause 3(11)(b)	Seeks to substitute clause 8(iii) of section 156(1) to specifically prescribe punishments for smuggling of currency, gold and other precious metals and stones in any form, with the intent of smuggling, commensurate with the COVID-19 (Prevention of Smuggling) Ordinance, 2020.
Clause 3(11)(c)	Seeks to omit clause 8(iv) of section 156(1) being superfluous after amendment in clause 8(iii) of section 156(1).
Clause 3(12)(a)	Seeks to amend section 179 to decrease the time limit for adjudicating cases of smuggling under section 2(s) from ninety to thirty days to make them consistent with the COVID-19 (Prevention of Smuggling) Ordinance, 2020.
Clause 3(12)(b)	Seeks to insert the word “further” in the existing proviso to sub-section (3) of section 179 to make the expression in conformity with the legal terminology.
Clause 3(13)	Seeks to amend section 187 to enable customs authorities to

	proceed against the properties, acquired by a person in his own name or in the name of someone else, by the proceeds of smuggling and also to make him liable to prove evidence of the lawful possession of such properties.
Clause 3(14)	Seeks to amend section 194B to decrease the time for deciding appeals in cases of smuggling under section 2(s) from sixty to thirty days for their expeditious disposal.
Clause 3(15)(a)	Seeks to substitute sub-section 2(c) of section 195C for nomination of member of the ADR Committee by FBR.
Clause 3(15)(b)	Seeks to substitute sub-section (3) of section 195C regarding intimation of appointment of ADR Committee to the relevant judicial forum.
Clause 3(15)(c)	Seeks to omit sub-section (4) of section 195C being superfluous.
Clause 3(15)(d)	Seeks to omit proviso to sub-section (5) of section 195C being superfluous.
Clause 3(15)(e)	Seeks to amend sub-section (6) of section 195C pertaining to halting of recovery action after appointment of ADR Committee.
Clause 3(15)(f)	Seeks to substitute sub-section (7) of section 195C related to the binding effect of the decision of ARD Committee on the Collector.
Clause 3(15)(g)	Seeks to amend sub-section (8) of section 195C to align the same with other amendments in the section.
Clause 3(16)	Seeks to amend section 201 to restrict the share of importer in sale proceeds of goods other than the confiscated to the extent of the declared value so as to discourage mis-declaration of value.

Clause 3(17)	Seeks to amend section 212A to provide legal cover to the benefits granted to the Authorized Economic Operators (AEOs), prescribed under the relevant rules and to fulfil Pakistan's category-C commitment under WTO, Trade Facilitation Agreement (TFA).
Clause 3(18)	Seeks to insert a new section '212B' to define the scope of "Advance Ruling" being one of Pakistan's Category-C Commitments under the WTO, Trade Facilitation Agreement (TFA).
Clause 3(19)	Seeks to amend First Schedule to the Customs Act, 1969 with the First Schedule to this Act.
Clause 3(20)	Seeks to amend Fifth Schedule to the Customs Act, 1969.

NOTES ON CLAUSES

FINANCE BILL, 2020

SALES TAX ACT, 1990

Clause 5(1)(a)(i)	Seeks to omit the words “or is blocked” in sub-clause (a) in clause (1) of section 2
Clause 5(1)(a)(ii)	Seeks to substitute the word “quarterly” with the words “two consecutive monthly” in sub-clause (d) in clause (1) of section 2
Clause 5(1)(b)	Seeks to substitute clause (c) in clause (20) of section 2
Clause 5(1)(c)(i)	Seeks to insert the words “or WAPDA” and shall be deemed to have been inserted with effect from 1 st July, 2019 after the word “producer” in sub-clause (h) in clause (46) of section 2
Clause 5(1)(c)(ii)	Seeks to add new sub-clause (j) and to substitute the expression “; and” for the full stop at the end of sub-clause (i) and to omit the word “and” at the end of sub-clause (h) of clause (46) of section 2
Clause 5(2)(a)	Seeks to omit the words “by the buyer” after the word “withheld” in sub-section (7) of section 3
Clause 5(2)(b)	Seeks to insert the words “being purchaser of goods or services” after the word “persons” in sub-section (7) of section 3

Clause 5(3)	Seeks to add new sub-section (5) after sub-section (4) of section 7
Clause 5(4)	Seeks to insert the words “or services” after the word “goods” in clause (m) of sub-section (1) of section 8
Clause 5(5)	Seeks to insert new section 11C after section 11B
Clause 5(6)	Seeks to substitute the words “one hundred” with the word “fifty” in clause (b) of sub-section (1) of section 23
Clause 5(7)	Seeks to insert new sub-section (2A) after sub-section (2) of section 25
Clause 5(8)	Seeks to insert the comma and word “, complete” after the word “true” in sub-section (1) of section 26
Clause 5(9)(a)(i)	Seeks to substitute the word “two” with the word “six” in column (2), against serial number 25, in column (1), in the Table, in section 33
Clause 5(9)(b)(ii)	Seeks to substitute the words “till such time he integrates his business in the manner as stipulated under sub-section (9A) of section 3 or section 40C, as the case may be” with the words “and an embargo shall be placed on his sales” in column (2) against serial number 25, in column (1), in the Table, in section 33
Clause 5(9)(b)	Seeks to add new serial number 28 in column (2), after serial number 27, in column (1) in the Table, in section 33
Clause 5(10)(a)	Seeks to insert the expression “including real-time electronic access” after the word “access” in sub-section

	(1) of section 38
Clause 5(10)(b)	Seeks to add new sub-section (4) after sub-section (3) of section 38
Clause 5(11)(a)(i)	Seeks to substitute the colon at the end a full stop and thereafter to omit second proviso in sub-section (1) of section 45B
Clause 5(11)(a)(ii)	Seeks to re-number as “(1C)”, the existing sub-section (1A) and to insert new sub-sections (1A) and (1B) before the aforesaid re-numbered (1C) of that section of section 45B
Clause 5(11)(b)	Seeks to add new sub-section (5) after omitted sub-section (4) of section 45B
Clause 5(12)	Seeks to substitute section 47A
Clause 5(13)(a)	Seeks to substitute the words “registered person” with the words “limited companies, both public and private” in clause (d) of sub-section (1) of section 56
Clause 5(13)(b)	Seeks to substitute the words “registered person” with the expression “limited companies, both public and private” in clause (d) of sub-section (2) of section 56
Clause 5(14)	Seeks to insert new section 56AB after section 56A
Clause 5(15)(a)	Seeks to substitute the expression “subject to sub-section (4), where a person is a non-resident person, the representative of the said person for the purpose of this Act, for a financial year in which the relevant tax period

	falls, shall be any person in Pakistan” with the expression “subject to sub-section (4), where a person is a non-resident person, the representative of the persons for the purpose of this Act for a tax year shall be any person in Pakistan” in sub-section (3) of section 58A
Clause 5(15)(b)	Seeks to add Explanation after clause (f) in sub-section (3) of section 58A
Clause 5(16)	Seeks to substitute the word “person” with the words “manufacturer or producer” in sub-section (4) of section 73
Clause 5(17)	Seeks to add new S. Nos. and the entries relating thereto after S. No. 12 and the entries relating thereto in column (2) in column (1) with effect from the 1 st June, 2020 in the Fifth Schedule
Clause 5(18)(A)(a)(i)	Seeks to insert the words “by the aforesaid operating companies” after the word “Port” occurring for the third time, in column (2), against S. No. 100A in column (1), in the Table, with effect from the 1 st June, 2020, in the Sixth Schedule
Clause 5(18)(A)(a)(ii)(I)	Seeks to insert the expression “and also those already imported under Notification No. S.R.O. 115(I)/2008, dated the 6 th February, 2008” after the word “imported” in condition (iii) “(A). Conditions and procedure for imports”, under the heading, in column (2), against S. No. 100A in column (1), in the Table, with effect from the 1 st June,

	2020, in the Sixth Schedule
Clause 5(18)(A)(a)(ii)(II)	Seeks to substitute the words “applicable rate on residual value” with the words “time of import” in condition (iii) “(A). Conditions and procedure for imports”, under the heading, in column (2), against S. No. 100A in column (1), in the Table, with effect from the 1 st June, 2020, in the Sixth Schedule
Clause 5(18)(b)	Seeks to add new serial number and the entries relating thereto after S. No. 100C in column (2), against serial number 100A in column (1), in the Table, with effect from the 1 st June, 2020, in the Sixth Schedule
Clause 5(18)(c)	Seeks to substitute the figure “2030” with the figure “2020” in column (2), against S. No. 103 in column (1), in the Table, in the Sixth Schedule
Clause 5(18)(d)	Seeks to add new serial number and entries relating thereto after S. No. 153 and the entries relating thereto in columns (2) and (3), in column (1), in the Table, with effect from the 1 st June, 2020, in the Sixth Schedule
Clause 5(18)(B)(a)	Seeks to omit the words and comma “under this notification,” in condition (ii), in column (4), against S. No. 5 in column (1), in Table-3, in the Sixth Schedule
Clause 5(18)(B)(b)	Seeks to substitute S. No. 15A in column (1) and the entries relating thereto in columns (2), (3) and (4) in Table-3, in the Sixth Schedule

Clause 5(19)(a)	Seeks to substitute the figure “80” with the figure “70” in columns (4) and (5), against S. No. 56, in column (1), in Table-1, in the Eighth Schedule
Clause 5(19)(b)	Seeks to substitute the figure “12”, with the figure “14” in column (4), against S. No. 66, in column (1), in Table-1, in the Eighth Schedule
Clause 5(19)(c)	Seeks to omit the words and comma “under this notification,” in condition 2, in column (4), in column (1), against S. No. 4, in Table-2, in the Eighth Schedule
Clause 5(20)(a)	Seeks to add the expression “(excluding smart phones)” after the figure “30”, against category A, in column (2), against S. No. 2, in column (1), in the Table, in the Ninth Schedule
Clause 5(20)(b)	Seeks to add the expression “(including smart phones valuing upto US\$ 30)” after the figure “100” against category B, in column (2), against S. No. 2, in column (1), in the Table, in the Ninth Schedule
Clause 5(21)(a)	Seeks to substitute the words “are specified as below provided that withholding tax shall not be applicable to the goods and supplies specified vide clauses (i) to (viii) after the Table” with the words “not applicable to goods and supplies specified at the end of the following Table”, after the word “agent”, after the heading “TABLE”, in the Table, in the Eleventh Schedule

Clause 5(21)(b)	Seeks to substitute the words “Active Taxpayers” with the words “Registered persons” in column (3), against S. No. 1 in column (1), in the Table, in the Eleventh Schedule
Clause 5(21)(c)	Seeks to substitute the words “Active Taxpayers” with the words “Person” in column (3), against S. No. 2 in column (1), in the Table, in the Eleventh Schedule
Clause 5(21)(d)	Seeks to substitute the words “persons other than Active Taxpayers” with the words “Unregistered persons” in column (3), against S. Nos. 3, 4 and 6, in column (1), in the Table, in the Eleventh Schedule
Clause 5(22)	Seeks to substitute “Raw materials and intermediary goods imported by a manufacturer for in-house consumption” for clause (i), in condition (2), under the heading “Procedure and conditions”, in the Twelfth Schedule

NOTES ON CLAUSES

FINANCE BILL, 2020

INCOME TAX ORDINANCE, XLIX OF 2001

Clause 6(1)(A)	Seeks to include Builder and Developer in the definition of Industrial Undertaking for the purpose of import of plant and machinery
Clause 6(1)(B)	Seeks to re-number clauses (30A) and (30AA) as (30AA) and (30BB) respectively.
Clause 6(1)(C)	Seeks to define the term “Integrated Enterprise”.
Clause 6(1)(D)	Seeks to define the term “IRIS”.
Clause 6(1)(E)	Seeks to update the references of Local Government Acts in the Definition of term “Local Government”.
Clause 6(1)(F)(a)	Seeks to substitute the term “or development purposes” with the expression “purposes for general public” in definition of “Non-Profit Organization”.
Clause 6(1)(F)(b)	Seeks to make technical amendment
Clause 6(2)	Seeks to omit the expression “IB” in section 4 as technical correction.
Clause 6(3)	Seeks to add the word “fee for offshore digital services” after the word “royalty” for aligning sub-section (2) with sub-section(1) of section 6.

Clause 6(4)(a)	Seeks to add the word “and” after the semi-colon at the end to add a new clause (c) after clause (b) in sub-section 1 of section 7A to charge tax on A Pakistan resident ship owning company to pay tonnage tax of an amount equivalent to seventy five US Cents per ton of gross registered tonnage per annum.”;
Clause 6(4)(b)	Seeks to extend tax on shipping of a resident person from 30 th June 2020 to 30 th June 2023.
Clause 6(5)(A)	Seeks to reduce threshold for collection charges as deduction against rental income from 6% to 2%.
Clause 6(5)(B)	Seeks to remove the condition of 4 Million or more to be taxable income under the head property for opting to be taxed in normal tax regime.
Clause 6(6)(A)(a)	Seeks to enhance threshold of deduction for cash payment against business income under single account head from fifty thousand to two hundred and fifty thousand per annum.
Clause 6(6)(A)(b)	Seeks to increase the threshold of expenditure liable to be disallowed as a business expense if the same is not made through a crossed banking instrument/ online transfer of payment from Rs.10,000/- to Rs.25,000/ per transaction.
Clause 6(6)(B)	Seeks to enhance threshold from Rs.15,000/- to Rs.25,000/- as allowable deduction against business income if the salary is paid in cash.
Clause 6(6)(C)	Seeks to omit word “and”.
Clause 6(6)(D)	Seeks to substitute a semi colon for the full stop in the end

Clause 6(6)(E)	Seeks to add two new clauses to regulate limit of expenditure on account of utility bill and sales made to persons required to be registered but not registered under the Sales Tax Act, 1990 as an admissible deduction against business income.
Clause 6(7)(A)	Seeks to add a new proviso to reduce allowable deduction under the head depreciation to 50% when a depreciable asset is brought to use in the person's business for the first time in a tax year.
Clause 6(7)(B)	Seeks to add a new proviso to reduce allowable deduction under the head depreciation to 50% in the tax year when the depreciable asset is disposed off.
Clause 6(8)	Seeks to add a new proviso to limit the cost of transport vehicle to the extent of two and a half million rupees for claim of lease rental to be allowable deduction against business income.
Clause 6(9)	Seeks to amend sub-section (3A) of section 37 to reduce holding period in respect of taxation of capital gain on disposal of immovable property from eight years to four years.
Clause 6(10)	Seeks to restrict tax credit in respect of donations given to an associate by a donor
Clause 6(11)	Seeks to restrict tax credits for enlistment in any registered stock exchange upto tax year 2022.
Clause 6(12)	Seeks to make a technical correction by updating reference of Companies Ordinance.
Clause 6(13)	Seeks to make a technical correction.
Clause 6(14)(A)(a)	Seeks to make a technical correction.

Clause 6(14)(A)(b)	Seeks to omit the word “and”
Clause 6(14)(A)(c)	Seeks to substitute semicolon and the word “and” for the colon at the end to add a new clause to make donors and contributors statement obligatory for a Non-Profit Organization.
Clause 6(14)(B)	Seeks to make a technical correction through insertion of word trust and welfare institution sub section (1A).
Clause 6(14)(C)	Seeks to amend clause (d) of sub-section (1B) of section 100C to exclude associate as a donor for placing restriction on fund.
Clause 6(15)	Seeks to insert new section 100D as an enabling provision for introducing special provision relating to separate taxation of builder and Developers.
Clause 6(16)	Seeks to add a new section 106A to restrict deduction of profit on debt payable to associated enterprise to 15% in case foreign controlled resident company.
Clause 6(17)	Seeks to insert the expression “and spontaneous” in section 107 to incorporate spontaneous exchange of information as an international obligation for Federal Government to enter into an agreement with other government.
Clause 6(18)	Seeks to amend sub-section (111)(1) to add unexplained receipt into business income instead of income from other sources in respect of suppressed amount of production, sale, receipt changeable to tax.
Clause 6(19)	Seeks to amend section 113 to extend minimum tax u/s 113 to permanent establishment of a non-resident company.

Clause 6(20)(A)(a)	Seeks to add a new clause “(ae)” in sub-section (1) of section 114 to include person whose income for the year is subject to final taxation, to file return.
Clause 6(20)(A)(b)	Seeks technical correction.
Clause 6(20)(B)	Seeks to add a new proviso in clause (a) of sub-section (2) in section 114 as enabling provision that Board may prescribed different returns for different person including person subject to final tax.
Clause 6(20)(C)	Seeks to add a proviso in sub-section (6) to empower Commissioner to grant approval for revision of return in case of bonafide omission.
Clause 6(21)	Seeks to add a new section 114A for making it compulsory for certain person to furnish and update his profile in prescribed manner and time.
Clause 6(22)	Seeks to omit sub-section (4), (4A), (5) and (6) of section (115) to abolish practice of filling of statement instead of return.
Clause 6(23)(A)(a)	Seeks to amend sub-section (3) of section 116 to make revision of wealth statement subject to prior approval of Commissioner.
Clause 6(23)(A)(b)	Seeks to add new proviso and explanation in sub-section (3) of section 116 to empower Commissioner to grant approval for revision of wealth statement in case of banofide omission.
Clause 6(24)(A)	Seeks to omit the expression “a statement required a sub-section (4) of section 115” in sub-section (1) of section 118.
Clause 6(24)(B)	Seeks to omit the expression “or a statement required a sub-

	section (4) of section 115” in sub-section (2) of section 118.
Clause 6 (24)(C)(a)	Seeks to omit the expression “or a statement required a sub-section (4) of section 115” in sub-section (3) of section 118.
Clause 6(24)(C)(b)	Seeks to omit the expression “a statement required a sub-section (4) of section 115 or” in clause (a) of sub-section (3) of section 118.
Clause 6(25)	Seeks to omit clause (c) of sub-section (1) of section 119 which refers to the statement under sub-section (4) of section 115.
Clause 6(26)(A)(a)	Seeks to substitute the expression, “the respective amounts adjusted under-section (2A)” for the expression “those respective amounts specified in the return” in clause (a) of sub-section (1) of section 120.
Clause 6(26)(A)(b)	Seeks to substitute the expression, “adjustments were made under sub-section (2A) for the expression “the returns was furnished.” In clause (b) of sub-section (1) of section 120.
Clause 6(26)(B)	Seeks insertion of new sub-section (2A) after sub-section (2) in section 120 to prescribe procedure for processing return under-section 114 through automated system to arrive at correct amounts of total income, taxable income and tax payable.
Clause 6(26)(C)	Seeks to add a new sub-section (7) to section 120 for defining the expression “arithmetic error” and “in incorrect claim apparent from any information in the return.”
Clause 6(27)	Seeks to omit clause “(aa)” in sub-section (1) of section 121 which refers to statement under sub-section (4) of section 115.

Clause 6(28)	Seeks substitution of the expression “audit or on the basis of definite information” for the expression “definite information acquired from an audit or otherwise” in sub-section (5) of section 122.
Clause 6(29)	Seeks to insert a new section 122D to prescribe procedure and mechanism for agreed assessment in certain cases.
Clause 6(30)(A)	Seeks to insert expression “sub-section 2A of section 120” in sub section 1 of section 127 to enable taxpayer to appeal against automated adjustment u/s 120(2A).
Clause 6(30)(B)(a)	Seeks to enhance fee for lodging appeal against assessment order from Rs. 1000 to Rs. 5000 in case of company and from Rs. 1000 to Rs. 2500 in case of individual and AOP.
Clause 6(30)(B)(b)	Seeks to enhance fee for preferring appeal against orders other than assessment order from Rs. 1000 to Rs. 5000 in case of company and from Rs. 200 to Rs. 1000 in case of individual and AOP.
Clause 6(31)	Seeks to bound the CIR appeal to specify the upheld amount in his order before serving it on taxpayer or commissioner.
Clause 6(32)(A)(a)	Seeks to omit the word “and” in clause(c) of subsection (1) of section 131.
Clause 6(32)(A)(b)	Seeks to substitute a semi colon and the word “and” for full stop at the end in clause(d) of subsection(1) of section 131
Clause 6(32)(A)(c)	Seeks to add a new clause(e) in subsection (1) of section 131 to prescribe procedure for appeal against order upheld by

	Commissioner Appeal.
Clause 6(32)(B)	Seeks to add a new sub-section (2A) in section 131 for inserting a condition to deposit ten percent of the amount upheld by CIR appeal prior to appeal before ATIR.
Clause 6(32)(C)	Seeks to enhance fee for lodging appeal against order by Commissioner appeal from Rs. 2000 to Rs. 5000 in case of company and from Rs. 2000 to Rs. 2500 for AOP and individual.
Clause 6(33)	Seeks to substitute section 134A.
Clause 6(34)(A)(a)	Seeks to omit the word “and” in clause (b) of sub-section (2) of section 138
Clause 6(34)(A)(b)	Seeks to substitute semi colon and the word “and” for full stop at the end clause (c) of sub-section (2) of section 138 to insert a new clause (d) for empowering Commissioner to exercise power clauses (a), (ca) and (d) of sub-section (1) of section 48 of the Sales Tax Act, 1990 for recovery of outstanding tax liability.
Clause 6(35)(A)	Seeks technical correction through substitution of the expression “(b)” for the expression “(a), (b), (ba)” in sub-section (2) of section 147.
Clause 6(35)(B)	Seeks to add a new provisio wherein Board may prescribe procedure for filing and calculation of turnover for the quarter through an automated system.
Clause 6(36)(A)(a)	Seeks to add the expression “in respect of goods classified in Parts I to III of the Twelfth Schedule” in sub-section (1) of section 148

Clause 6(36)(A)(b)	Seeks to add a new proviso to initiate that the Board may, through a notification in the official Gazette, add a good in any Part or reclassify a good from one Part to another of the Twelfth Schedule
Clause 6(36)(B)(a)	Seeks to insert the expression “goods on which tax is required to be collected under this section at the rate of 1% or 2% by an industrial undertaking for its own use” to make tax adjustable.
Clause 6(36)(B)(b)	Seeks to omit the hyphen and clauses “(a),(c),(d) in order to withdraw exemption from advance tax at import stage provided to motor vehicles in CBU condition by manufacturer of motor vehicles and large import houses.
Clause 6(36)(C)	Seeks to omit sub-section (8) and (8A) of section 148 to finish minimum tax regime for edible oil, packing material and plastic raw material and ships.
Clause 6(36)(D)(a)	Seeks to amend the term “value of Goods” by linking it with retail price under the Third Schedule of the Sales Tax Act, 1990, and other than Third Schedule items.
Clause 6(36)(D)(b)	Seeks to omit explanation to sub-section (9) of section 148.
Clause 6(37)	Seeks to omit section 148A
Clause 6(38)(A)	Seeks to add a new sub-section (1BBB) in section 152 to change final tax into minimum in case of payments made for advertisement services to non-resident media person.
Clause 6(38)(B)	Seeks to amend sub-section (2B) of section 152 to create parity between resident person and PE of a non-resident.
Clause 6(38)(C)	Seeks to add the words “in the prescribed form” as a procedural

	requirement.
Clause 6(38)(D)	Seeks to substitute the word “thirty”, with the word “twenty” to reduce rate of tax.
Clause 6(38)(E)	Seeks to add a new clause (c) in sub-section (5) of section 152.
Clause 6(39)(A)	Seeks to add the word “toll manufacturer” for deduction on payments of sale of goods under section 153(1)(a)
Clause 6(39)(B)(a)	Seeks to omit the expression “(a) and (c)” in sub-section (3) of section 153.
Clause 6(39)(B)(b)	Seeks to omit clauses (b), (d) and (e) in proviso to sub-section (3) of section 153 for being redundant.
Clause 6(39)(C)	Seeks to add new provisos to prescribe procedure for issuance of certificate for non-deduction of withholding tax u/s 153 to a public company listed on registered stock exchange in Pakistan if advance tax liability has been discharged.
Clause 6(39)(D)(a)	Seeks to substitute the word 100 for the word 50 in sub clause (h) in clause (i) of sub-section 7 to enhance the turnover limit for making an individual to be withholding agent.
Clause 6(39)(D)(b)	Seeks to substitute the word 100 for the word 50 in sub clause (l) in clause (i) of sub-section 7 to enhance the turnover limit for making an AOP to be withholding agent.
Clause 6(39)(D)(c)	Seeks to make sales tax registered person as withholding agent provided his turnover is more than 100 million in any of the preceding tax years.
Clause 6(40)	Seeks omission of section 156B which required deduction on

	payment of royalty to resident person.
Clause 6(41)(A)	Seeks to refer to prescribed form for application under sub-section (1) of section 159 for exemption certificate.
Clause 6(41)(B)	Seeks to refer to prescribed form for application under sub-section (2) of section 159 for exemption certificate.
Clause 6(42)(A)(a)	Seeks to make statement u/s 165 to be furnished on quarterly basis instead of biannual.
Clause 6(42)(A)(b)	Seeks to replace the word “quarter” for the word “half year” in clause (a)(b) and (c) in sub-section (1) of section 165.
Clause 6(42)(B)	Seeks to insert sub-section (1A) for person engaged in economic transaction as prescribed by the Board to furnish quarterly statement.
Clause 6(42)(C)(a)	Seeks to insert the expression “or (1A)” after the expression “sub-section (1)”.
Clause 6(42)(C)(b)	Seeks to replace quarter for biannual for furnishing of statement u/s 165.
Clause 6(43)	Seeks to omit the condition rupees five hundred thousand or more for submission of statement by bank regarding name of recipient of payment on account of profit on debt.
Clause 6(44)	Seeks to insert the missing sections regarding final taxation in sub-section (3) of section 168.
Clause 6(45)(A)(a)	Seeks to omit clause (a) of sub-section(1) of section 169
Clause 6(45)(A)(b)	Seeks to update clause (b) of sub-section (1) of section 169 by removing the sections which no more fall in final tax regimes.

Clause 6(45)(B)	Seeks to omit reference to sub-section (4) of section 115 in clause (a) and (b) of sub-section (3) of section 169.
Clause 6(46)	Seeks to add new sub-section in section 170 for reference to rules regulating procedure for expeditious and automatic payment of refund through centralized processing system.
Clause 6(47)(A)	Seeks to empower Commissioner to have real time electronic access to the information of the taxpayer.
Clause 6(47)(B)	Seeks to add new sub-section (9) in section 175 for enabling Board to make rules for real time electronic access to the information of the taxpayer for audit or survey of the persons liable to tax.
Clause 6(48)	Seeks to insert a new section namely 175A for describing procedure for other agencies to furnish information to the Board.
Clause 6(49)(A)(a)	Seeks to empower commissioner under section 177 (2A) to conduct electronic audit.
Clause 6(49)(A)(b)	Seeks to empower commissioner under section 177 (2AA) determine taxable income on the basis of sectoral benchmark ratio prescribed by the Board.
Clause 6(50)(A)	Seeks omission of the figure “115” in column (2) and (4) at serial no. 1A in section 182.
Clause 6(50)(B)	Seeks omission of the figure “115” in column (4) at serial no. 1AA in section 182.
Clause 6(50)(C)	Seeks to add new serial no. 4A and 4B in the table for prescribing penalty for person who fails to furnish or update profile or who

	contravenes section 181AA.
Clause 6(50)(D)	Seeks omission of the figure “115” in column (4) at serial no. 10 in section 182.
Clause 6(51)	Seeks to add a new sub-section to prescribe procedure for exclusion of taxpayer from active taxpayer list if he fails to update his profile and for inclusion in the list after filing his profile along with payment of surcharge.
Clause 6(52)	Seeks to add a new sub-section in section 205 for empowering commissioner to make assessment of default surcharge.
Clause 6(53)(A)	Seeks to add provisos to sub-section (2) of section 209 for prescribing procedure to empower officer of Inland Revenue through automated case selection system.
Clause 6(53)(B)	Seeks to define automated case selection through insertion of explanation in sub-section (2) of section 209.
Clause 6(54)	Seeks technical correction by referring to order of recovery under section 161 in section 210.
Clause 6(55)	Seeks to add explanation to sub-section(7) in section 231B to exclude vehicles having engine capacity up to 200 cc.
Clause 6(56)(A)	Seeks to make technical correction by inserting the expression “Division IV of”.
Clause 6(56)(B)	Seeks to empower commissioner to issue certificate for non-deduction of tax under section 235 to the taxpayer who has discharged his advance tax liability for the tax year.
Clause 6(57)	Seeks to omit section 235B relating to tax on steel melters and

	composite units.
Clause 6(58)(A)	Seeks to add an explanation to section 236A to include renewal of license in definition of auction.
Clause 6(58)(B)	Seeks to collect advance tax in installment under section 236A.
Clause 6(59)	Seeks to substitute the word “Five” with the word “four” to reduce holding period for capital gain taxation on disposal of immoveable property.
Clause 6(60)	Seeks to omit section 236D and section 236F in respect of collection of advance tax on functions/gathering and cable operators respectively.
Clause 6(61)	Seeks to amend section 236I to restrict collection of advance tax on tuition fee by educational institutions from person not appearing active taxpayer list
Clause 6(62)	Seeks to omit section 236J in respect of advance tax on agent, dealer etc.
Clause 6(63)	Seeks to amend section 236Q to change deduction of tax from Final tax to Minimum tax on payment for the use of machinery.
Clause 6(64)	Seeks to omit section 236R(advance tax on education related expenses remitted abroad), 236U (advance tax on insurance premium) and 236X (advance tax on tobacco)
Clause 6(65)(A)(a)	Seeks to substitute the expression “tax years 2018, 2019, 2020 and onwards” for the expression “tax years 2018, 2019, 2020” in the Division VII of Part-I of First Schedule, in order to extend the taxation on capital gain on disposal of securities.

Clause 6(65)(A)(b)	Seeks to amend Division VIII of Part I of the First Schedule to reduce rate of tax on capital gain emanating from disposal of immovable property.
Clause 6(65)(B)	Seeks to substitute Part-II of First Schedule, in order to create a paradigm shift in the current regime by shifting from person-specific rates to goods specific rates according to the type of goods, with tax @ 1% for capital goods, 2% for raw materials and 5.5% for finished goods irrespective of status of the importer.
Clause 6(65)(C)(a)	Seeks to amend Division I of Part-III of First Schedule to align the rate of charging section with withholding section in respect of dividend received from Company where no tax is payable by the company but dividend is distributed in the tax year.
Clause 6(65)(C)(b)	Seeks to amend Division IA of Part-III of First Schedule to align the rate of charging section with withholding section in respect of profit on debt.
Clause 6(65)(C)(c)	Seeks to amend Division IB of Part-III of First Schedule to align the rate of charging section with withholding section in respect of return on investment on <i>sukuk</i> where the <i>sukuk</i> holder is a company
Clause 6(65)(C)(d)	Seeks to amend Division II of Part-III of First Schedule to provide a level playing field for permanent establishment of non-residents viz-a-viz resident taxpayers by reducing withholding rate from 8% to 3% on account of payment for certain services.
Clause 6(65)(C)(e)	Seeks to amend Division III of Part-III of First Schedule to include

	toll manufacturer for deduction of tax at the rate of 4%.
Clause 6(65)(C)(f)	Seeks to omit words and comma “engineering services,” in Division III in paragraph (2), in sub-paragraph (i), for deduction of advance tax at reduced rate of 3%.
Clause 6(65)(D)(a)	Seeks to add a new proviso in Division VIII, in Part IV, to reduce rate of withholding tax from 10% to 5% in case of immoveable property sold by auction.
Clause 6(65)(D)(b)	Seeks to omit Division XI and XIII, in Part IV, in respect of rate of collection of advance tax on function/gathering and cable operator.
Clause 6(65)(D)(c)	Seeks to omit Division XVII(rate of advance tax on dealer, commission agents etc) XXIV (rate of advance tax on education related expenses remitted abroad) and XXV (Rate of advance tax on Insurance premium) , in Part IV
Clause 6(65)(D)(d)	Seeks to omit the expression “for person who are not appearing in the active taxpayers’ list” in Division XXVI in Part IV to extend scope of collection of advance tax on extraction of mineral to those who appear on active taxpayer list.
Clause 6(66)(A)(a)	Seeks to add a new proviso to clause 23(A) for deduction of tax by pension fund manager in certain cases in case of withdrawal of before retirement age.
Clause 6(66)(A)(b)	Seeks to add the following Sr.Nos. for exemption of income under clause 61 and to add proviso to clause 61 for the restricting exemption to income on account of donation to 10% and 15% of taxable income for individual and company respectively if donation

	is received from associate: (lvii) The Prime Minister's COVID-19 Pandemic Relief Fund-2020; (lviii) Ghulam Ishaq Khan Institute of Engineering Sciences and Technology (GIKI); (lvxi) Lahore University of Management Sciences; (lvxii) Dawat-e-Hadiya, Karachi; (lvxiii) Baitussalam Welfare Trust; (lvxiv) Patients' Aid Foundation; (lvxv) Alkhidmat Foundation;
Clause 6(66)(A)(c)	Seeks to distribute name of institution, foundation, societies, Board, Trust fund and fund in two tables for exemption under clause 61 of part I of the Second Schedule.
Clause 6(66)(A)(d)	Seeks to extend exemption to Developmental REIT Scheme from tax year 2020 to 2021 under clause 99A of Part I of Second Schedule.
Clause 6(66)(A)(e)	Seeks to insert clause (114AA) for exemption of income chargeable under the head capital gain by resident individual from the sale of constructed residential property
Clause 6(66)(A)(f)	Seeks to insert Gwadar Free Zone in clause (126A) for exemption with effect from 1 st June, 2020.
Clause 6(66)(A)(g)	Seeks exemption for China Overseas Port Holding Company Pakistan (Private) Limited, Gwadar International Terminals Limited, Gwadar Marine Services Limited and Gwadar Free Zone

	company Limited under clause 126AB of Part I of Second Schedule.
Clause 6(66)(A)(h)	Seeks to insert “Gwadar Port” and “Gwadar Free Zone” in clause (126AC) for exemption with effect from 1 st June, 2020.
Clause 6(66)(A)(i)	Seeks to exempt co-developer as defined in Special Economic Zone Rules, 2013 under clause (126E) subject to certain condition.
Clause 6(66)(A)(j)	Seeks to add new clause 147 in Part I of Second Schedule for exemption of income federal government employees housing authority for tax year 2020 and following four tax year.
Clause 6(66)(B)(a)	Seeks to add new clause (5AA) in Part II of Second Schedule for deduction on profit and debt under section 152 @ 10% as a final tax.
Clause 6(66)(B)(b)	Seeks to add new clause (24CA) in Part II of Second Schedule for deduction under section 153 to be 1.5% of the gross amount of payment received for supply utility store corporation of Pakistan upto 30 th day of September, 2020.
Clause 6(66)(C)	Seeks to insert clause (9B) in Part III of Second Schedule for exemption of income of project of low cost housing approved by Naya Pakistan Housing and Development Authority or under the Ehsaas Programme upto 90%.
Clause 6(66)(D)(a)	Seeks to omit 9A of Part IV of Second Schedule in case of steel melter to be exempt from section 153(1)(a) as prescribed person.
Clause 6(66)(D)(b)	Seeks to exempt Modarba, Prime Minister COVID-19 Pandemic

	Relief Fund-2020 and Federal Government Employees Housing Authority from provision of minimum tax under section 113
Clause 6(66)(D)(c)	Seeks to add a new clause (12B) to provide exemption from advance tax at import stage for various items imported in respect of fitting COVID-19 Pandemic.
Clause 6(66)(D)(d)	Seeks to add a new clause (12C) to exempt persons importing pluses from advance tax at import stage.
Clause 6(66)(D)(e)	Seeks to add a new clause (46AA) to exempt various persons from the provisions of section 153 in respect of payments made for sale of goods and rendering services.
Clause 6(66)(D)(f)	Seeks to amend clause (56) to exempt various persons from advance tax at import stage.
Clause 6(66)(D)(g)	Seeks to omit to clauses (56C), (56D), (56E) (56G) and (63).
Clause 6(66)(D)(h)	Seeks to add a new clause to provide exemption to Haj Operator from withholding provisions of payments made to non-resident.
Clause 6(66)(D)(i)	Seeks to omit clause (72B).
Clause 6(66)(D)(j)	Seeks to add a new clause (101AA) to provide exemption for Pak Rupee Account to the extent of foreign remittances credit from withholding provisions in respect of various banking payments.
Clause 6(66)(D)(k)	Seeks to add a new clause (102A) in order to provide exemption to Ehasaas Emergency Cash Transfer Programme from the withholding provision of advance tax on brokerage and commission payment.
Clause 6(66)(D)(l)	Seeks to add a new clause (111A) in order to provide exemption

	from 10 th schedule to extent of payment of divided to non-resident persons.
Clause 6(66)(D)(m)	Seeks to add a new clause (112A) in order to provide exemption from provisions of section 236P to non-resident rupee account reportable or a foreign currency account in Pakistan.
Clause 6(66)(D)(n)	Seeks to substitute clause (ae) of sub-section (114) for expression 115(4) in clause 114 of Part IV of Second Schedule
Clause 6(66)(D)(o)	Seeks to insert new clause (114A) for exempting none-resident individual from clause (ae) of sub-section 114 and section 181 solely by reason of profit on debt earned from a debt instrument.
Clause 6(66)(D)(p)	Seeks to add a new clause (116) for exempting the Prime Minister's COVID-19 Pandemic Relief Fund-2020 from the provisions of section 151, 231A, 231AA and 236P.
Clause 6(67)	Seeks to substitute figure "2020" with the figure "2021" in Rule 7C of the seven schedule.
Clause 6(68)(A)	Seeks to omit the expression "or a statement under sub-section (4) of section 115" from sub-rule (1) in rule (2) of tenth schedule.
Clause 6(68)(B)(a)	Seeks to omit the expression "or a statement, as the case may be" from sub rule (1) in rule (3) of tenth schedule.
Clause 6(68)(B)(b)	Seeks to omit the expression "or sub-section (5) of section 115 from sub rule (1) in rule (3) of tenth schedule.
Clause 6(68)(C)(a)	Seeks to substitute the expression "(2A)(a)" for the expression "(I), (IAA), (2)" in sub-rule (b) of rule 10 of Tenth schedule.
Clause 6(68)(C)(b)	Seeks to insert a new sub-rule (bb) in rule (10).

Clause 6(68)(C)(c)	Seeks to omit sub-rule (k), (n), (o), (q), (u), (v), (w) and (x) in rule 10 of Tenth Schedule.
Clause 6(69)	Seeks to add a new schedules “Eleventh Schedule” (rules for computation of profit and gain of builder and developer) and “Twelfth Schedule” (goods classifications for advance tax at import stage).

NOTES ON CLAUSES

FINANCE BILL, 2020

FEDERAL EXCISE ACT, 2005

Clause 7(1)	Seeks to add new sub-section (2AB) after sub-section (2A) in section 6
Clause 7(2)	Seeks to insert new section 14C after section 14B
Clause 7(3)	Seeks to substitute sub-section (1) in section 26
Clause 7(4)(a)	Seeks to substitute the words “of goods subject to Federal Excise Duty” with the expression “of cigarettes, un-manufactured tobacco or beverages” in the marginal note, in section 27
Clause 7(4)(b)	Seeks to substitute the words “dutiable goods” with the expression “cigarettes, un-manufactured tobacco or beverages” wherever occurring, in sub-section (2) of section 27
Clause 7(5)(a)	Seeks to add new sub-sections (1B) and (1C) after sub-section (1A) of section 33
Clause 7(5)(b)	Seeks to add new sub-section (4) after sub-section (3) of section 33
Clause 7(6)	Seeks to add new sub-section (3) after sub-section (1) and omitted sub-section (2) of section 34
Clause 7(7)	Seeks to substitute section 38

Clause 7(8)	Seeks to insert new sub-section (1A) after sub-section (1) of section 42B
Clause 7(9)	Seeks to omit sub-section (10) of section 46
Clause 7(10)(a)	Seeks to substitute the words “registered person” with the expression “limited companies, both public and private” in clause (d) of sub-section (1) of section 47
Clause 7(10)(b)	Seeks to substitute the words “registered person” with the expression “limited companies, both public and private” in clause (d) of sub-section (2) of section 47
Clause 7(11)	Seeks to insert new section 47AB after section 47A
Clause 7(12)(a)	Seeks to insert new S. No. 6a and entries relating thereto in columns (2), (3) and (4) after serial number 6 in column (1) of Table-1, in the First Schedule
Clause 7(12)(b)(i)	Seeks to substitute “cigars, cheroots, cigarillos and cigarettes, of tobacco and tobacco substitutes” in column (2), against S. No. 8 in column (1), in the Table-1, in the First Schedule
Clause 7(12)(b)(ii)	Seeks to substitute the word “Hundred” with the words “Sixty Five” in column (4), against S. No. 8 in column (1) of Table-1, in the First Schedule
Clause 7(12)(c)	Seeks to insert new S. No. 8a and entries relating thereto in columns (2), (3) and (4) after S. No. 8, in column (1), in the Table-1, in the First Schedule
Clause 7(12)(d)	Seeks to substitute the words “one rupee and seventy five paise” with the word “two” in column (4), against S. No. 13, in column (1), in Table-1 in the First Schedule

Clause 7(12)(e)	Seeks to insert new S. Nos. 55C and 55D and the entries relating thereto in columns (2), (3) and (4) after S. No. 55B, in column (1), in the Table-1, in the First Schedule
Clause 7(12)(f)	Seeks to substitute the word “one” with the figure “0.75” in column (1), against S. No. 56 in column (1), in the Table-1, in the First Schedule

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“The statement of estimated Tax Expenditure of the Federal Government as required under Section 8 of Public Finance Management Act 2019 is appended at the end of this bill.”

Statement of Estimated Tax Expenditure of Federal Government

Tax expenditure from federal taxes, in FY 2020, amounted to an estimated Rs. 1,150 billion. Tax expenditure in sales tax amounts highest at Rs. 518.8 billion (45% of the total), while in income tax it amounts to Rs. 378 billion (33%), and in Customs, at Rs. 253.1 billion (22%). In last fiscal year, FBR's tax collection was Rs. 3,828 billion. Hence, tax expenditure to total collection ratio comes to about 30%, and tax expenditure to GDP ratio stands at around 3%.

The following codes apply where tax expenditure estimates are not quantified:

“-“ Cost of tax expenditure is zero or rounded to zero

“n.a.” Estimate is not available due to insufficient data

Note: The elimination of a tax expenditure would not necessarily yield the full tax revenues shown in the following tables.

Tax Expenditure Estimates (Income Tax)

TABLE 1: Tax Expenditure Estimates of Income Tax - FY 2020

<u>Contents</u>	<u>(Rs. in mil)</u>
Part 1: Allowances	36,435
Part 2: Tax Credits	104,498
Part 3: Exemptions from Total Income	212,070
Part 4: Reduction in Tax Rates	128
Part 5: Reduction in Tax Liability	2,986
Part 6: Exemption from Specific Provisions	2,975
Part 7: Others / Miscellaneous	18,934
Total	378,026

Sr.	Legal Ref	Description	Intended Beneficiary	Estimate (Rs in mil)

Part 1: Allowances

1	23	Initial Allowance	New business entities.	30,010
2	23A	First Year Allowance	Industrial undertaking set up in specified rural and under developed areas or engaged in the manufacturing of cellular mobile phones	335

3	60	Deductible allowance for Zakat	Persons paying Zakat	477
4	60A	Deductible allowance for Workers' Welfare Fund	Persons paying Workers' Welfare Fund	2,453
5	60B	Deductible allowance for Workers' Participation Fund	Persons paying Workers' Participation Fund	2,721
6	60C	Deductible allowance for profit on debt	Individuals paying profit or share in rent and share in appreciation for value of house on loan by banks etc	285
7	60D	Deductible allowance for education expenses	Individuals having income of less than Rs. 1.5 million, paying tuition fee	154
Total				36,435

Part 2: Tax Credits

1	61	Tax credit for charitable donations	Persons giving charitable donations	2,492
2	62	Tax credit for investment in shares and insurance	Persons (excluding companies) investing in shares, sukuk, or life insurance	2,100
3	62A	Tax credit for investment in health insurance	Persons (excluding companies) investing in health insurance	19
4	63	Tax credit for contribution to an Approved Pension Fund.	Eligible persons as defined in sub-section (19A) of section 2 of Ordinance	1,162
5	64B	Tax credit for employment generation by manufacturers	Corporate manufacturing sector	14
6	65B	Tax credit for investment in balancing, modernization and replacement of plant & machinery	Corporate manufacturing sector	65,168
7	65C	Tax credit for enlistment in Stock	Companies opting for	357

		Exchange	enlistment registered exchange	in a stock exchange	
8	65D	Tax credit for newly established industrial undertakings	Corporate units corporate farming)	industrial (including dairy	5,573
9	65E	Tax credit for industrial undertakings established before the first day of July, 2011	Corporate units corporate farming)	industrial (including dairy	6,486
10	100C	Tax credit for Non-profit organizations, trusts or welfare institutions	Non-profit organizations, welfare institutions	trusts, welfare institutions	21,128
Total					104,498

Part 3: Exemptions from Total Income

1	3	Salary of foreign personnel engaged by institutions of the Agha Khan Development Network	Foreign experts working with Agha Khan Development Network, (Pakistan)	117
2	4	Salary received by Pakistani seafarers	Employees (Pakistani seafarers)	48
3	5	Foreign allowances (Government of Pakistan)	Employees (diplomats)	1,167
4	8	Pension received by a citizen of Pakistan from a former employer	Employees (pensioners)	2,781
5	9	Pensions (Government)	Employees (retired government servants & military personnel)	13,680
6	12	Commutation of Pension	Employees (pensioners)	18,722
7	13	Gratuities	Employees (recipients of gratuity payments)	1,112
8	17	Income derived by the families and dependents of the "Shaheeds" belonging to the Civil Armed Forces of Pakistan	Families and dependents of the "Shaheeds" belonging to the Civil Armed Forces	n.a.

9	19	Encashment of leave preparatory to retirement	Employees (retiring personnel of Armed Forces or Government servant)	2,776
10	22	Payments from a provident fund to which the Provident Funds Act, 1925 applies.	Employees (recipient of payments from provident funds)	12,703
11	23	The accumulated balance due and becoming payable to an employee participating in a recognized provident fund.	Employees participating in a recognized provident fund.	2,106
12	23A	The accumulated balance upto 50% received from a pension fund at the time of eligible person's- (a) retirement; or (b) disability rendering him unable to work; or (c) death by his nominated survivors.	Voluntary participants in pension funds	179
13	23B	Monthly installments from an income payment plan invested with a pension fund manager	Pensioners	21
14	23C	Withdrawal of accumulated balance from approved pension fund	Pensioners	240
15	24	Benevolent grants paid from the Benevolent Fund (under Central Employee Benevolent Fund and Group Insurance Act, 1969)	Employees (recipient of benevolent grants)	656
16	25	Payments from an approved superannuation fund made on the death of a beneficiary	Families of deceased enrolled in approved superannuation funds	59
17	26	Sums received by workers from Workers Participation Fund (WPF)	Low-income workers; recipients of payments from WPF	-
18	39	Special allowance or benefit for employees to meet expenses incurred in the performance of the duties	Employees receiving payments to meet expenses in the performance of duties	1,167
19	40	Income of a newspaper	Newspaper employees	-

		employee representing Local Travelling Allowance		
20	53A	Employment related perquisites (food, education, medical treatment and any other perquisites, if provided by employer for free or at subsidized rates)	Employees receiving employment-related perquisites.	106
21	55	House rent allowance (to judges of the Supreme Court of Pakistan or of High Courts)	Judiciary of Superior Courts	32
22	56	Perquisites, benefits and allowances received by a Judge of Supreme Court of Pakistan and Judge of High Court	Judiciary of Superior Courts	283
23	57(1)	Any income from voluntary contributions, house property and investments in securities of the Federal Government derived by the following, namely:- (i) National Investment (Unit) Trust of Pakistan (ii) Mutual Fund set up by the Investment Corporation of Pakistan, (iii) Sheikh Sultan Trust, Karachi.	* National Investment (Unit) Trust of Pakistan, * Mutual Funds set up by Investment Corporation of Pakistan * Sheikh Sultan Trust Karachi.	36
24	57(2)	Income other than capital gain on stock and shares of public company, PTC vouchers, modaraba certificates, or any instrument of redeemable capital and derivative products held for less than 12 months derived by any Mutual Fund, investment company, or a collective investment scheme or a REIT Scheme or Private Equity and Venture Capital Fund or the National Investment (Unit) Trust of Pakistan, if not less than ninety per cent of its income of	Mutual funds, investment companies, collective investment schemes, REIT schemes, Private Equity & Venture Capital Funds, and National Investment (Unit) Trust of Pakistan	-

		that year is distributed amongst the Unit- holders.		
25	57(3)	Any income of the following funds and institution, namely:-		
26	57(3)	(i) a provident fund to which the Provident Funds Act, 1925 applies;	Provident Funds	1,770
27	57(3)	(ii) trustees on behalf of a recognized provident fund or an approved superannuation fund or an approved gratuity fund;	Trustees of recognized provident funds, approved superannuation funds, and approved gratuity funds	13,118
28	57(3)	(iii) a benevolent fund or group insurance scheme approved by the Board for the purposes of this clause;	Benevolent funds and group insurance schemes	104
29	57(3)	(iv) Service Fund;	Service Funds	-
30	57(3)	(iv) Employees Old Age Benefits Institution established under the Employees Old Age Benefit Act, 1976 (XIV of 1976);	Employees Old Age Benefits Institution	89
31	57(3)	(v) any Unit, Station or Regimental Institute; and	Unit, Station or Regimental Institutes	n.a
32	57(3)	(vi) any recognized Regimental Thrift and Savings Fund, the assets of which consist solely of deposits made by members and profits earned by investment thereof;	Regimental Thrift and Savings Funds	n.a.
33	57(3)	(vii) a Pension Fund approved by the SECP	Approved Pension Funds	55
34	57(3)	(viii) any profit or gain or benefit derived by a pension fund manager from a pension Fund approved under the Voluntary Pension System Rules, 2005, on redemption of the seed capital invested in pension fund as specified in the Voluntary Pension System Rules, 2005;	Pension funds under the Voluntary Pension System Rules 2005	14

35	57(3)	xi. International Irrigation Management Institute.	International Irrigation Management Institute	0
36	57(3)	xii. Punjab Pension Fund established under the Punjab Pension Fund Act, 2007 (I of 2007) and the trust established thereunder.	Punjab Pension Fund	1,248
37	57(3)	xiii. Sindh Province Pension Fund established under the Sindh Province Pension Fund Ordinance, 2002.	Sindh Province Pension Fund	1,162
38	57(3)	xiv. Punjab General Provident Investment Fund established under the Punjab General Provident Investment Fund Act, 2009 (V of 2009) and the trust established thereunder."	Punjab General Provident Investment Fund	181
39	57(3)	(xv) Khyber Pakhtunkhwa Retirement Benefits and Death Compensation Fund.	Khyber Pakhtunkhwa Retirement Benefits and Death Compensation Fund	115
40	57(3)	(xvi) Khyber Pakhtunkhwa General Provident Investment Fund.	Khyber Pakhtunkhwa General Provident Investment Fund	1,693
41	57(3)	(xvii) Khyber Pakhtunkhwa Pension Fund ;	Khyber Pakhtunkhwa Pension Fund	1,105
42	61	<u>Any amount paid as donation to the following institution, foundations, societies, boards, trusts and funds, namely:</u>	<u>Persons making donations to the listed entities</u>	
43	61	(i) any Sports Board or institution recognised by the Federal Government for the purposes of promoting, controlling or regulating any sport or game	ibid	n.a.
44	61	(ia) The Citizens Foundation	ibid	0.8
45	61	(iii) Fund for Promotion of Science and Technology in Pakistan	ibid	-
46	61	(iv) Fund for Retarded and Handicapped Children	ibid	n.a.

47	61	(v) National Trust Fund for the Disabled	ibid	n.a.
48	61	(vii) Fund for Development of Mazaar of Hazarat Burri Imam	ibid	n.a.
49	61	(viii) Rabita-e-Islami's Project for printing copies of the Holy Quran	ibid	n.a.
50	61	(ix) Fatimid Foundation, Karachi	ibid	19.23
51	61	(x) Al-Shifa Trust	ibid	n.a.
52	61	(xii) Society for the Promotion of Engineering Sciences and Technology in Pakistan	ibid	-
53	61	(xxiii) Citizens-Police Liaison Committee, Central Reporting Cell, Sindh Governor House, Karachi	ibid	n.a.
54	61	(xxiv) ICIC Foundation	ibid	-
55	61	(xxvi) National Management Foundation	ibid	-
56	61	(xxvii) Endowment Fund of the institutions of the Agha Khan Development Network	ibid	16
57	61	(xxviii) Shaheed Zulfiqar Ali Bhutto Memorial Awards Society	ibid	n.a.
58	61	(xxix) Iqbal Memorial Fund	ibid	n.a.
59	61	(xxx) Cancer Research Foundation of Pakistan, Lahore	ibid	3
60	61	(xxxi) Shaukat Khanum Memorial Trust, Lahore	ibid	681
61	61	(xxxii) Christian Memorial Hospital, Sialkot	ibid	0.06
62	61	(xxxiii) National Museums, National Libraries and Monuments or institutions declared to be National Heritage by the Federal Government	ibid	n.a.
63	61	(xxxiv) Mumtaz Bakhtawar Memorial Trust Hospital, Lahore	ibid	0.43
64	61	(xxxv) Kashmir Fund for	ibid	n.a.

		Rehabilitation of Kashmir Refugees and Freedom Fighters		
65	61	(xxxvi) Institutions of the Agha Khan Development Network (Pakistan)	ibid	975
66	61	(xxxvii) Azad Kashmir President's Mujahid Fund, 1972; National Institute of Cardiovascular Diseases, (Pakistan) Karachi; Businessmen Hospital Trust, Lahore; Premier Trust Hospital, Mardan; Faisal Shaheed Memorial Hospital Trust, Gujranwala; Khair-un-Nisa Hospital Foundation, Lahore; Sind and Balochistan Advocates' Benevolent Fund; Rashid Minhas Memorial Hospital Fund.	ibid	97
67	61	(xxxviii) Any relief or welfare fund established by the Federal Government;	ibid	-
68	61	(xxxix) Mohatta Palace Gallery Trust	ibid	4
69	61	(xl) Bagh-e-Quaid-e-Azam project, Karachi	ibid	-
70	61	(xli) Any amount donated for Tameer-e-Karachi Fund	ibid	-
71	61	(xlii) Pakistan Red Crescent Society	ibid	12
72	61	(xliii) Bank of Commerce and Credit International Foundation for Advancement of Science and Technology	ibid	n.a.
73	61	(xliv) Any amount donated to Federal Board of Revenue Foundation.	ibid	-
74	61	(xlv) The Indus Hospital, Karachi	ibid	186
75	61	(xlvi) Pakistan Sweet Homes Angels and Fairies Place	ibid	4
76	61	(xlvii) Al-Shifa Trust Eye Hospital	ibid	23

77	61	(xlviii) Aziz Tabba Foundation	ibid	41
78	61	(xlix) Sindh Institute of Urology and Transplantation, SIUT Trust and Society for the Welfare of SIUT	ibid	13
79	61	(i) Sharif Trust	ibid	3
80	61	(ii) The Kidney Centre Post Graduate Institute	ibid	3
81	61	(lii) Pakistan Disabled Foundation	ibid	1
82	61	(liii) Sardar Trust Eye Hospital, Lahore	ibid	1
83	61	(liv) Supreme Court of Pakistan – Diamer Bhasha & Mohm and Dams	ibid	2,135
84	61	(lv) Layton Rahmatullah Benevolent Trust (LRBT)	ibid	227
85	61	(lvi) Akhuwat	ibid	134
86	64A	Any amount donated to the Prime Minister's Special Fund for victims of terrorism	Persons making donations into the said Fund.	-
87	64B	Any amount donated to the Chief Minister's (Punjab) Relief Fund for Internally Displaced Persons (IDPs) of NWFP.]	Persons making donations into the said Fund.	-
88	64C	Prime Minister's Flood Relief Fund 2010 and Provincial Chief Ministers' Relief Funds, for victims of flood 2010.	Persons making donations into the said Fund.	-
89	65A	Income for any tax year commencing from the tax year 2003, derived from the Welfare Fund created under rule-26 of the Emigration Rules, 1979 (made under section 16 of the Emigration Ordinance, 1979 (XVIII of 1979), except the income generated by the aforesaid Fund through	Emigrants and their families in Pakistan	-

		commercial activities.		
90	66	<u>Any income derived by following entities:</u>	<u>Specific Entities by name</u>	-
91	66	i. Abdul Sattar Edhi Foundation, Karachi	Abdul Sattar Edhi Foundation, Karachi	689
92	66	ii. Al-Shifa Trust, Rawalpindi	Al-Shifa Trust, Rawalpindi	7
93	66	iii. Bilquis Edhi Foundation, Karachi	Bilquis Edhi Foundation, Karachi	395
94	66	iv. Fatimid Foundation, Karachi	Fatimid Foundation, Karachi	9
95	66	vi. International Islamic Trade Finance Corporation	International Islamic Trade Finance Corporation	-
96	66	vii. Islamic Corporation for Development of Private Sector	Islamic Corporation for Development of Private Sector	-
97	66	viii. National Memorial Bab-e-Pakistan Trust	National Memorial Bab-e-Pakistan Trust	-
98	66	ix. Pakistan Agricultural Research Council, Islamabad	Pakistan Agricultural Research Council, Islamabad	4
99	66	x. Pakistan Engineering Council	Pakistan Engineering Council	184
100	66	xi. The corporatized entities of Pakistan Water and Power Development Authority	The corporatized entities of Pakistan Water and Power Development Authority	-
101	66	xii. The Institution of Engineers, Pakistan, Lahore	The Institution of Engineers, Pakistan, Lahore	11
102	66	(xiia) The Prime Minister's Special Fund for victims of terrorism	The Prime Minister's Special Fund for victims of terrorism	-
103	66	(xiib) Chief Minister's (Punjab) Relief Fund for Internally Displaced Persons (IDPs) of NWFP	Chief Minister's (Punjab) Relief Fund for Internally Displaced Persons (IDPs) of NWFP	-
104	66	xiii. The Institutions of the Agha Khan Development Network	The Institutions of the Agha Khan	510

		(Pakistan)	Development Network (Pakistan)	
105	66	xiv. The Liaquat National Hospital Association, Karachi	The Liaquat National Hospital Association, Karachi	224
106	66	xv. The Pakistan Council of Scientific and Industrial Research	The Pakistan Council of Scientific and Industrial Research	135
107	66	xvi. The Pakistan Water and Power Development Authority	The Pakistan Water and Power Development Authority	8,315
108	66	xvii. WAPDA First Sukuk Company Limited	WAPDA First Sukuk Company Limited	-
109	66	(xix) Pension of a former President of Pakistan and his widow under the President Pension Act, 1974	Former Presidents of Pakistan and their widows	-
110	66	(xx) State Bank of Pakistan and State Bank of Pakistan Banking Services Corporation	State Bank of Pakistan and State Bank of Pakistan Banking Services Corporation	50,201
111	66	(xxi) International Finance Corporation	International Finance Corporation	-
112	66	(xxii) Pakistan Domestic Sukuk Company Ltd	Pakistan Domestic Sukuk Company Ltd	-
113	66	(xxiii) The Asian Development Bank	The Asian Development Bank	-
114	66	(xxiv) The ECO Trade and Development Bank	The ECO Trade and Development Bank	495
115	66	(xxv) The Islamic Chamber of Commerce and Industry under the Organization of Islamic Conference (OIC)	The Islamic Chamber of Commerce and Industry under the Organization of Islamic Conference (OIC)	-
116	66	(xxvi) COMSATS	COMSATS	-
117	66	(xxvii) WAPDA on issuance of twenty billion rupees TFC's/SUKUK certificates for consideration of Diamer Bhasha Dam Projects	WAPDA	-

118	66	(xxviii) Federal Board of Revenue Foundation	Federal Board of Revenue Foundation	-
119	66	(xxix) WAPDA Second Sukuk Company Limited	WAPDA Second Sukuk Company Limited	-
120	66	(xxx) The Citizens Foundation	The Citizens Foundation	172
121	66	(xxxi) Sindh Institute of Urology and Transplantation, SIUT Trust and Society for the Welfare of SIUT	Sindh Institute of Urology and Transplantation, SIUT Trust and Society for the Welfare of SIUT	840
122	66	(xxxii) Greenstar Social Marketing Pakistan (Guarantee) Limited	Greenstar Social Marketing Pakistan (Guarantee) Limited	24
123	66	(xxxiii) Pakistan International Sukuk Company Limited	Pakistan International Sukuk Company Limited	n.a.
124	66	(xxxiii) The Indus Hospital, Karachi	The Indus Hospital, Karachi	78
125	66	(xxxiv) Second Pakistan International Sukuk Company Limited	Second Pakistan International Sukuk Company Limited	-
126	66	(xxxv) Third Pakistan International Sukuk Company Limited	Third Pakistan International Sukuk Company Limited	-
127	66	(xxxvi) Asian Infrastructure Investment Bank and persons as provided in Article 51 of Chapter IX of the Articles of Agreement signed and ratified by Pakistan and entered into force on the 25th December, 2015.	Asian Infrastructure Investment Bank	-
128	66	(xxxvii) Gulab Devi Chest Hospital.	Gulab Devi Chest Hospital.	11
129	66	(xxxviii) Pakistan Poverty Alleviation Fund.	Pakistan Poverty Alleviation Fund.	312
130	66	(xxxix) National Academy of Performing Arts.	National Academy of Performing Arts.	22
131	66	(xl) Pakistan Sweet Homes Angels and Fairies Place.	Pakistan Sweet Homes Angels and	35

				Fairies Place.	
132	66	(xli) National Rural Support Programme.	National Rural Support Programme.	510	
133	66	(xlii) SAARC Energy Centre.	SAARC Energy Centre.	-	
134	66	(xlili) Pakistan Bar Council.	Pakistan Bar Council.	0.4	
135	66	(xliv) Pakistan Centre for Philanthropy.	Pakistan Centre for Philanthropy.	0.8	
136	66	(xlv) Pakistan Mortgage Refinance Company Limited.	Pakistan Mortgage Refinance Company Limited.	0.9	
137	66	(xlvi) Aziz Tabba Foundation.	Aziz Tabba Foundation.	32	
138	66	(I) Al-Shifa Trust Eye Hospital.	Al-Shifa Trust Eye Hospital.	n.a.	
139	66	(li) Saylani Welfare International Trust.	Saylani Welfare International Trust.	34	
140	66	(lii) Shaukat Khanum Memorial Trust.	Shaukat Khanum Memorial Trust.	141	
141	66	(liii) Layton Rahmatullah Benevolent Trust (LRBT).	Layton Rahmatullah Benevolent Trust (LRBT).	47	
142	66	(liv) The Kidney Centre Post Graduate Training Institute.	The Kidney Centre Post Graduate Training Institute.	75	
143	66	(lv) Pakistan Disabled Foundation.	Pakistan Disabled Foundation.	-	
144	66	(lvi) Forman Christian College;	Forman Christian College;	30	
145	66	(lvii) Habib University Foundation.	Habib University Foundation.	25	
146	66	(lviii) Begum Akhtar Rukhsana Memorial Trust Hospital.	Begum Akhtar Rukhsana Memorial Trust Hospital.	21	
147	66	(lix) Al-Khidmat Foundation.	Al-Khidmat Foundation.	18	
148	66	(Ix) Dawat-e-Islami Trust	Dawat-e-Islami Trust	512	
149	66	(Ixi) Sardar Trust Eye Hospital, Lahore.	Sardar Trust Eye Hospital, Lahore.	1.2	

150	66	(Ixi) Supreme Court of Pakistan – Diamer Bhasha & Mohmand Dams – Fund	Supreme Court of Pakistan – Diamer Bhasha & Mohmand Dams – Fund	3
151	66	(Ixi) National Disaster Risk Management Fund.	National Disaster Risk Management Fund.	0.2
152	66	(Ixiv) Deposit Protection Corporation	Deposit Protection Corporation	Already accounted for under sub-clause (xx) under consolidated figure for SBP
153	66	(Ixv) Sarmaya-e-Pakistan Limited	Sarmaya-e-Pakistan Limited	-
154	66	(Ixvi) Akhuwat	Akhuwat	148
155	66	(Ixvii) Audit Oversight Board.	Audit Oversight Board.	0.4
156	66	(Ixviii) Patient's Aid Foundation.	Patient's Aid Foundation.	13
157	72A	Any income derived by Sukuk holder in relation to Sukuk issued by "The Second Pakistan International Sukuk Company Limited" and the Third Pakistan International Sukuk Company Limited, including any gain on disposal of such Sukuk.	Sukuk holders	2,771
158	74	Profit on debt derived by Hub Power Company Limited on or after the first day of July,1991	Hub Power Company Limited	1.66
159	75	Any income of an agency of a foreign Government, a foreign national (company, firm or association of persons), or any other non-resident person approved by the Federal	Agencies of foreign Governments, foreign nationals or any other non-resident person approved by the Federal Government	6,557

		Government for the purposes of this clause, from profit on moneys borrowed under a loan agreement or in respect of foreign currency instrument approved by the Federal Government.		
160	78	Profit on debt on foreign currency accounts	Foreign currency account holders	n.a.
161	79	Profit on debt derived by non-resident Pakistanis on rupee accounts	Citizens of Pakistan residing abroad and remitting foreign exchange	n.a.
162	80	Income derived from a private foreign currency account held with an authorised bank in Pakistan, or certificate of investment issued by investment banks, by a resident individual who is a citizen of Pakistan: (This exemption is not available in respect of any incremental deposits made in the said accounts on or after the 16th day of December, 1999)	Foreign currency account holder resident individual citizens of Pakistan	-
163	90	Profit on debt payable by Pakistani industrial undertakings to financial institutions in foreign countries	Financial institutions in foreign countries lending with approval of Federal Government of Pakistan	n.a.
164	90A	Profit on debt derived by any person on bonds issued by Pakistan Mortgage Refinance Company to refinance the residential housing mortgage market, for a period of five years	Investors / buyers of bonds issued by Pakistan Mortgage Refinance Company	-
165	91	Text-book boards of Provinces	Text-book boards of provinces	531
166	98	Sports Boards (except Pakistan Cricket Board).	Regulators, organizations and boards established by government to	59

			encourage major games and sports	
167	99	Collective Investment Schemes or a REIT Schemes	Collective Investment Schemes and REIT Schemes that are distributing more than 90% of their incomes to certificate holders / shareholders.	5,228
168	99A	Profits and gains on sale of immovable property to a REIT Scheme	Taxpayers selling immovable property to a Developmental REIT Scheme or a rental REIT Scheme	-
169	100	Modarabas	Modarabas	425
170	101	Venture capital companies and venture capital funds registered under Venture Capital Companies and Funds Management Rules, 2000 and a Private Equity and Venture Capital Funds	Venture capital companies venture capital funds, and Private Equity & Venture Capital Funds.	1
171	102A	Income representing a subsidy granted by the Federal Government	Recipients of subsidies granted by Federal Government	2,729
172	103	Distributions received by a taxpayer from collective investment schemes or mutual funds (which are debt or money market funds and do not invest in shares) out of capital gains	Investors investing in debt or money market mutual funds and collective investment schemes	1
173	104	Income derived by the Libyan Arab Foreign Investment Company being dividend of the Pak-Libya Holding Company.	Libyan Arab Foreign Investment Company	-
174	105	Income derived by the Government of Kingdom of Saudi Arabia being dividend of the Saudi-Pak Industrial and Agricultural Investment Company Limited.	Government of Kingdom of Saudi Arabia	25

175	105A	Income derived by Kuwait Foreign Trading Contracting and Investment Company or Kuwait Investment Authority being dividend of the Pak Kuwait Investment Company in Pakistan	Kuwait Foreign Trading Contracting & Investment Company, and Kuwait Investment Authority	38
176	105B	Income received by a taxpayer from a corporate agricultural enterprise, distributed as dividend out of its income from agriculture.	Taxpayers receiving dividend income from corporate agricultural enterprises	43
177	110B	Any gain on transfer of a capital asset, being a membership right held by a member of an existing stock exchange, for acquisition of shares and trading or clearing rights acquired by such member in new corporatized stock exchange in the course of corporatization of an existing stock exchange.	Members of Stock Exchange	-
178	110C	Any gain by a person on transfer of a capital asset, being a bond issued by Pakistan Mortgage Refinance Company to refinance the residential housing mortgage market, during the period from the 1st day of July, 2018 till the 30th day of June, 2023.	Persons deriving gain from bonds issued by Pakistan Mortgage Refinance Company	-
179	114	Income under the head "capital gains" derived by industrial undertakings set up in a "Zone" within the meaning of the Export Processing Zones Authority Ordinance, 1980	Industrial undertakings set up in "Zones" within the meaning of Export Processing Zones Authority Ordinance	n.a.
180	126	Public sector universities	Public sector Universities	4,242
181	126A	Income derived by China Overseas Ports Holding Company Limited, China Overseas Ports Holding Company Pakistan (Private)	Listed companies	3

		Limited, Gawadar International Terminal Limited, Gawadar Marine Services Limited and Gawadar Free Zone Company Limited from Gawadar Port operations for a period of twenty-three years, with effect from the sixth day of February, 2007.		
182	126AA	Profit and gains derived by a taxpayer from businesses set up in the Gawadar Free Zone Area	All businesses set up in Gawadar Free Zone	-
183	126AB	Profit on debt derived by- (a) any foreign lender; or (b) any local bank having more than 75 per cent shareholding of the Government or the State Bank of Pakistan, under a Financing Agreement with the China Overseas Ports Holding Company Limited	Foreign lenders or public sector banks/State bank having financing agreement with China Overseas Ports Holding Company Limited	-
184	126AC	Income derived by contractors and sub-contractors of China Overseas Ports Holding Company Limited, China Overseas Ports Holding Company Pakistan (Private) Limited, Gawadar International Terminal Limited, Gawadar Marine Services Limited and Gawadar Free Zone Company Limited from Gawadar Port operations	Contractors and sub-contractors of listed companies from Gawadar Port operations	-
185	126AD	Income derived by China Overseas Ports Holding Company Limited being dividend received from China Overseas Ports Holding Company Pakistan (Private) Limited, Gwadar International Terminal Limited Gwadar Marine Services Limited and Gwadar Free Zone Company Limited	China Overseas Ports Holding Company Limited	-

186	126B	Profit and gains derived by Khalifa Coastal Refinery	Khalifa Coastal Refinery	-
187	126BA	Refineries	Oil refineries	443
188	126C	Industrial undertakings set up in Larkano Industrial Estate	Industrial undertakings set up in Larkano Industrial Estate	-
189	126D	Industrial undertakings set up in the Gawadar declared by the Federal Government to be a Zone within the meaning of Export Processing Zone Authority Ordinance, 1980	Industrial undertaking set up in the Gawadar	-
190	126E	Income derived by a zone enterprise as defined in the Special Economic Zones Act, 2012 and developer of zone for a period of ten years	Zone enterprise as defined in the Special Economic Zones Act, 2012, and developers of zones.	198
191	126G	1.Income of Astro Plastics (Pvt) Limited derived from their project Biaxially Oriented Polyethylene Terephthalate (BOPET) Project; and 2. Income of Novatex Limited derived from their project Biaxially Oriented Polyethylene Terephthalate (BOPET) Project.	Astro Plastics (Pvt) Limited, M/s. Novatex Limited	-
192	126H	Income from fruit processing or preservation units set up in Balochistan Province, Malakand Division, Gilgit Baltistan and FATA	Fruit processing or preservation units set up in Balochistan Province, Malakand Division, Gilgit Baltistan and ex-FATA	-
193	126I	Industrial undertakings engaged in the manufacture of plant, machinery, equipment and items with dedicated use for generation of renewable energy	Manufacturers of plant, machinery & equipment for use in generation of renewable energy sources.	11
194	126J	Profits and gains derived by a taxpayer, from an industrial	Industrial undertakings engaged in operating	n.a.

		undertaking engaged in operating warehousing or cold chain facilities for storage of agriculture produce	warehousing or cold chain facilities for storage of agriculture produce	
195	126K	Profits and gains derived by industrial undertakings set up for establishing and operating a halal meat production unit	Halal meat production units	21
196	126L	Industrial undertakings set up in the Provinces of Khyber Pukhtunkhwa and Baluchistan	Industrial undertakings set up in the Provinces of Khyber Pukhtunkhwa and Baluchistan between 1st day of July, 2015 and 30th day of June, 2018	9
197	126M	Profits and gains derived by a taxpayer from a transmission line project set up in Pakistan	Companies deriving income from transmission line projects in Pakistan	7
198	126N	Profits and gains derived by a taxpayer from an industrial undertaking, duly certified by the Pakistan Telecommunication Authority, engaged in the manufacturing of cellular mobile phones	Local cellular mobile phone manufacturers	12
199	126O	Profits and gains of a company from a green field industrial undertaking incorporated on or after the first day of July, 2019	Green field industrial undertakings	-
200	131	Royalty, commission or fees earned 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	Innovators and technical experts	2
201	132	Profits and gains derived by a taxpayer from an electric power generation project set up in Pakistan on or after the 1st day	Electric power generation projects	26,888

		of July, 1988.		
202	132A	Profit and gains derived by Bosicor Oil Pakistan Limited	Bosicor Oil Pakistan Limited (refinery)	-
203	132B	Coal mining projects in Sindh, supplying coal exclusively to power generation projects.	Coal mining projects in Sindh	-
204	133	Income from exports of computer software or IT services or IT enabled services	Exporters of computer software, IT services or IT enabled services	1,239
205	135A	Income derived by non-residents from investment in OGDCL exchangeable bonds issued by the Federal Government.	Non-residents deriving income from investment in OGDCL exchangeable bonds issued by the Federal Government.	-
206	136	Income of a special purpose vehicle as defined in the Asset Backed Securitization Rules, 1999	Special purpose vehicles as defined in the Asset Backed Securitization Rules, 1999	-
207	139	Medical treatment or hospitalization for employees	Employees receiving free medical care from employers.	1,051
208	141	Profit and gains derived by LNG Terminal Operators and Terminal Owners	LNG Terminal Operators and Terminal Owners	732
209	142	Income from social security contributions derived by the four provincial Social Security institutions	Provincial social security institutions	5,017
210	143	Start-ups	Startups as defined in clause (62A) of section 2 of the ITO-2001	635
211	145A, 146	Income of individuals domiciled or companies and associations of persons resident in the erstwhile Tribal Areas	Individuals domiciled or companies and associations of persons resident in the ex-Tribal Areas	4,454
212	16, 39A, 51, 52	Others	Others	1,192

Total	212,070

Part 4 : Reduction in Tax Rates

1	3	The tax in respect of income from services rendered outside Pakistan and construction contracts executed outside Pakistan shall be 50% of the rates as specified in Division III of Part III of the First Schedule	Service providers and contractors	-
2	3B	The income of Pakistan Cricket Board derived from sources outside Pakistan shall be taxed at a rate of four per cent of the gross receipts from such sources	Pakistan Cricket Board	-
3	18	In the case of a modaraba the rate of income tax shall be 25% of total income excluding such part of total income to which Division III of Part I of the First Schedule or section 153 or section 154 applies.	Modarabas	0.2
4	18A	The rate of tax shall be reduced to 20% for a company setting up an industrial undertaking between the first day of July, 2014 to the thirtieth day of June, 2017, for a period of five years beginning from the month in which the industrial undertaking is set up or commercial production is commenced whichever is later	Companies setting up industrial undertakings between 2014 and 2017	-
5	18B	The rate of tax shall be reduced by 2% in case of a company whose shares are traded on stock exchange if it fulfills prescribed shari'ah compliant criteria approved by State Bank	Shariah compliant companies whose shares are traded on stock exchange	6

		of Pakistan, Securities and Exchange Commission of Pakistan and the Board, and derives income from manufacturing activities only		
6	27	The tax on payments under the Compulsory Monetization of Transport Facility for Civil Servants in BS-20 to BS-22 (as reduced by deduction of driver's salary) shall be charged at the rate of 5% as a separate block of income.	Employees (civil servants of BS-20 and above)	99
7	28A	The rate of tax under section 148 on import of hybrid cars shall be reduced as below:— Upto 1200 cc - 100% 1201 to 1800 cc - 50% 1801 to 2500 cc - 25%	Consumers of Hybrid Cars	23
8	28C	The rates of tax as specified in Division II of Part-IV of the First Schedule shall be five percent in the case of a person running online marketplace as defined in clause (38B) of section 2.]	E-commerce sector	-
Total				128

Part 5: Reduction in Tax Liability

1	1(1)	Any amount received as flying allowance by flight engineers, navigators of Pakistan Armed Forces, Pakistani Airlines or Civil Aviation Authority, Junior Commissioned Officers or other ranks of Pakistan Armed Forces; and submarine allowance by the officers of the Pakistan Navy, shall be taxed @ 2.5% as a separate block of income	Employees (persons receiving flying allowance)	133

2	1(1AA)	Total allowances received by pilots of any Pakistani airlines shall be taxed at a rate of 7.5%, provided that the reduction under this clause shall be available to so much of the allowances as exceeds an amount equal to the basic pay	Employees (pilots of Pakistani Airlines)	430
3	1(2)	Tax concession for full time teacher or a researcher	Employees (full time teacher or a researcher)	2,421
4	4	In respect of old and used automotive vehicles, tax under section 148 shall not exceed the amount specified in Notification No. S.R.O. 577(I)/2005, dated the 6th June, 2005.	Importers of old and used cars	1
5	7	The amount of tax payable by foreign film-makers from making films in Pakistan shall be reduced by fifty percent on income from film-making in Pakistan.	Foreign film-makers	-
6	8	The amount of tax payable by resident companies deriving income from film-making shall be reduced by seventy percent on income from film-making.	Film making companies based in Pakistan	n.a.
7	9	The tax payable on profits and gains derived by a person from low cost housing projects shall be reduced by fifty percent.	Taxpayers deriving income from low cost housing projects	n.a.
Total				2,986

Part 6 : Exemption from Specific Provisions

1	5	The provisions of section 111 regarding un-explained income or assets shall not apply in respect of foreign exchange	Foreign currency account holders	-

		deposited in a private Foreign Currency account, excluding such accounts where incremental deposits were made on or after the 16th day of December, 1999		
		(11A) The provisions of section 113, regarding minimum tax, shall not apply to:		
2	11A	(iii) Pakistan Red Crescent Society	Pakistan Red Crescent Society	4
3	11A	(xiv) Corporate and Industrial Restructuring Corporation (CIRC)	Corporate and Industrial Restructuring Corporation (CIRC)	n.a.
4	11A	(xxxi) National Disaster Risk Management Fund.	National Disaster Risk Management Fund.	0.2
5		<u>Note:</u> Other entities under clause 11A which count as tax expenditure have already been covered in Part 1 of Second Schedule (above).		
6	60A	The provisions of section 148 shall not apply for import of plant, machinery and equipment in the case of:- (a) M/s China State Construction Engineering Corporation Ltd. (M/s CSCEC); and (b) M/s China Communication Construction Company (M/s CCCC).	M/s China State Construction Engineering Corporation Ltd. (M/s CSCEC); and M/s China Communication Construction Company (M/s CCCC).	836
7	60D	The provisions of section 148 shall not apply on import of firefighting equipments by industrial undertakings set up in the special economic zones established by the Federal Government.	Industrial undertakings set up in the special economic zones	23
8	63	M/s Dawat-e-Hadiya, Karachi and Lahore University of Management Sciences, Lahore] shall be deemed to have been approved by the Commissioner	M/s Dawat-e-Hadiya, Karachi and Lahore University of Management Sciences, Lahore	270

		for the purpose of sub-section (36) of section 2 notwithstanding the provisions of clause (c) of sub-section (36) of section 2.		
9	71	The provisions of this Ordinance shall not be applicable to the M/s TAISEI Corporation under the agreement between National Highway Authority, GOP	M/s TAISEI Corporation	84
10	77	Provisions of sections 148 and 153 shall not be applicable on import and subsequent supply of items with dedicated use of renewable sources of energy	Importers and suppliers of items with dedicated use of renewable sources of energy	1,229
11	78	Coal Mining and Coal based Power Generation Projects in Sindh:- (i) the dividend income of the shareholders of such a project shall be exempt from provisions of section 150 (ii) the payments made on account of sale or supply of goods or providing or rendering of services during project construction and operations, shall be exempt from the provisions of section 152(2A) and section 153."	Shareholders of coal mining and coal based power generation projects in Sindh	-
12	91	The provisions of section 148 shall not apply to- (i) Tillage and seed bed preparation equipment as specified below (ii) Seeding or planting equipment (iii) Irrigation, drainage and agro-chemical application equipment (iv) Harvesting, threshing and storage equipment (v) Post-harvest handling and	Farming sector	528

		processing & miscellaneous machinery		
13	102	The provisions of section 231B (1A) shall not apply to light commercial vehicles leased under the Prime Minister's Youth Business Loan Scheme.	Beneficiaries of PM's Youth Business Loan Scheme	n.a.
Total				2,975

Part 7: Others / Miscellaneous

1	41	Agricultural income	Agriculture sector	* <i>Note 1</i>
2	49	Federal Government, Provincial Government, and Local Government income.	Government organizations	18,934
Total				18,934

Grand Total – Income Tax	378,026

* **Note 1:** It is estimated that Rs. 69.5 billion is a tax gap under section 41 of the Ordinance on account of provinces having the mandate to levy tax on agricultural incomes. For details, please see Appendix 1.

Tax Expenditure Estimates (Sales Tax)

TABLE 2: Tax Expenditure Estimates of Sales Tax - FY 2020

<u>Contents</u>	<i>(Rs. in million)</i>
Part 1: Zero Rating under 5th Schedule to Sales Tax Act 1990	13,671
Part 2: Exemption on Imports	255,843
Part 3: Exemption on Local Supplies	54,871
Part 4: Reduced Rates Under 8th Schedule (2%)	74,008
Part 5: Reduced Rates Under 8th Schedule (5%)	8,677
Part 6: Reduced Rates Under 8th Schedule (10%)	35,452
Part 7: Other Reduced Rates	53,138
Part 8: Sales Tax on Cellular Mobile Phones under 9th Schedule	23,154

Total	518,814

Sr No	Legal Ref.	Description	Intended Beneficiary	Estimate (Rs. mil)

Part 1: Zero Rating under 5th Schedule to Sales Tax Act 1990

1	Section 4 (Zero Rating) - 5th Schedule	27-b-Crude Oil From Petroleum And Bituminous Miner	Manufacturing (Plant and Machinery), General Masses (POL Products)	38,169
2	Section 4 (Zero Rating) - 5th Schedule	04-a-Milk Cream And Butter Dairy Products	Manufacturing (Industrial Inputs), General Masses (Food Products)	4,346
3	Section 4 (Zero Rating) - 5th Schedule	27-e-Petroleum Gases & Other Gaseous Hydrocarbons	Manufacturing (POL Products), General Masses (POL Products)	4,105
4	Section 4 (Zero Rating) - 5th Schedule	27-c-Petroleum Refined Oil & Related Products	Diplomats and Diplomatic Mission, Manufacturing (POL products), General Masses (POL Products)	2,304
5	Section 4 (Zero Rating) - 5th Schedule	10-b-Cereals And Grains Other Than Rice	Manufacturing (Industrial Inputs), General Masses (Food Products)	1,845
6	Section 4 (Zero Rating) - 5th Schedule	84-e-Special Machinery Food,Pape	Industry Textile, Manufacturing (Plant and Machinery)	1,531
7	Section 4 (Zero Rating) - 5th Schedule	96-a-Misc. Manufactured Articles brushes, buttons,	Manufacturing (Industrial Imputes), General Masses (Household Products)	1,220

8	Section 4 (Zero Rating) - 5th Schedule	32-b-Tanning Or Dyeing Extracts, Dyes, Pigments, I	Manufacturing (Industrial Inputs), General Masses (Household Products)	468
9	Section 4 (Zero Rating) - 5th Schedule	89-b-Ships, Boats, & Floating Structures	Diplomats and Diplomatic Mission, Manufacturing (Plant and Machinery)	271
10	Section 4 (Zero Rating) - 5th Schedule	72-a-Iron & Steel; Ferroalloys; Bars, Including W	Manufacturing (Plant and Machinery)	269
11	Section 4 (Zero Rating) - 5th Schedule	48-b-Articles Of Paper Pulp Filter Paper, Wallpaper	Manufacturing (Industrial Inputs), General Masses (Food Products)	266
12	Section 4 (Zero Rating) - 5th Schedule	17-c-Sugar Confectionary	Manufacturing (Industrial Inputs), General Masses (Food Products)	257
13	Section 4 (Zero Rating) - 5th Schedule	98-34-BUSINESS SUPPORT SERVICES	Diplomats and Diplomatic Mission, Manufacturing, General Masses	233
14	Section 4 (Zero Rating) - 5th Schedule	01-a-Live Animals	Manufacturing (Industrial Inputs), General Masses (Food Products)	218
15	Section 4 (Zero Rating) - 5th Schedule	85-g-Electronic Components And Accessories	Manufacturing (Industrial inputs), General Masses (Household Products)	205
16	Section 4 (Zero Rating) - 5th Schedule	30-a-Pharmaceutical Products	Manufacturing (Industrial inputs), General Masses (Household Products)	176
17	Section 4 (Zero Rating)	48-a-Paper & Paperboard, Rolls , Sheets	Manufacturing (Industrial inputs),	173

	- Schedule	5th		General Masses (Household Products)	
18	Section 4 (Zero Rating) - Schedule	5th	27-g-Electrical Energy	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs)	165
19	Section 4 (Zero Rating) - Schedule	5th	88-a-Aircraft, Spacecraft, Missiles & Parts Thereof	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs)	139
20	Section 4 (Zero Rating) - Schedule	5th	98-15-MANAGEMENT CONSULTANTS SOFTWARE	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs)	118
21	Section 4 (Zero Rating) - Schedule	5th	98-18-SECURITY SERVICES	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs)	108
22	Section 4 (Zero Rating) - Schedule	5th	87-d-Other Vehicles / Carriages / Trailers; Vehicle	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs)	99
23	Section 4 (Zero Rating) - Schedule	5th	98-23-TRANSPORT	Diplomats and Diplomatic Mission, Manufacturing, General Masses	98
24	Section 4 (Zero Rating) - Schedule	5th	36-a-Explosives, Pyrotechnic Products	Manufacturing (Industrial Inputs)	89
25	Section 4 (Zero Rating) - Schedule	5th	90-b-Laboratory Apparatus And Analytical, Optical,	Manufacturing (Industrial Inputs)	82
26	Section 4 (Zero Rating) - Schedule	5th	52-a-Cotton, Cotton Waste	Manufacturing (Industrial Inputs)	77
27	Section 4 (Zero Rating)		38-a-Miscellaneous Chemical Products	Manufacturing (Industrial Inputs)	69

	-	5th			
	Schedule				
28	Section 4 (Zero Rating) - 5th Schedule	39-a-Polymers, Polyesters In Primary Form Etc	Manufacturing (Industrial Inputs)	66	
29	Section 4 (Zero Rating) - 5th Schedule	62-a-Articles Of Apparel & Clothing Accessories-No	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs), General Masses (Household Products)	62	
30	Section 4 (Zero Rating) - 5th Schedule	85-h-Miscellaneous Electrical Machinery, Equipment	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs), General Masses (Household Products)	59	
31	Section 4 (Zero Rating) - 5th Schedule	39-b-Plastics Packaging Materials Incl Boxes, Bags	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs), General Masses (Household Products)	52	
32	Section 4 (Zero Rating) - 5th Schedule	84-g-Computer And Office Equipment	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs), General Masses (Household Products)	50	
33	Section 4 (Zero Rating) - 5th Schedule	52-c-Cotton Fabric	Manufacturing (Industrial Inputs)	49	
34	Section 4 (Zero Rating) - 5th	98-04-CONSTRUCTION	Diplomats and Diplomatic Mission, Manufacturing	47	

	Schedule		(Industrial Inputs), General Masses (Household Products)	
35	Section 4 (Zero Rating) - 5th Schedule	15-b-Vegetable Oil, Fats & Waxes Etc	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs), General Masses (Household Products)	37
36	Section 4 (Zero Rating) - 5th Schedule	84-f-General Industrial Machinery And Equipment	Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs), General Masses (Household Products)	37
37	Section 4 (Zero Rating) - 5th Schedule	87-c-Motorcycles	Diplomats and Diplomatic Mission, General Masses (Household Products)	36
38	Section 4 (Zero Rating) - 5th Schedule	19-a-Preparation Of Cereals, Flour, Starch Or Milk	Manufacturing (Industrial inputs), General Masses (Household Products)	33
39	Section 4 (Zero Rating) - 5th Schedule	25-b-Cement Clinker;	Manufacturing (Industrial inputs), General Masses (Household Products)	30
40	Section 4 (Zero Rating) - 5th Schedule	23-b-Poultry And Animal Feed; Meals Of Sunflower S	Manufacturing (Industrial inputs), General Masses (Household Products)	30
41	Section 4 (Zero Rating) - 5th Schedule	84-b-Agricultural Farm And Garden Machinery And Equ	Manufacturing (Industrial inputs), General Masses	29

	Schedule			(Household Products)	
42	Section 4 (Zero Rating) - 5th Schedule	29-a-Organic Chemicals		Manufacturing (Industrial inputs), General Masses (Household Products)	29
43	Section 4 (Zero Rating) - 5th Schedule	84-a-Engines And Turbines	Turbines	Manufacturing (Industrial inputs)	27
44	Section 4 (Zero Rating) - 5th Schedule	12-b-Oil Seeds, Grains, Medicinal St	Misc. Plants,	Manufacturing (Industrial inputs), General Masses (Household Products)	27
45	Section 4 (Zero Rating) - 5th Schedule	49-a-Printed Newspapers, Manuscripts	Books, Pictures,	Diplomats and Diplomatic Mission	24
46	Section 4 (Zero Rating) - 5th Schedule	58-a-Special Fabrics, Tufted Lace	Woven Textiles,	Manufacturing (Industrial inputs), General Masses (Household Products)	23
47	Section 4 (Zero Rating) - 5th Schedule	90-c-Surgical Instruments		Manufacturing (Industrial inputs), General Masses (Household Products)	23
48	Section 4 (Zero Rating) - 5th Schedule	27-d-Lubricating Oils And Greases		Manufacturing (Industrial inputs), General Masses (Household Products)	21
49	Section 4 (Zero Rating) - 5th Schedule	52-b-Cotton Yarn / Thread		Manufacturing (Industrial inputs), General Masses (Household Products)	21

50	Section 4 (Zero Rating) - 5th Schedule	98-22-MAINTENANCE AND REPAIR	Diplomats and Diplomatic Mission	20
51	Section 4 (Zero Rating) - 5th Schedule	90-d-Medical, And Dental Instruments And Supplies	Manufacturing (Industrial inputs), General Masses (Household Products)	19
52	Section 4 (Zero Rating) - 5th Schedule	24-b-Cigarettes, Cigars Etc., Of Tobacco Or Substi	Manufacturing (Industrial inputs), General Masses (Household Products)	17
53	Section 4 (Zero Rating) - 5th Schedule	02-a-Meat & Edible Meat Offal	Manufacturing (Industrial inputs), General Masses (Household Products)	16
54	Section 4 (Zero Rating) - 5th Schedule	57-a-Carpets & Other Textile Floor Coverings	Manufacturing (Industrial inputs), General Masses (Household Products)	16
55	Section 4 (Zero Rating) - 5th Schedule	87-b-Public Transport Vehicles; Motor Vehicles	Manufacturing (Industrial inputs), General Masses (Household Products)	15
56	Section 4 (Zero Rating) - 5th Schedule	85-d-Electric Lighting And Wiring Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	15
57	Section 4 (Zero Rating) - 5th Schedule	40-a-Rubbers & Articles Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	15
58	Section 4 (Zero Rating)	25-a-Salt, Sculpture, Earth & Stone, Lime	Manufacturing (Industrial inputs),	14

	-	5th			General	Masses	
	Schedule				(Household	Products)	
59	Section 4 (Zero Rating) - 5th Schedule	39-d-Other Plastics Etc	Articles	Of	Manufacturing (Industrial inputs), General Masses (Household Products)		11
60	Section 4 (Zero Rating) - 5th Schedule	09-b-Coffee, Substitutes; & Ot	Coffee Mate, Spices		Manufacturing (Industrial inputs), General Masses (Household Products)		10
61	Section 4 (Zero Rating) - 5th Schedule	90-a-Search, Navigation, Aeronautical,	Detection,		Manufacturing (Industrial inputs), General Masses (Household Products)		10
62	Section 4 (Zero Rating) - 5th Schedule	28-a-Inorganic Chemicals, Organic / Inorganic Comp			Manufacturing (Industrial inputs), General Masses (Household Products)		9
63	Section 4 (Zero Rating) - 5th Schedule	55-b-Yarn / Thread Man-Made Fibers		Of	Manufacturing (Industrial inputs), General Masses (Household Products)		9
64	Section 4 (Zero Rating) - 5th Schedule	82-a-Tools, Spoons Forks Of Base Metal		&	Manufacturing (Industrial inputs), General Masses (Household Products)		9
65	Section 4 (Zero Rating) - 5th Schedule	41-a-Raw Hides & Skins & Leather			Manufacturing (Industrial inputs), General Masses (Household Products)		8
66	Section 4 (Zero Rating) - 5th	07-a-Edible Vegetables			Manufacturing (Industrial inputs), General Masses		7

	Schedule		(Household Products)	
67	Section 4 (Zero Rating) - 5th Schedule	73-a-Articles Of Iron Or Steel	Manufacturing (Industrial inputs), General Masses (Household Products)	7
68	Section 4 (Zero Rating) - 5th Schedule	32-a-Paints, Varnishes, Lacquers, Enamels, And All	Manufacturing (Industrial inputs), General Masses (Household Products)	7
69	Section 4 (Zero Rating) - 5th Schedule	85-f-Communications Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	7
70	Section 4 (Zero Rating) - 5th Schedule	63-a-Made-Up Textile Articles Nesoi, Needlecraft	Manufacturing (Industrial inputs), General Masses (Household Products)	6
71	Section 4 (Zero Rating) - 5th Schedule	84-i-Miscellaneous Industrial And Commercial Equip	Manufacturing (Industrial inputs), General Masses (Household Products)	6
72	Section 4 (Zero Rating) - 5th Schedule	20-b-Fruit And / Or Vegetable Juices	Manufacturing (Industrial inputs), General Masses (Household Products)	6
73	Section 4 (Zero Rating) - 5th Schedule	68-a-Articles Of Stone, Plaster, Cement, Asbestos,	Manufacturing (Industrial inputs), General Masses (Household Products)	5
74	Section 4 (Zero Rating) - 5th Schedule	98-33-LABOUR AND MENPOWER SERVICES	Diplomats and Diplomatic Mission	5

75	Section 4 (Zero Rating) - 5th Schedule	10-a-Rice		Manufacturing (Industrial inputs), General Masses (Household Products)	5
76	Section 4 (Zero Rating) - 5th Schedule	83-a-Miscellaneous Articles Of Base Metal		Manufacturing (Industrial inputs), General Masses (Household Products)	5
77	Section 4 (Zero Rating) - 5th Schedule	42-a-Articles Of Leather		Manufacturing (Industrial inputs), General Masses (Household Products)	5
78	Section 4 (Zero Rating) - 5th Schedule	22-c-Aerated Waters		Manufacturing (Industrial inputs), General Masses (Household Products)	5
79	Section 4 (Zero Rating) - 5th Schedule	11-a-Milling Products	Industry	Manufacturing (Industrial inputs), General Masses (Household Products)	4
80	Section 4 (Zero Rating) - 5th Schedule	22-a-Natural Including Mineral Ice &	Water Water;	Manufacturing (Industrial inputs), General Masses (Household Products)	3
81	Section 4 (Zero Rating) - 5th Schedule	94-a-Furniture, Bedding, Cushions, Lamps & Lightin		Diplomats and Diplomatic Mission, Manufacturing (Industrial Inputs), General Masses (Household Products)	3
82	Section 4 (Zero Rating) - 5th Schedule	08-a-Edible Fruits & Nuts, Peel Of Citrus/Melons		Manufacturing (Industrial inputs), General Masses (Household	3

				Products)	
83	Section 4 (Zero Rating) - 5th Schedule	31-f-OTHER FERTILIZERS		Manufacturing (Industrial inputs), Agricultural Inputs	2
84	Section 4 (Zero Rating) - 5th Schedule	59-a-Impregnated, Coated, Covered, Or Laminated Tea		Manufacturing (Industrial inputs), General Masses (Household Products)	2
85	Section 4 (Zero Rating) - 5th Schedule	09-a-Tea		Manufacturing (Industrial inputs), General Masses (Household Products)	2
86	Section 4 (Zero Rating) - 5th Schedule	34-a-Soaps, Waxes, Scouring Products, Candles, Mod		Diplomats and Diplomatic Mission, General Masses (Household Products)	2
87	Section 4 (Zero Rating) - 5th Schedule	21-a-Extracts Of Coffee, Tea Etc, Yeasts, Sauces,		Diplomats and Diplomatic Mission, General Masses (Household Products)	2
88	Section 4 (Zero Rating) - 5th Schedule	50-a-Silk, Including Yarns & Woven Fabrics Thereof		Manufacturing (Industrial inputs), General Masses (Household Products)	2
89	Section 4 (Zero Rating) - 5th Schedule	35-a-Albuminoidal Sub, Starches, Glues, Enzymes		Manufacturing (Industrial inputs), General Masses (Household Products)	2
90	Section 4 (Zero Rating) - 5th Schedule	85-a-Electric Transmission And Distribution Equipm		Manufacturing (Industrial inputs), General Masses (Household Products)	2

91	Section 4 (Zero Rating) - 5th Schedule	69-a-Ceramic Products	Manufacturing (Industrial inputs), General Masses (Household Products)	2
92	Section 4 (Zero Rating) - 5th Schedule	98-28-TECHNICAL	Manufacturing (Industrial inputs), General Masses (Household Products)	2
93	Section 4 (Zero Rating) - 5th Schedule	84-c-Construction, Mining, And Materials Handling	Manufacturing (Industrial inputs), General Masses (Household Products)	2
94	Section 4 (Zero Rating) - 5th Schedule	93-a-Arms & Ammunition, Parts & Accessories	Diplomats and Diplomatic Mission	2
95	Section 4 (Zero Rating) - 5th Schedule	85-c-Household Electric Appliances	Manufacturing (Industrial inputs), General Masses (Household Products)	2
96	Section 4 (Zero Rating) - 5th Schedule	64-a-Footwear, Gaiters, & The Like	Diplomats and Diplomatic Mission, Manufacturing (Industrial inputs), General Masses (Household Products)	2
97	Section 4 (Zero Rating) - 5th Schedule	61-a-Articles Of Apparel & Clothing Accessories-Kn	Manufacturing (Industrial inputs), General Masses (Household Products)	1
98	Section 4 (Zero Rating) - 5th Schedule	14-b-Vegetable Plaiting Materials	Manufacturing (Industrial inputs), General Masses (Household Products)	1

99	Section 4 (Zero Rating) - 5th Schedule	76-a-Aluminum & Articles Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	1
100	Section 4 (Zero Rating) - 5th Schedule	74-b-Copper Wires & Cables	Manufacturing (Industrial inputs), General Masses (Household Products)	1
101	Section 4 (Zero Rating) - 5th Schedule	70-a-Glass & Glassware	Manufacturing (Industrial inputs), General Masses (Household Products)	1
102	Section 4 (Zero Rating) - 5th Schedule	79-a-Zinc & Articles Thereof	Manufacturing (Industrial inputs)	1
103	Section 4 (Zero Rating) - 5th Schedule	98-25-MEDICAL LABORATORIES	Manufacturing (Industrial inputs), General Masses (Household Products)	1
104	Section 4 (Zero Rating) - 5th Schedule	71-a-Pearls, Stones, Precious Metals, Imitation	Manufacturing (Industrial inputs), General Masses (Household Products)	1
105	Section 4 (Zero Rating) - 5th Schedule	39-c-Plastics Pipe, Pipe Fitting, Baths, Washbasin	Manufacturing (Industrial inputs), General Masses (Household Products)	1
106	Section 4 (Zero Rating) - 5th Schedule	85-b-Electrical Industrial Apparatus	Manufacturing (Industrial inputs), General Masses (Household Products)	1
107	Section 4 (Zero Rating)	33-a-Oils & Resinoids, Perfumery, Cosmetic Or	Manufacturing (Industrial inputs),	1

	- Schedule	5th	Toil		General (Household Products)	Masses	
108	Section 4 (Zero Rating) - Schedule	5th	95-a-Toys, Games, Related Equipment, Parts & Acces		Manufacturing (Industrial inputs), General (Household Products)	Masses	-
109	Section 4 (Zero Rating) - Schedule	5th	84-d-Metalworking Machinery And Equipment		Manufacturing (Industrial inputs), General (Household Products)	Masses	-
110	Section 4 (Zero Rating) - Schedule	5th	55-c-Fabric Of Man-Made Fibers		Manufacturing (Industrial inputs), General (Household Products)	Masses	-
111	Section 4 (Zero Rating) - Schedule	5th	98-09-PRINTING SERVICES		Diplomats and Diplomatic Mission, Manufacturing (Industrial inputs)		-
112	Section 4 (Zero Rating) - Schedule	5th	98-36-CLEARING AND FORWARDING AGENT SERVICES		Manufacturing (Industrial inputs), General (Household Products)	Masses	-
113	Section 4 (Zero Rating) - Schedule	5th	44-a-Wood & Articles Of Wood, Wood Charcoal		Manufacturing (Industrial inputs), General (Household Products)	Masses	-
114	Section 4 (Zero Rating) - Schedule	5th	98-20-WORKSHOPS		Diplomats and Diplomatic Mission, Manufacturing (Industrial inputs)		-
115	Section 4 (Zero Rating) - Schedule	5th	80-a-Tin & Articles Thereof		Manufacturing (Industrial inputs), General (Household Products)	Masses	-

116	Section 4 (Zero Rating) - 5th Schedule	74-a-Copper & Articles Thereof Excluding Wires & C	Manufacturing (Industrial inputs), General Masses (Household Products)	-
117	Section 4 (Zero Rating) - 5th Schedule	27-f-Petroleum Jelly, Coke , Bitumn & Similar Misc	Manufacturing (Industrial inputs)	-
118	Section 4 (Zero Rating) - 5th Schedule	84-h-Refrigeration And Service Industry Machinery	Manufacturing (Industrial inputs), General Masses (Household Products)	-
119	Section 4 (Zero Rating) - 5th Schedule	55-a-Man-Made Staple Fibers / Tows	Manufacturing (Industrial inputs), General Masses (Household Products)	-
120	Section 4 (Zero Rating) - 5th Schedule	97-a-Works Of Art; Collectors' Pieces, Antiques	Manufacturing (Industrial inputs), General Masses (Household Products)	-
121	Section 4 (Zero Rating) - 5th Schedule	54-a-Man-Made Filaments, Inc. Yarns & Woven Etc.	Manufacturing (Industrial inputs), General Masses (Household Products)	-
122	Section 4 (Zero Rating) - 5th Schedule	39-e-Foam Product	Manufacturing (Industrial inputs), General Masses (Household Products)	-
123	Section 4 (Zero Rating) - 5th Schedule	98-02-ADVERTISEMENT	Diplomats and Diplomatic Mission	-
124	Section 4 (Zero Rating) - 5th	23-a-Residues From Food Industries, Oilcake	Manufacturing (Industrial inputs), General Masses	-

	Schedule		(Household Products)	
125	Section 4 (Zero Rating) - 5th Schedule	06-a-Live Trees And Other Plants	Diplomats and Diplomatic Missions, General Masses (Household Products)	-
126	Section 4 (Zero Rating) - 5th Schedule	20-a-Preparations Of Vegetables, Fruits, Nuts, Etc	Manufacturing (Industrial inputs), General Masses (Household Products)	-
127	Section 4 (Zero Rating) - 5th Schedule	98-08-COURIER SERVICES	Diplomats and Diplomatic Missions	-
128	Section 4 (Zero Rating) - 5th Schedule	56-a-Wadding, Felt & Nonwovens, Special Yarns	Manufacturing (Industrial inputs), General Masses (Household Products)	-
129	Section 4 (Zero Rating) - 5th Schedule	27-a-Coal , Lignite, Coal Gas, Oils ,Tars And Coal	Manufacturing (Industrial inputs), General Masses (Household Products)	-
130	Section 4 (Zero Rating) - 5th Schedule	60-a-Knitted Or Crocheted Fabrics	Manufacturing (Industrial inputs), General Masses (Household Products)	-
131	Section 4 (Zero Rating) - 5th Schedule	98-01-HOTELS	Diplomats and Diplomatic Missions	-
132	Section 4 (Zero Rating) - 5th Schedule	37-a-Photographic Or Cinematographic Goods	Manufacturing (Industrial inputs), General Masses (Household Products)	-

133	Section 4 (Zero Rating) - 5th Schedule	98-21-HEALTH CLUBS	Manufacturing (Industrial inputs), General Masses (Household Products)	-
134	Section 4 (Zero Rating) - 5th Schedule	90-e-Photographic Cinematographic Equipment And Su	Manufacturing (Industrial inputs), General Masses (Household Products)	-
135	Section 4 (Zero Rating) - 5th Schedule	53-a-Vegetable Textile Fibers Nesoi, Yarns & Woven	Manufacturing (Industrial inputs), General Masses (Household Products)	-
136	Section 4 (Zero Rating) - 5th Schedule	98-24-HOSPITAL	Diplomats and Diplomatic Missions, General Masses (Household Products)	-
137	Section 4 (Zero Rating) - 5th Schedule	65-a-Headgear & Other Parts	Manufacturing (Industrial inputs), General Masses (Household Products)	-
138	Section 4 (Zero Rating) - 5th Schedule	98-14-ARCHITECT TOWN PLANNERS	Manufacturing (Industrial inputs), Diplomats and Diplomatic Missions	-
139	Section 4 (Zero Rating) - 5th Schedule	95-b-Sports Goods	Manufacturing (Industrial inputs), Diplomats and Diplomatic Missions	-
140	Section 4 (Zero Rating) - 5th Schedule	98-27-TELECOM COMPANIES	Manufacturing (Industrial inputs), General Masses (Household Products)	-
141	Section 4 (Zero Rating) -5th Schedule	81-a-Base Metals Nesoi, Cermets, Articles Etc	Manufacturing (Industrial inputs), General Masses	-

					(Household Products)	
142	Section 4 (Zero Rating) - 5th Schedule	21-c-Beverage Concentrate, Other Edible Prepa	Misc		Manufacturing (Industrial inputs), General Masses (Household Products)	-
143	Section 4 (Zero Rating) - 5th Schedule	98-17-TESTING MEDICAL	NON		Manufacturing (Industrial inputs), General Masses (Household Products)	-
144	Section 4 (Zero Rating) - 5th Schedule	31-d-NPK			Manufacturing (Industrial inputs), Diplomats and Diplomatic Missions	-
145	Section 4 (Zero Rating) - 5th Schedule	03-a-Fish & Crustaceans			Manufacturing (Industrial inputs), General Masses (Household Products)	-
146	Section 4 (Zero Rating) - 5th Schedule	85-e-Household And Video Equipment, And Audi	Audio		Manufacturing (Industrial inputs), General Masses (Household Products)	-
147	Section 4 (Zero Rating) - 5th Schedule	04-b-Eggs, Honey, & Ed. Products Of Animal Origin			Manufacturing (Industrial inputs), General Masses (Household Products)	-
148	Section 4 (Zero Rating) - 5th Schedule	31-b-DAP			General Masses (Agricultural Inputs)	-
Total						58,258
Less adjustment *						(44,587)
Total after adjustment						13,671

*** Note-I (adjustment in estimation):**

In case of zero-rated items, the adjustment includes leaving out tax expenditure estimation on some items, which if were not zero-rated, the full input tax would have been claimed, such as crude oil, machinery for E&P sector, and material related to exports. The tax expenditure to the extent of these items is thus deducted from the total estimation of Part 1 (zero rated items). Item-wise cost is below:

Sr.	Schedule	Description	Sales Value	Adj. (17%)
1	5th Schedule	Supplies of raw materials components and goods for further manufacture of goods in the Export Processing Zones (Serial no. 5)	2,951	502
2	5th Schedule	Supplies of locally manufactured plant and machinery to petroleum and gas sector Exploration and Production companies, their contractors and sub-contractors, specified by the Federal Government, subject to conditions and restrictions (Serial no. 6)	9,220	1,567
3	5th Schedule	Supplies made to exporters under the Duty and Tax Remission Rules, 2001 (Serial no. 7)	220	37
4	5th Schedule	Petroleum Crude Oil (PCT heading 2709.0000) (Serial no. 10)	249,886	42,481
Total amount to be adjusted				44,587

Part 2: Exemption on Imports

1	Section 13 - 6th Schedule Table-I (Imports)	30-a-Pharmaceutical Products	Foreign Governments (Grant in Aids/Diplomat and Diplomatic Mission), General Masses (Hospitals, Food	65,279

				Items)	
2	Section 13 - 6th Schedule Table-I (Imports)	52-a-Cotton, Cotton Waste		Manufacturing (Industrial inputs), General Masses (Household Products)	54,410
3	Section 13 - 6th Schedule Table-I (Imports)	15-b-Vegetable Oil, Fats & Waxes Etc		Manufacturing (Industrial inputs), General Masses (Household Products)	43,265
4	Section 13 - 6th Schedule Table-I (Imports)	04-a-Milk Cream And Butter Dairy Products		Manufacturing (Industrial inputs), General Masses (Household Products)	40,436
5	Section 13 - 6th Schedule Table-I (Imports)	23-b-Poultry And Animal Feed; Meals Of Sunflower		Manufacturing (Industrial inputs), General Masses (Household Products)	28,065
6	Section 13 - 6th Schedule Table-I (Imports)	38-a-Miscellaneous Chemical Products		Manufacturing (Industrial inputs), General Masses (Household Products)	16,396
7	Section 13 - 6th Schedule Table-I (Imports)	10-b-Cereals And Grains Other Than Rice		Manufacturing (Industrial inputs), General Masses (Household Products)	8,255
8	Section 13 - 6th Schedule Table-I (Imports)	12-b-Oil Seeds, Misc. Grains, Medicinal Plants,		Manufacturing (Industrial inputs), General Masses (Household Products)	7,743
9	Section 13 - 6th Schedule Table-I	07-a-Edible Vegetables		Manufacturing (Industrial inputs), General Masses	5,638

	(Imports)		(Household Products)	
10	Section 13 - 6th Schedule Table-I (Imports)	85-h-Miscellaneous Electrical Machinery, Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	5,212
11	Section 13 - 6th Schedule Table-I (Imports)	84-g-Computer And Office Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	4,946
12	Section 13 - 6th Schedule Table-I (Imports)	27-g-Electrical Energy	Manufacturing (Industrial inputs), General Masses (Household Products)	4,847
13	Section 13 - 6th Schedule Table-I (Imports)	02-a-Meat & Edible Meat Offal	Manufacturing (Industrial inputs), General Masses (Household Products)	3,830
14	Section 13 - 6th Schedule Table-I (Imports)	49-a-Printed Books, Newspapers, Pictures, Manuscripts	Manufacturing (Industrial inputs), General Masses (Household Products)	3,663
15	Section 13 - 6th Schedule Table-I (Imports)	90-d-Medical, And Dental Instruments And Supplies	Manufacturing (Industrial inputs), General Masses (Household Products)	3,600
16	Section 13 - 6th Schedule Table-I (Imports)	01-a-Live Animals	Manufacturing (Industrial inputs), General Masses (Household Products)	3,319
17	Section 13 - 6th Schedule Table-I (Imports)	10-a-Rice	Manufacturing (Industrial inputs), General Masses (Household Products)	3,268

Products)				
18	Section 13 - 6th Schedule Table-I (Imports)	85-a-Electric Transmission And Distribution Equipm	Manufacturing (Industrial inputs), General Masses (Household Products)	2,649
19	Section 13 - 6th Schedule Table-I (Imports)	19-a-Preparation Of Cereals, Flour, Starch Or Milk	Manufacturing (Industrial inputs), General Masses (Household Products)	2,371
20	Section 13 - 6th Schedule Table-I (Imports)	90-b-Laboratory Apparatus And Analytical, Optical,	Manufacturing (Industrial inputs), General Masses (Household Products)	2,113
21	Section 13 - 6th Schedule Table-I (Imports)	11-a-Milling Industry Products	Manufacturing (Industrial inputs), General Masses (Household Products)	1,904
22	Section 13 - 6th Schedule Table-I (Imports)	90-c-Surgical Instruments	Manufacturing (Industrial inputs), General Masses (Household Products)	1,503
23	Section 13 - 6th Schedule Table-I (Imports)	29-a-Organic Chemicals	Manufacturing (Industrial inputs), General Masses (Household Products)	1,349
24	Section 13 - 6th Schedule Table-I (Imports)	85-d-Electric Lighting And Wiring Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	1,149
25	Section 13 - 6th Schedule Table-I (Imports)	27-e-Petroleum Gases & Other Gaseous Hydrocarbons	Manufacturing (Industrial inputs), General Masses (Household	1,120

				Products)	
26	Section 13 - 6th Schedule Table-I (Imports)	08-a-Edible Fruits & Nuts, Peel Of Citrus/Melons		Manufacturing (Industrial inputs), General Masses (Household Products)	1,030
27	Section 13 - 6th Schedule Table-I (Imports)	85-c-Household Appliances	Electric	Manufacturing (Industrial inputs), General Masses (Household Products)	906
28	Section 13 - 6th Schedule Table-I (Imports)	85-g-Electronic Components Accessories	And	Manufacturing (Industrial inputs), General Masses (Household Products)	838
29	Section 13 - 6th Schedule Table-I (Imports)	03-a-Fish & Crustaceans		Manufacturing (Industrial inputs), General Masses (Household Products)	836
30	Section 13 - 6th Schedule Table-I (Imports)	16-a-Edible Preparation Of Meat, Fish, Crustaceans		Manufacturing (Industrial inputs), General Masses (Household Products)	830
31	Section 13 - 6th Schedule Table-I (Imports)	37-a-Photographic Cinematographic Goods	Or	Manufacturing (Industrial inputs), General Masses (Household Products)	799
32	Section 13 - 6th Schedule Table-I (Imports)	96-a-Misc. Manufactured Articles brushes, buttons,		Manufacturing (Industrial inputs), General Masses (Household Products)	769
33	Section 13 - 6th Schedule Table-I (Imports)	36-b-Matches		General Masses (Household Products)	756

34	Section 13 - 6th Schedule Table-I (Imports)	04-b-Eggs, Honey, & Ed. Products Of Animal Origin	Manufacturing (Industrial inputs), General Masses (Household Products)	744
35	Section 13 - 6th Schedule Table-I (Imports)	48-b-Articles Of Paper Pulp Filter Paper, Wallpaper	Manufacturing (Industrial inputs), General Masses (Household Products)	674
36	Section 13 - 6th Schedule Table-I (Imports)	23-a-Residues From Food Industries, Oilcake	Manufacturing (Industrial inputs), General Masses (Household Products)	659
37	Section 13 - 6th Schedule Table-I (Imports)	21-c-Beverage Concentrate, Other Misc Edible	Manufacturing (Industrial inputs), General Masses (Household Products)	571
38	Section 13 - 6th Schedule Table-I (Imports)	84-a-Engines Turbines And Turbines	Manufacturing (Industrial inputs), General Masses (Household Products)	570
39	Section 13 - 6th Schedule Table-I (Imports)	94-a-Furniture, Bedding, Cushions, Lamps & Lightings	Manufacturing (Industrial inputs), General Masses (Household Products)	566
40	Section 13 - 6th Schedule Table-I (Imports)	84-b-Agricultural Farm And Garden Machinery And Equ	Manufacturing (Industrial inputs), General Masses (Household Products)	556
41	Section 13 - 6th Schedule Table-I (Imports)	25-a-Salt, Sculpture, Earth & Stone, Lime	Manufacturing (Industrial inputs), General Masses (Household Products)	519

42	Section 13 - 6th Schedule Table-I (Imports)	09-b-Coffee, Substitutes; Mate, Spices	Coffee	Manufacturing (Industrial inputs), General Masses (Household Products)	513
43	Section 13 - 6th Schedule Table-I (Imports)	17-c-Sugar Confectionary		Manufacturing (Industrial inputs), General Masses (Household Products)	471
44	Section 13 - 6th Schedule Table-I (Imports)	20-a-Preparations Vegetables, Fruits, Nuts, Etc	Of	Manufacturing (Industrial inputs), General Masses (Household Products)	377
45	Section 13 - 6th Schedule Table-I (Imports)	28-a-Inorganic Chemicals, Organic / Inorganic Comp		Manufacturing (Industrial inputs), General Masses (Household Products)	333
46	Section 13 - 6th Schedule Table-I (Imports)	14-b-Vegetable Materials	Plaiting	Manufacturing (Industrial inputs), General Masses (Household Products)	304
47	Section 13 - 6th Schedule Table-I (Imports)	98-04-CONSTRUCTION		Manufacturing (Industrial inputs), General Masses (Household Products)	298
48	Section 13 - 6th Schedule Table-I (Imports)	39-d-Other Plastics Etc	Articles Of	Manufacturing (Industrial inputs), General Masses (Household Products)	298
49	Section 13 - 6th Schedule Table-I (Imports)	48-a-Paper & Paperboard, Rolls , Sheets		Manufacturing (Industrial inputs), General Masses (Household Products)	275

50	Section 13 - 6th Schedule Table-I (Imports)	84-i-Miscellaneous Industrial And Commercial Equip	Manufacturing (Industrial inputs), General Masses (Household Products)	244
51	Section 13 - 6th Schedule Table-I (Imports)	17-a-Sugars	Manufacturing (Industrial inputs), General Masses (Household Products)	220
52	Section 13 - 6th Schedule Table-I (Imports)	52-c-Cotton Fabric	Manufacturing (Industrial inputs), General Masses (Household Products)	191
53	Section 13 - 6th Schedule Table-I (Imports)	22-a-Natural Water Including Mineral Water; Ice	Manufacturing (Industrial inputs), General Masses (Household Products)	145
54	Section 13 - 6th Schedule Table-I (Imports)	71-a-Pearls, Stones, Precious Metals, Imitation	Manufacturing (Industrial inputs), General Masses (Household Products)	145
55	Section 13 - 6th Schedule Table-I (Imports)	20-b-Fruit And / Or Vegetable Juices	Manufacturing (Industrial inputs), General Masses (Household Products)	136
56	Section 13 - 6th Schedule Table-I (Imports)	31-f-OTHER FERTILIZERS	Manufacturing (Industrial inputs), General Masses (Household Products)	128
57	Section 13 - 6th Schedule Table-I (Imports)	40-a-Rubbers & Articles Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	122

58	Section 13 - 6th Schedule Table-I (Imports)	06-a-Live Trees And Other Plants	Manufacturing (Industrial inputs), General Masses (Household Products)	110
59	Section 13 - 6th Schedule Table-I (Imports)	87-d-Other Vehicles / Carriages / Trailers; Vehicle	Manufacturing (Industrial inputs), General Masses (Household Products)	107
60	Section 13 - 6th Schedule Table-I (Imports)	35-a-Albuminoidal Sub, Starches, Glues, Enzymes	Manufacturing (Industrial inputs), General Masses (Household Products)	78
61	Section 13 - 6th Schedule Table-I (Imports)	15-a-Animal Oil, Fats & Waxes Etc	Manufacturing (Industrial inputs), General Masses (Household Products)	76
62	Section 13 - 6th Schedule Table-I (Imports)	73-a-Articles Of Iron Or Steel	Manufacturing (Industrial inputs), General Masses (Household Products)	70
63	Section 13 - 6th Schedule Table-I (Imports)	98-23-TRANSPORT	Manufacturing (Industrial inputs), General Masses (Household Products)	65
64	Section 13 - 6th Schedule Table-I (Imports)	98-02-ADVERTISEMENT	Manufacturing (Industrial inputs), General Masses (Household Products)	64
65	Section 13 - 6th Schedule Table-I (Imports)	27-d-Lubricating Oils And Greases	Manufacturing (Industrial inputs), General Masses (Household Products)	61

66	Section 13 - 6th Schedule Table-I (Imports)	39-b-Plastics Packaging Materials Incl Boxes, Bags	Manufacturing (Industrial inputs), General Masses (Household Products)	58
67	Section 13 - 6th Schedule Table-I (Imports)	32-b-Tanning Or Dyeing Extracts, Dyes, Pigments,	Manufacturing (Industrial inputs), General Masses (Household Products)	56
68	Section 13 - 6th Schedule Table-I (Imports)	84-f-General Industrial Machinery And Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	55
69	Section 13 - 6th Schedule Table-I (Imports)	25-b-Cement Cement	Clinker; Manufacturing (Industrial inputs), General Masses (Household Products)	54
70	Section 13 - 6th Schedule Table-I (Imports)	05-a-Products Of Animal Origin Inedible	Manufacturing (Industrial inputs), General Masses (Household Products)	54
71	Section 13 - 6th Schedule Table-I (Imports)	84-c-Construction, Mining, And Materials Handling	Manufacturing (Industrial inputs), General Masses (Household Products)	53
72	Section 13 - 6th Schedule Table-I (Imports)	24-a-Tobacco, Raw Or Processed; Tobacco Refuse;	Manufacturing (Industrial inputs), General Masses (Household Products)	53
73	Section 13 - 6th Schedule Table-I (Imports)	52-b-Cotton Yarn / Thread	Manufacturing (Industrial inputs), General Masses (Household Products)	51

74	Section 13 - 6th Schedule Table-I (Imports)	21-a-Extracts Of Coffee, Tea Etc, Yeasts, Sauces	Manufacturing (Industrial inputs), General Masses (Household Products)	51
75	Section 13 - 6th Schedule Table-I (Imports)	85-f-Communications Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	47
76	Section 13 - 6th Schedule Table-I (Imports)	68-a-Articles Of Stone, Plaster, Cement, Asbestos,	Manufacturing (Industrial inputs), General Masses (Household Products)	46
77	Section 13 - 6th Schedule Table-I (Imports)	33-a-Oils & Resinoids, Perfumery, Cosmetic Or Toil	Manufacturing (Industrial inputs), General Masses (Household Products)	43
78	Section 13 - 6th Schedule Table-I (Imports)	85-b-Electrical Industrial Apparatus	Manufacturing (Industrial inputs), General Masses (Household Products)	42
79	Section 13 - 6th Schedule Table-I (Imports)	81-a-Base Metals Nesoi, Cermets, Articles Etc	Manufacturing (Industrial inputs), General Masses (Household Products)	39
80	Section 13 - 6th Schedule Table-I (Imports)	34-a-Soaps, Waxes, Scouring Products, Candles,	Manufacturing (Industrial inputs), General Masses (Household Products)	37
81	Section 13 - 6th Schedule Table-I (Imports)	50-a-Silk, Including Yarns & Woven Fabrics Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	32

82	Section 13 - 6th Schedule Table-I (Imports)	27-c-Petroleum Refined Oil & Related Products	Manufacturing (Industrial inputs), General Masses (Household Products)	32
83	Section 13 - 6th Schedule Table-I (Imports)	27-a-Coal , Lignite, Coal Gas, Oils ,Tars And Coal	Manufacturing (Industrial inputs), General Masses (Household Products)	31
84	Section 13 - 6th Schedule Table-I (Imports)	90-e-Photographic Cinematographic Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	30
85	Section 13 - 6th Schedule Table-I (Imports)	90-a-Search, Detection, Navigation, Aeronautical	Manufacturing (Industrial inputs), General Masses (Household Products)	28
86	Section 13 - 6th Schedule Table-I (Imports)	87-b-Public Transport Vehicles; Motor Vehicles	Manufacturing (Industrial inputs), General Masses (Household Products)	28
87	Section 13 - 6th Schedule Table-I (Imports)	39-c-Plastics Pipe, Pipe Fitting, Baths, Washbasin	Manufacturing (Industrial inputs), General Masses (Household Products)	28
88	Section 13 - 6th Schedule Table-I (Imports)	09-a-Tea	Manufacturing (Industrial inputs), General Masses (Household Products)	28
89	Section 13 - 6th Schedule Table-I (Imports)	24-b-Cigarettes, Cigars Etc., Of Tobacco Or substitutes	Manufacturing (Industrial inputs)	28
90	Section 13 - 6th Schedule	98-22-MAINTENANCE AND REPAIR	Manufacturing (Industrial inputs)	25

	Table-I (Imports)				
91	Section 13 - 6th Schedule Table-I (Imports)	18-a-Cocoa And Cocoa Preparations, Chocolate	Manufacturing (Industrial inputs), General Masses (Household Products)	24	
92	Section 13 - 6th Schedule Table-I (Imports)	32-a-Paints, Varnishes, Lacquers, Enamels	Manufacturing (Industrial inputs), General Masses (Household Products)	21	
93	Section 13 - 6th Schedule Table-I (Imports)	42-a-Articles Of Leather	Manufacturing (Industrial inputs), General Masses (Household Products)	20	
94	Section 13 - 6th Schedule Table-I (Imports)	63-a-Made-Up Textile Articles Nesoi, Needlecraft	Manufacturing (Industrial inputs), General Masses (Household Products)	20	
95	Section 13 - 6th Schedule Table-I (Imports)	97-a-Works Of Art; Collectors' Pieces, Antiques	Manufacturing (Industrial inputs), General Masses (Household Products)	18	
96	Section 13 - 6th Schedule Table-I (Imports)	98-20-WORKSHOPS	Manufacturing (Industrial inputs), General Masses (Household Products)	18	
97	Section 13 - 6th Schedule Table-I (Imports)	39-a-Polymers, Polyesters In Primary Form Etc	Manufacturing (Industrial inputs), General Masses (Household Products)	17	
98	Section 13 - 6th Schedule Table-I (Imports)	98-33-LABOUR AND MENPOWER SERVICES	Manufacturing (Industrial inputs), General Masses (Household	16	

				Products)	
99	Section 13 - 6th Schedule Table-I (Imports)	84-e-Special Machinery Textile, Papers	Industry Food,	Manufacturing (Industrial inputs), General Masses (Household Products)	15
100	Section 13 - 6th Schedule Table-I (Imports)	84-h-Refrigeration Service Industry Machinery	And	Manufacturing (Industrial inputs), General Masses (Household Products)	15
101	Section 13 - 6th Schedule Table-I (Imports)	98-18-SECURITY SERVICES		Manufacturing (Industrial inputs), General Masses (Household Products)	13
102	Section 13 - 6th Schedule Table-I (Imports)	55-c-Fabric Of Man-Made Fibers		Manufacturing (Industrial inputs), General Masses (Household Products)	12
103	Section 13 - 6th Schedule Table-I (Imports)	98-34-BUSINESS SUPPORT SERVICES		Manufacturing (Industrial inputs), General Masses (Household Products)	12
104	Section 13 - 6th Schedule Table-I (Imports)	62-a-Articles Of Apparel & Clothing Accessories		Manufacturing (Industrial inputs), General Masses (Household Products)	10
105	Section 13 - 6th Schedule Table-I (Imports)	98-25-MEDICAL LABORATORIES		Manufacturing (Industrial inputs), General Masses (Household Products)	9
106	Section 13 - 6th Schedule Table-I (Imports)	72-a-Iron & Ferroalloys; Bars	Steel;	Manufacturing (Industrial inputs), General Masses (Household	9

				Products)	
107	Section 13 - 6th Schedule Table-I (Imports)	95-a-Toys, Games, Related Equipment, Parts & Acces	Manufacturing (Industrial inputs), General Masses (Household Products)	9	
108	Section 13 - 6th Schedule Table-I (Imports)	41-a-Raw Hides & Skins & Leather	Manufacturing (Industrial inputs), General Masses (Household Products)	9	
109	Section 13 - 6th Schedule Table-I (Imports)	76-a-Aluminum & Articles Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	9	
110	Section 13 - 6th Schedule Table-I (Imports)	85-e-Household Audio And Video Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	8	
111	Section 13 - 6th Schedule Table-I (Imports)	55-b-Yarn / Thread Of Man-Made Fibers	Manufacturing (Industrial inputs), General Masses (Household Products)	8	
112	Section 13 - 6th Schedule Table-I (Imports)	69-a-Ceramic Products	Manufacturing (Industrial inputs), General Masses (Household Products)	8	
113	Section 13 - 6th Schedule Table-I (Imports)	44-a-Wood & Articles Of Wood, Wood Charcoal	Manufacturing (Industrial inputs), General Masses (Household Products)	8	
114	Section 13 - 6th Schedule Table-I (Imports)	70-a-Glass & Glassware	Manufacturing (Industrial inputs), General Masses (Household	7	

					Products)	
115	Section 13 - 6th Schedule Table-I (Imports)	84-d-Metalworking Machinery And Equipment			Manufacturing (Industrial inputs), General Masses (Household Products)	7
116	Section 13 - 6th Schedule Table-I (Imports)	98-27-TELECOM COMPANIES			Manufacturing (Industrial inputs)	7
117	Section 13 - 6th Schedule Table-I (Imports)	95-b-Sports Goods			Manufacturing (Industrial inputs), General Masses (Household Products)	6
118	Section 13 - 6th Schedule Table-I (Imports)	31-b-DAP			Manufacturing (Industrial inputs), General Masses (Household Products)	6
119	Section 13 - 6th Schedule Table-I (Imports)	87-c-Motorcycles			Manufacturing (Industrial inputs), General Masses (Household Products)	6
120	Section 13 - 6th Schedule Table-I (Imports)	55-a-Man-Made Fibers / Tows	Staple		Manufacturing (Industrial inputs), General Masses (Household Products)	6
121	Section 13 - 6th Schedule Table-I (Imports)	74-b-Copper Cables	Wires	&	Manufacturing (Industrial inputs), General Masses (Household Products)	6
122	Section 13 - 6th Schedule Table-I (Imports)	22-d-Alcoholic Beverages, Spirits, Vinegar			Manufacturing (Industrial inputs), General Masses (Household Products)	4.8

123	Section 13 - 6th Schedule Table-I (Imports)	78-a-Lead & Articles Thereof Excluding Reclaimed	Manufacturing (Industrial inputs), General Masses (Household Products)	4.2
124	Section 13 - 6th Schedule Table-I (Imports)	98-24-HOSPITAL	General Masses (Medical Equipments)	3.8
125	Section 13 - 6th Schedule Table-I (Imports)	88-a-Aircraft, Spacecraft, Missiles & Parts Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	3.2
126	Section 13 - 6th Schedule Table-I (Imports)	74-a-Copper & Articles Thereof Excluding Wires	Manufacturing (Industrial inputs), General Masses (Household Products)	3.1
127	Section 13 - 6th Schedule Table-I (Imports)	47-a-Pulp Of Wood, Waste & Scrap Of Paper	Manufacturing (Industrial inputs)	3.1
128	Section 13 - 6th Schedule Table-I (Imports)	98-28-TECHNICAL	Manufacturing (Industrial inputs), General Masses (Household Products)	2.8
129	Section 13 - 6th Schedule Table-I (Imports)	98-01-HOTELS	Manufacturing (Industrial inputs)	2.6
130	Section 13 - 6th Schedule Table-I (Imports)	98-26-FINANCIAL BANKING AND INSUARANCE SERVICES	Manufacturing (Industrial inputs), General Masses (Household Products)	2.5
131	Section 13 - 6th Schedule Table-I (Imports)	57-a-Carpets & Other Textile Floor Coverings	Manufacturing (Industrial inputs), General Masses (Household	2.4

					Products)	
132	Section 13 - 6th Schedule Table-I (Imports)	53-a-Vegetable Fibers Nesoi, Woven	Textile Yarns &	Manufacturing (Industrial inputs), General Masses (Household Products)	2.3	
133	Section 13 - 6th Schedule Table-I (Imports)	64-a-Footwear, The Like	Gaiters, &	Manufacturing (Industrial inputs), General Masses (Household Products)	2.2	
134	Section 13 - 6th Schedule Table-I (Imports)	60-a-Knitted Or Fabrics	Crocheted	Manufacturing (Industrial inputs), General Masses (Household Products)	2.2	
135	Section 13 - 6th Schedule Table-I (Imports)	82-a-Tools, Forks Of Base Metal	Spoons &	Manufacturing (Industrial inputs), General Masses (Household Products)	2.0	
136	Section 13 - 6th Schedule Table-I (Imports)	79-a-Zinc Thereof	& Articles	Manufacturing (Industrial inputs), General Masses (Household Products)	1.9	
137	Section 13 - 6th Schedule Table-I (Imports)	83-a-Miscellaneous Articles Of Base Metal		Manufacturing (Industrial inputs), General Masses (Household Products)	1.8	
138	Section 13 - 6th Schedule Table-I (Imports)	26-a-Ores, Slag & Ash		Manufacturing (Industrial inputs), General Masses (Household Products)	1.8	
139	Section 13 - 6th Schedule Table-I (Imports)	58-a-Special Fabrics, Tufted Lace	Woven Textiles,	Manufacturing (Industrial inputs), General Masses (Household	1.6	

Products)			
140	Section 13 - 6th Schedule Table-I (Imports)	31-e-SSP	Manufacturing (Industrial inputs) 1.5
141	Section 13 - 6th Schedule Table-I (Imports)	61-a-Articles Of Apparel & Clothing Accessories	Manufacturing (Industrial inputs), General Masses (Household Products) 1.4
142	Section 13 - 6th Schedule Table-I (Imports)	67-a-Prepared Feathers, Human Hair & Articles	Manufacturing (Industrial inputs), General Masses (Household Products) 1.4
143	Section 13 - 6th Schedule Table-I (Imports)	27-f-Petroleum Jelly, Coke , Bitumn & Similar Misc	Manufacturing (Industrial inputs), General Masses (Household Products) 1.4
144	Section 13 - 6th Schedule Table-I (Imports)	80-a-Tin & Articles Thereof	Manufacturing (Industrial inputs), General Masses (Household Products) 1.4
145	Section 13 - 6th Schedule Table-I (Imports)	39-e-Foam Product	Manufacturing (Industrial inputs), General Masses (Household Products) 1.3
146	Section 13 - 6th Schedule Table-I (Imports)	56-a-Wadding, Felt & Nonwovens, Special Yarns, Twi	Manufacturing (Industrial inputs), General Masses (Household Products) 1.1
147	Section 13 - 6th Schedule Table-I (Imports)	22-c-Aerated Waters	Manufacturing (Industrial inputs), General Masses (Household Products) 0.9

148	Section 13 - 6th Schedule Table-I (Imports)	87-a-Tractors	Manufacturing (Industrial inputs), General Masses (Household Products)	0.9
149	Section 13 - 6th Schedule Table-I (Imports)	22-b-Waters Sweetened Etc, Non-Alcoholic Beverages	Manufacturing (Industrial inputs), General Masses (Household Products)	0.6
150	Section 13 - 6th Schedule Table-I (Imports)	36-a-Explosives, Pyrotechnic Products	Manufacturing (Industrial inputs), General Masses (Household Products)	0.6
151	Section 13 - 6th Schedule Table-I (Imports)	91-a-Clocks & Watches & Parts Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	0.6
152	Section 13 - 6th Schedule Table-I (Imports)	21-b-Ice Cream	Manufacturing (Industrial inputs), General Masses (Household Products)	0.4
153	Section 13 - 6th Schedule Table-I (Imports)	98-06-SHIPPING AND FORWARDING	Manufacturing (Industrial inputs), General Masses (Household Products)	0.4
154	Section 13 - 6th Schedule Table-I (Imports)	98-03-AIR LINE (TRAVEL BY AIR)	Manufacturing (Industrial inputs), General Masses (Household Products)	0.3
155	Section 13 - 6th Schedule Table-I (Imports)	98-15-MANAGEMENT CONSULTANTS SOFTWARE	Manufacturing (Industrial inputs)	0.2
156	Section 13 - 6th Schedule	98-05-CUSTOM AGENT , TOUR OPERATORS	Manufacturing (Industrial inputs),	0.2

	Table-I (Imports)		General (Household Products)	Masses	
157	Section 13 - 6th Schedule Table-I (Imports)	98-11-LAUNDRY	Manufacturing (Industrial inputs), General (Household Products)	Masses	0.2
158	Section 13 - 6th Schedule Table-I (Imports)	54-a-Man-Made Filaments, Inc. Yarns & Woven Etc.	Manufacturing (Industrial inputs), General (Household Products)	Masses	0.1
159	Section 13 - 6th Schedule Table-I (Imports)	98-09-PRINTING SERVICES	Manufacturing (Industrial inputs), General (Household Products)	Masses	0.1
160	Section 13 - 6th Schedule Table-I (Imports)	59-a-Impregnated, Coated, Covered, Or Laminated	Manufacturing (Industrial inputs), General (Household Products)	Masses	0.1
161	Section 13 - 6th Schedule Table-I (Imports)	45-a-Cork & Articles Of Cork	Manufacturing (Industrial inputs), General (Household Products)	Masses	0.1
162	Section 13 - 6th Schedule Table-I (Imports)	65-a-Headgear & Other Parts	Manufacturing (Industrial inputs), General (Household Products)	Masses	-
163	Section 13 - 6th Schedule Table-I (Imports)	51-a-Wool & Fine Or Coarse Animal Hair, Inc. Yarns	Manufacturing (Industrial inputs), General (Household Products)	Masses	-
164	Section 13 - 6th Schedule Table-I	86-a-Railway Or Tramway Locomotives, Railroad Equi	Manufacturing (Industrial inputs), General Masses		-

	(Imports)		(Household Products)	
165	Section 13 - 6th Schedule Table-I (Imports)	46-a-Manufactures Of Straw, Esparto, Or Plai	Manufacturing (Industrial inputs), General Masses (Household Products)	-
166	Section 13 - 6th Schedule Table-I (Imports)	89-b-Ships, Boats, & Floating Structures	Manufacturing (Industrial inputs), General Masses (Household Products)	-
167	Section 13 - 6th Schedule Table-I (Imports)	31-c-Nitrophosphate	Manufacturing (Industrial inputs), General Masses (Household Products)	-
168	Section 13 - 6th Schedule Table-I (Imports)	17-b-Molasses	Manufacturing (Industrial inputs), General Masses (Household Products)	-
169	Section 13 - 6th Schedule Table-I (Imports)	98-33-AIR FREIGHT AND SERVICES CHARGES	Manufacturing (Industrial inputs), General Masses (Household Products)	-
170	Section 13 - 6th Schedule Table-I (Imports)	92-a-Musical Instruments, Parts & Accessories	Manufacturing (Industrial inputs), General Masses (Household Products)	-
171	Section 13 - 6th Schedule Table-I (Imports)	13-a-Lac; Gums, Resins Etc	Manufacturing (Industrial inputs), General Masses (Household Products)	-
172	Section 13 - 6th Schedule Table-I (Imports)	98-17-TESTING MEDICAL	Manufacturing (Industrial inputs), General Masses (Household	-

			Products)	
173	Section 13 - 6th Schedule Table-I (Imports)	98-08-COURIER SERVICES	Manufacturing (Industrial inputs), General Masses (Household Products)	-
174	Section 13 - 6th Schedule Table-I (Imports)	98-21-HEALTH CLUBS	Manufacturing (Industrial inputs), General Masses (Household Products)	-
Total				334,230
Less adjustment (Exemption on Local Supplies) *				(78,387)
Total after adjustment				255,843

Part 3: Exemption on Local Supplies

1	Section 13 - 6th Sched, Table-II (Local Supplies)	52-a-Cotton, Cotton Waste	Manufacturing (Industrial inputs), General Masses (Household Products)	24,963
2	Section 13 - 6th Sched, Table-II (Local Supplies)	23-b-Poultry And Animal Feed; Meals Of Sunflower	Manufacturing (Industrial inputs), General Masses (Household Products)	15,991
3	Section 13 - 6th Sched, Table-II (Local Supplies)	15-b-Vegetable Oil, Fats & Waxes Etc	Manufacturing (Industrial inputs), General Masses (Household Products)	1,827
4	Section 13 - 6th Sched, Table-II (Local Supplies)	85-a-Electric Transmission And Distribution Equipm	Manufacturing (Industrial inputs), General Masses (Household Products)	1,456

5	Section 13 - 6th Sched, Table-II (Local Supplies)	30-a-Pharmaceutical Products	Manufacturing (Industrial inputs), General Masses (Household Products)	1,285
6	Section 13 - 6th Sched, Table-II (Local Supplies)	10-b-Cereals And Grains Other Than Rice	Manufacturing (Industrial inputs), General Masses (Household Products)	1,060
7	Section 13 - 6th Sched, Table-II (Local Supplies)	04-a-Milk Cream And Butter Dairy Products	Manufacturing (Industrial inputs), General Masses (Household Products)	1,035
8	Section 13 - 6th Sched, Table-II (Local Supplies)	19-a-Preparation Of Cereals, Flour, Starch Or Milk	Manufacturing (Industrial inputs), General Masses (Household Products)	1,020
9	Section 13 - 6th Sched, Table-II (Local Supplies)	10-a-Rice	Manufacturing (Industrial inputs), General Masses (Household Products)	958
10	Section 13 - 6th Sched, Table-II (Local Supplies)	85-d-Electric Lighting And Wiring Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	562
11	Section 13 - 6th Sched, Table-II (Local Supplies)	36-b-Matches	Manufacturing (Industrial inputs), General Masses (Household Products)	528
12	Section 13 - 6th Sched, Table-II (Local Supplies)	85-h-Miscellaneous Electrical Machinery, Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	510

13	Section 13 - 6th Sched, Table-II (Local Supplies)	12-b-Oil Seeds, Misc. Grains, Medicinal Plants	Manufacturing (Industrial inputs), General Masses (Household Products)	412
14	Section 13 - 6th Sched, Table-II (Local Supplies)	84-a-Engines Turbines And Turbines	Manufacturing (Industrial inputs), General Masses (Household Products)	391
15	Section 13 - 6th Sched, Table-II (Local Supplies)	23-a-Residues From Food Industries, Oilcake	Manufacturing (Industrial inputs), General Masses (Household Products)	380
16	Section 13 - 6th Sched, Table-II (Local Supplies)	21-c-Beverage Concentrate, Other Misc Edible	Manufacturing (Industrial inputs), General Masses (Household Products)	235
17	Section 13 - 6th Sched, Table-II (Local Supplies)	84-g-Computer And Office Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	208
18	Section 13 - 6th Sched, Table-II (Local Supplies)	20-a-Preparations Of Vegetables, Fruits, Nuts, Etc	Manufacturing (Industrial inputs), General Masses (Household Products)	194
19	Section 13 - 6th Sched, Table-II (Local Supplies)	08-a-Edible Fruits & Nuts, Peel Of Citrus/Melons	Manufacturing (Industrial inputs), General Masses (Household Products)	135
20	Section 13 - 6th Sched, Table-II (Local Supplies)	07-a-Edible Vegetables	Manufacturing (Industrial inputs), General Masses (Household Products)	131

21	Section 13 - 6th Sched, Table-II (Local Supplies)	01-a-Live Animals		Manufacturing (Industrial inputs), General Masses (Household Products)	129
22	Section 13 - 6th Sched, Table-II (Local Supplies)	04-b-Eggs, Honey, & Ed. Products Of Animal Origin		Manufacturing (Industrial inputs), General Masses (Household Products)	122
23	Section 13 - 6th Sched, Table-II (Local Supplies)	52-c-Cotton Fabric		Manufacturing (Industrial inputs), General Masses (Household Products)	112
24	Section 13 - 6th Sched, Table-II (Local Supplies)	17-c-Sugar Confectionary		Manufacturing (Industrial inputs), General Masses (Household Products)	101
25	Section 13 - 6th Sched, Table-II (Local Supplies)	14-b-Vegetable Materials	Plaiting	Manufacturing (Industrial inputs), General Masses (Household Products)	86
26	Section 13 - 6th Sched, Table-II (Local Supplies)	84-b-Agricultural Farm And Garden Machinery		Manufacturing (Industrial inputs), General Masses (Household Products)	82
27	Section 13 - 6th Sched, Table-II (Local Supplies)	11-a-Milling Products	Industry	Manufacturing (Industrial inputs), General Masses (Household Products)	81
28	Section 13 - 6th Sched, Table-II (Local Supplies)	27-g-Electrical Energy		Manufacturing (Industrial inputs), General Masses (Household Products)	76

29	Section 13 - 6th Sched, Table-II (Local Supplies)	03-a-Fish & Crustaceans		Manufacturing (Industrial inputs), General Masses (Household Products)	52
30	Section 13 - 6th Sched, Table-II (Local Supplies)	84-i-Miscellaneous Industrial And Commercial Equipments		Manufacturing (Industrial inputs), General Masses (Household Products)	46
31	Section 13 - 6th Sched, Table-II (Local Supplies)	29-a-Organic Chemicals		Manufacturing (Industrial inputs), General Masses (Household Products)	42
32	Section 13 - 6th Sched, Table-II (Local Supplies)	85-g-Electronic Components Accessories	And	Manufacturing (Industrial inputs), General Masses (Household Products)	37
33	Section 13 - 6th Sched, Table-II (Local Supplies)	94-a-Furniture, Bedding, Cushions, Lamps & Lightings		Manufacturing (Industrial inputs), General Masses (Household Products)	34
34	Section 13 - 6th Sched, Table-II (Local Supplies)	52-b-Cotton Yarn / Thread		Manufacturing (Industrial inputs), General Masses (Household Products)	34
35	Section 13 - 6th Sched, Table-II (Local Supplies)	38-a-Miscellaneous Chemical Products		Manufacturing (Industrial inputs), General Masses (Household Products)	33
36	Section 13 - 6th Sched, Table-II (Local Supplies)	24-a-Tobacco, Raw Or Processed; Tobacco Refuse		Manufacturing (Industrial inputs), General Masses (Household Products)	32

37	Section 13 - 6th Sched, Table-II (Local Supplies)	06-a-Live Trees And Other Plants		Manufacturing (Industrial inputs), General Masses (Household Products)	25
38	Section 13 - 6th Sched, Table-II (Local Supplies)	85-c-Household Appliances	Electric	Manufacturing (Industrial inputs), General Masses (Household Products)	24
39	Section 13 - 6th Sched, Table-II (Local Supplies)	81-a-Base Metals Nesoi, Cermets, Articles Etc		Manufacturing (Industrial inputs), General Masses (Household Products)	23
40	Section 13 - 6th Sched, Table-II (Local Supplies)	09-b-Coffee, Substitutes; Mate, &	Coffee Spices	Manufacturing (Industrial inputs), General Masses (Household Products)	21
41	Section 13 - 6th Sched, Table-II (Local Supplies)	35-a-Albuminoidal Sub, Starches, Glues, Enzymes		Manufacturing (Industrial inputs), General Masses (Household Products)	19
42	Section 13 - 6th Sched, Table-II (Local Supplies)	27-c-Petroleum Refined Oil & Related Products		Manufacturing (Industrial inputs), General Masses (Household Products)	19
43	Section 13 - 6th Sched, Table-II (Local Supplies)	25-a-Salt, Sculpture, Earth & Stone, Lime		Manufacturing (Industrial inputs), General Masses (Household Products)	17
44	Section 13 - 6th Sched, Table-II (Local Supplies)	73-a-Articles Of Iron Or Steel		Manufacturing (Industrial inputs), General Masses (Household Products)	17

45	Section 13 - 6th Sched, Table-II (Local Supplies)	87-d-Other Carriages Vehicles	Vehicles / Trailers;	Manufacturing (Industrial inputs), General Masses (Household Products)	16
46	Section 13 - 6th Sched, Table-II (Local Supplies)	98-02-ADVERTISEMENT		Manufacturing (Industrial inputs), General Masses (Household Products)	16
47	Section 13 - 6th Sched, Table-II (Local Supplies)	24-b-Cigarettes, Etc., Of substitutes	Cigars Tobacco Or	Manufacturing (Industrial inputs), General Masses (Household Products)	15
48	Section 13 - 6th Sched, Table-II (Local Supplies)	22-a-Natural Including Mineral	Water	Manufacturing (Industrial inputs), General Masses (Household Products)	14
49	Section 13 - 6th Sched, Table-II (Local Supplies)	87-b-Public Vehicles; For	Transport Motor Vehicles	Manufacturing (Industrial inputs), General Masses (Household Products)	14
50	Section 13 - 6th Sched, Table-II (Local Supplies)	84-c-Construction, And Materials	Mining, Handling	Manufacturing (Industrial inputs), General Masses (Household Products)	14
51	Section 13 - 6th Sched, Table-II (Local Supplies)	02-a-Meat & Offal	Edible Meat	Manufacturing (Industrial inputs), General Masses (Household Products)	14
52	Section 13 - 6th Sched, Table-II (Local Supplies)	90-b-Laboratory Apparatus Optical	And Analytical,	Manufacturing (Industrial inputs), General Masses (Household Products)	11

53	Section 13 - 6th Sched, Table-II (Local Supplies)	25-b-Cement Cement	Clinker;	Manufacturing (Industrial inputs), General Masses (Household Products)	11
54	Section 13 - 6th Sched, Table-II (Local Supplies)	98-20-WORKSHOPS		Manufacturing (Industrial inputs), General Masses (Household Products)	11
55	Section 13 - 6th Sched, Table-II (Local Supplies)	15-a-Animal Waxes Etc	Oil, Fats &	Manufacturing (Industrial inputs), General Masses (Household Products)	10
56	Section 13 - 6th Sched, Table-II (Local Supplies)	27-a-Coal , Lignite, Coal Gas, Oils ,Tars And Coal		Manufacturing (Industrial inputs), General Masses (Household Products)	10
57	Section 13 - 6th Sched, Table-II (Local Supplies)	28-a-Inorganic Chemicals, Organic / Inorganic Comp		Manufacturing (Industrial inputs), General Masses (Household Products)	10
58	Section 13 - 6th Sched, Table-II (Local Supplies)	84-e-Special Machinery Food,Papers	Industry Textile,	Manufacturing (Industrial inputs), General Masses (Household Products)	10
59	Section 13 - 6th Sched, Table-II (Local Supplies)	90-c-Surgical Instruments		Manufacturing (Industrial inputs), General Masses (Household Products)	9
60	Section 13 - 6th Sched, Table-II (Local Supplies)	40-a-Rubbers & Articles Thereof		Manufacturing (Industrial inputs), General Masses (Household Products)	9

61	Section 13 - 6th Sched, Table-II (Local Supplies)	68-a-Articles Of Stone, Plaster, Cement, Asbestos	Manufacturing (Industrial inputs), General Masses (Household Products)	8
62	Section 13 - 6th Sched, Table-II (Local Supplies)	98-04-CONSTRUCTION	Manufacturing (Industrial inputs), General Masses (Household Products)	8
63	Section 13 - 6th Sched, Table-II (Local Supplies)	16-a-Edible Preparation Of Meat, Fish, Crustaceans	Manufacturing (Industrial inputs), General Masses (Household Products)	8
64	Section 13 - 6th Sched, Table-II (Local Supplies)	55-c-Fabric Of Man-Made Fibers	Manufacturing (Industrial inputs), General Masses (Household Products)	8
65	Section 13 - 6th Sched, Table-II (Local Supplies)	85-b-Electrical Industrial Apparatus	Manufacturing (Industrial inputs), General Masses (Household Products)	7
66	Section 13 - 6th Sched, Table-II (Local Supplies)	90-d-Medical, And Dental Instruments And Supplies	Manufacturing (Industrial inputs), General Masses (Household Products)	7
67	Section 13 - 6th Sched, Table-II (Local Supplies)	49-a-Printed Newspapers, Manuscript	Books, Pictures, Manufacturing (Industrial inputs), General Masses (Household Products)	7
68	Section 13 - 6th Sched, Table-II (Local Supplies)	20-b-Fruit And / Or Vegetable Juices	Manufacturing (Industrial inputs), General Masses (Household Products)	6

69	Section 13 - 6th Sched, Table-II (Local Supplies)	17-a-Sugars	Manufacturing (Industrial inputs), General Masses (Household Products)	6
70	Section 13 - 6th Sched, Table-II (Local Supplies)	50-a-Silk, Including Yarns & Woven Fabrics Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	5
71	Section 13 - 6th Sched, Table-II (Local Supplies)	62-a-Articles Of Apparel & Clothing Accessories	Manufacturing (Industrial inputs), General Masses (Household Products)	5
72	Section 13 - 6th Sched, Table-II (Local Supplies)	72-a-Iron & Steel; Ferroalloys; Bars, Including	Manufacturing (Industrial inputs), General Masses (Household Products)	4
73	Section 13 - 6th Sched, Table-II (Local Supplies)	98-22-MAINTENANCE AND REPAIR	Manufacturing (Industrial inputs), General Masses (Household Products)	4
74	Section 13 - 6th Sched, Table-II (Local Supplies)	55-a-Man-Made Staple Fibers / Tows	Manufacturing (Industrial inputs), General Masses (Household Products)	4
75	Section 13 - 6th Sched, Table-II (Local Supplies)	41-a-Raw Hides & Skins & Leather	Manufacturing (Industrial inputs), General Masses (Household Products)	3
76	Section 13 - 6th Sched, Table-II (Local Supplies)	48-a-Paper & Paperboard, Rolls , Sheets	Manufacturing (Industrial inputs), General Masses (Household Products)	3

77	Section 13 - 6th Sched, Table-II (Local Supplies)	85-e-Household Audio And Video Equipment, And Audi	Manufacturing (Industrial inputs), General Masses (Household Products)	3
78	Section 13 - 6th Sched, Table-II (Local Supplies)	39-c-Plastics Pipe, Pipe Fitting, Baths, Washbasin	Manufacturing (Industrial inputs), General Masses (Household Products)	3
79	Section 13 - 6th Sched, Table-II (Local Supplies)	31-f-OTHER FERTILIZERS	Manufacturing (Industrial inputs), General Masses (Household Products)	2
80	Section 13 - 6th Sched, Table-II (Local Supplies)	44-a-Wood & Articles Of Wood, Wood Charcoal	Manufacturing (Industrial inputs), General Masses (Household Products)	2
81	Section 13 - 6th Sched, Table-II (Local Supplies)	31-b-DAP	Manufacturing (Industrial inputs), General Masses (Household Products)	2
82	Section 13 - 6th Sched, Table-II (Local Supplies)	39-b-Plastics Packaging Materials Incl Boxes, Bags	Manufacturing (Industrial inputs), General Masses (Household Products)	2
83	Section 13 - 6th Sched, Table-II (Local Supplies)	98-26-FINANCIAL BANKING AND INSUARANCE SERVICES	Manufacturing (Industrial inputs), General Masses (Household Products)	2
84	Section 13 - 6th Sched, Table-II (Local Supplies)	74-a-Copper & Articles Thereof Excluding Wires	Manufacturing (Industrial inputs), General Masses (Household Products)	2

85	Section 13 - 6th Sched, Table-II (Local Supplies)	98-23-TRANSPORT	Manufacturing (Industrial inputs), General Masses (Household Products)	2
86	Section 13 - 6th Sched, Table-II (Local Supplies)	47-a-Pulp Of Wood, Waste & Scrap Of Paper	Manufacturing (Industrial inputs), General Masses (Household Products)	2
87	Section 13 - 6th Sched, Table-II (Local Supplies)	18-a-Cocoa And Cocoa Preparations, Chocolate	Manufacturing (Industrial inputs), General Masses (Household Products)	1.5
88	Section 13 - 6th Sched, Table-II (Local Supplies)	90-a-Search, Detection, Navigation, Aeronautical,	Manufacturing (Industrial inputs), General Masses (Household Products)	1.4
89	Section 13 - 6th Sched, Table-II (Local Supplies)	84-f-General Industrial Machinery And Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	1.4
90	Section 13 - 6th Sched, Table-II (Local Supplies)	05-a-Products Of Animal Origin Inedible	Manufacturing (Industrial inputs), General Masses (Household Products)	1.3
91	Section 13 - 6th Sched, Table-II (Local Supplies)	84-d-Metalworking Machinery And Equipment	Manufacturing (Industrial inputs), General Masses (Household Products)	1.1
92	Section 13 - 6th Sched, Table-II (Local Supplies)	26-a-Ores, Slag & Ash	Manufacturing (Industrial inputs), General Masses (Household Products)	1.1

93	Section 13 - 6th Sched, Table-II (Local Supplies)	69-a-Ceramic Products	Manufacturing (Industrial inputs), General Masses (Household Products)	1.1
94	Section 13 - 6th Sched, Table-II (Local Supplies)	55-b-Yarn / Thread Of Man-Made Fibers	Manufacturing (Industrial inputs), General Masses (Household Products)	1.0
95	Section 13 - 6th Sched, Table-II (Local Supplies)	98-28-TECHNICAL	Manufacturing (Industrial inputs), General Masses (Household Products)	0.8
96	Section 13 - 6th Sched, Table-II (Local Supplies)	96-a-Misc. Manufactured Articles brushes, buttons,	Manufacturing (Industrial inputs), General Masses (Household Products)	0.7
97	Section 13 - 6th Sched, Table-II (Local Supplies)	78-a-Lead & Articles Thereof Excluding Reclaimed L	Manufacturing (Industrial inputs), General Masses (Household Products)	0.7
98	Section 13 - 6th Sched, Table-II (Local Supplies)	87-a-Tractors	Manufacturing (Industrial inputs), General Masses (Household Products)	0.6
99	Section 13 - 6th Sched, Table-II (Local Supplies)	27-d-Lubricating Oils And Greases	Manufacturing (Industrial inputs), General Masses (Household Products)	0.6
100	Section 13 - 6th Sched, Table-II (Local Supplies)	33-a-Oils & Resinoids, Perfumery, Cosmetic Or Toil	Manufacturing (Industrial inputs), General Masses (Household Products)	0.5

101	Section 13 - 6th Sched, Table-II (Local Supplies)	39-d-Other Plastics Etc	Articles	Of	Manufacturing (Industrial inputs), General Masses (Household Products)	0.5
102	Section 13 - 6th Sched, Table-II (Local Supplies)	98-34-BUSINESS SUPPORT SERVICES			Manufacturing (Industrial inputs), General Masses (Household Products)	0.5
103	Section 13 - 6th Sched, Table-II (Local Supplies)	98-27-TELECOM COMPANIES			Manufacturing (Industrial inputs), General Masses (Household Products)	0.5
104	Section 13 - 6th Sched, Table-II (Local Supplies)	36-a-Explosives, Pyrotechnic Products			Manufacturing (Industrial inputs), General Masses (Household Products)	0.3
105	Section 13 - 6th Sched, Table-II (Local Supplies)	85-f-Communications Equipment			Manufacturing (Industrial inputs), General Masses (Household Products)	0.3
106	Section 13 - 6th Sched, Table-II (Local Supplies)	27-e-Petroleum Other Hydrocarbons	Gases & Gaseous		Manufacturing (Industrial inputs), General Masses (Household Products)	0.3
107	Section 13 - 6th Sched, Table-II (Local Supplies)	63-a-Made-Up Articles Nesoi, Needlecraft	Textile		Manufacturing (Industrial inputs), General Masses (Household Products)	0.3
108	Section 13 - 6th Sched, Table-II (Local Supplies)	48-b-Articles Pulp Filter Wallpape	Of	Paper Paper,	Manufacturing (Industrial inputs), General Masses (Household Products)	0.3

109	Section 13 - 6th Sched, Table-II (Local Supplies)	09-a-Tea		Manufacturing (Industrial inputs), General Masses (Household Products)	0.2
110	Section 13 - 6th Sched, Table-II (Local Supplies)	98-33-LABOUR AND MENPOWER SERVICES		Manufacturing (Industrial inputs), General Masses (Household Products)	0.2
111	Section 13 - 6th Sched, Table-II (Local Supplies)	87-c-Motorcycles		Manufacturing (Industrial inputs), General Masses (Household Products)	0.2
112	Section 13 - 6th Sched, Table-II (Local Supplies)	58-a-Special Fabrics, Tufted Lace	Woven Textiles,	Manufacturing (Industrial inputs), General Masses (Household Products)	0.2
113	Section 13 - 6th Sched, Table-II (Local Supplies)	21-a-Extracts Of Tea Etc, Yeasts, Sauces	Coffee,	Manufacturing (Industrial inputs), General Masses (Household Products)	0.1
114	Section 13 - 6th Sched, Table-II (Local Supplies)	83-a-Miscellaneous Articles Of Base Metal		Manufacturing (Industrial inputs), General Masses (Household Products)	0.1
115	Section 13 - 6th Sched, Table-II (Local Supplies)	71-a-Pearls, Precious Metals, Imitation	Stones,	Manufacturing (Industrial inputs), General Masses (Household Products)	0.1
116	Section 13 - 6th Sched, Table-II (Local Supplies)	79-a-Zinc Thereof	& Articles	Manufacturing (Industrial inputs), General Masses (Household Products)	0.1

117	Section 13 - 6th Sched, Table-II (Local Supplies)	37-a-Photographic Cinematographic Goods	Or	Manufacturing (Industrial inputs), General Masses (Household Products)	0.1
118	Section 13 - 6th Sched, Table-II (Local Supplies)	84-h-Refrigeration Service Industry Machinery	And	Manufacturing (Industrial inputs), General Masses (Household Products)	0.1
119	Section 13 - 6th Sched, Table-II (Local Supplies)	67-a-Prepared Feathers, Human Hair & Articles Thereof		Manufacturing (Industrial inputs), General Masses (Household Products)	0.1
120	Section 13 - 6th Sched, Table-II (Local Supplies)	76-a-Aluminum & Articles Thereof		Manufacturing (Industrial inputs), General Masses (Household Products)	0.1
121	Section 13 - 6th Sched, Table-II (Local Supplies)	60-a-Knitted Or Crocheted Fabrics		Manufacturing (Industrial inputs), General Masses (Household Products)	0.1
122	Section 13 - 6th Sched, Table-II (Local Supplies)	53-a-Vegetable Textile Fibers Nesoi, Yarns & Woven		Manufacturing (Industrial inputs), General Masses (Household Products)	-
123	Section 13 - 6th Sched, Table-II (Local Supplies)	57-a-Carpets & Other Textile Floor Coverings		Manufacturing (Industrial inputs), General Masses (Household Products)	-
124	Section 13 - 6th Sched, Table-II (Local Supplies)	21-b-Ice Cream		Manufacturing (Industrial inputs), General Masses (Household Products)	-

125	Section 13 - 6th Sched, Table-II (Local Supplies)	54-a-Man-Made Filaments, Inc. Yarns & Woven Etc.	Manufacturing (Industrial inputs), General Masses (Household Products)	-
126	Section 13 - 6th Sched, Table-II (Local Supplies)	95-a-Toys, Games, Related Equipment, Parts & Acces	Manufacturing (Industrial inputs), General Masses (Household Products)	-
127	Section 13 - 6th Sched, Table-II (Local Supplies)	22-d-Alcoholic Beverages, Spirits, Vinegar	Manufacturing (Industrial inputs), General Masses (Household Products)	-
128	Section 13 - 6th Sched, Table-II (Local Supplies)	80-a-Tin & Articles Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	-
129	Section 13 - 6th Sched, Table-II (Local Supplies)	22-b-Waters Sweetened Etc, Non-Alcoholic Beverages	Manufacturing (Industrial inputs), General Masses (Household Products)	-
130	Section 13 - 6th Sched, Table-II (Local Supplies)	56-a-Wadding, Felt & Nonwovens, Special Yarns	Manufacturing (Industrial inputs), General Masses (Household Products)	-
131	Section 13 - 6th Sched, Table-II (Local Supplies)	88-a-Aircraft, Spacecraft, Missiles & Parts Thereof	Manufacturing (Industrial inputs), General Masses (Household Products)	-
132	Section 13 - 6th Sched, Table-II (Local Supplies)	46-a-Manufactures Of Straw, Esparto,	Manufacturing (Industrial inputs), General Masses (Household Products)	-

133	Section 13 - 6th Sched, Table-II (Local Supplies)	32-a-Paints, Varnishes, Lacquers, Enamels, And All	Manufacturing (Industrial inputs), General Masses (Household Products)	-
134	Section 13 - 6th Sched, Table-II (Local Supplies)	32-b-Tanning Or Dyeing Extracts, Dyes, Pigments,	Manufacturing (Industrial inputs), General Masses (Household Products)	-
135	Section 13 - 6th Sched, Table-II (Local Supplies)	82-a-Tools, Spoons & Forks Of Base Metal	Manufacturing (Industrial inputs), General Masses (Household Products)	-
136	Section 13 - 6th Sched, Table-II (Local Supplies)	61-a-Articles Of Apparel & Clothing Accessories	Manufacturing (Industrial inputs), General Masses (Household Products)	-
137	Section 13 - 6th Sched, Table-II (Local Supplies)	98-24-HOSPITAL	Manufacturing (Industrial inputs), General Masses (Household Products)	-
138	Section 13 - 6th Sched, Table-II (Local Supplies)	92-a-Musical Instruments, Parts & Accessories	Manufacturing (Industrial inputs), General Masses (Household Products)	-
139	Section 13 - 6th Sched, Table-II (Local Supplies)	45-a-Cork & Articles Of Cork	Manufacturing (Industrial inputs), General Masses (Household Products)	-
140	Section 13 - 6th Sched, Table-II (Local Supplies)	34-a-Soaps, Waxes, Scouring Products, Candles,	Manufacturing (Industrial inputs), General Masses (Household Products)	-

141	Section 13 - 6th Sched, Table-II (Local Supplies)	90-e-Photographic Cinematographic Equipment		Manufacturing (Industrial inputs), General Masses (Household Products)	-
142	Section 13 - 6th Sched, Table-II (Local Supplies)	98-17-TESTING MEDICAL	NON	Manufacturing (Industrial inputs), General Masses (Household Products)	-
143	Section 13 - 6th Sched, Table-II (Local Supplies)	13-a-Lac; Gums, Resins Etc		Manufacturing (Industrial inputs), General Masses (Household Products)	-
Total					54,871

Part 4: Reduced Rate under 8th Schedule of 2 %

1	Clause (aa) of sub-section (2) of Sec. 3	Fertilizers (all types)		Agriculture Sector (Common Masses)	74,008
Total					74,008

Part 5: Reduced Rate under 8th Schedule of 5 %

1	Clause (aa) of sub-section (2) of Sec. 3	Agricultural tractors		Agriculture Machinery (Common Masses)	3,553
2	Clause (aa) of sub-section (2) of Sec. 3	Natural gas		Agriculture and , Industrial Sector	2,865
3	Clause (aa) of sub-section (2) of Sec. 3	Reclaimed lead		Industrial Inputs (Business and Industry)	988
4	Clause (aa) of sub-section (2) of Sec. 3	Secondhand and worn clothing or footwear		Common Masses	360

5	Clause (aa) of sub-section (2) of Sec. 3	Set top boxes for gaining access to internet	IT Industry and Common Masses	295
6	Clause (aa) of sub-section (2) of Sec. 3	Irrigation, drainage and agro-chemical application equipment:	Agriculture Machinery (Common Masses)	177
7	Clause (aa) of sub-section (2) of Sec. 3	Others (misc)	Others (misc)	119
8	Clause (aa) of sub-section (2) of Sec. 3	Waste paper	Industrial Inputs (Business and Industry)	111
9	Clause (aa) of sub-section (2) of Sec. 3	Harvesting, threshing and storage equipment	Agriculture Machinery (Common Masses)	50
10	Clause (aa) of sub-section (2) of Sec. 3	Machinery for poultry sector (7% reduced rate)	Poultry Industry	48
11	Clause (aa) of sub-section (2) of Sec. 3	Oil cake and other solid residues, whether or not ground or in the form of pellets	Agriculture Sector (Common Masses)	38
12	Clause (aa) of sub-section (2) of Sec. 3	Tillage and seed bed preparation equipment:	Agriculture Machinery (Common Masses)	37
13	Clause (aa) of sub-section (2) of Sec. 3	Seeding or planting equipment	Agriculture Machinery (Common Masses)	15
14	Clause (aa) of sub-section (2) of Sec. 3	Oilseeds meant for sowing.	Agriculture Sector (Common Masses)	7
15	Clause (aa) of sub-section (2) of Sec. 3	Raw cotton and ginned cotton	Agriculture Sector (Industrial Input)	7
16	Clause (aa) of sub-section (2) of Sec. 3	Incinerators of disposal of waste management, motorized sweepers and snow ploughs	Machinery for Waste Management (Common Masses)	5
17	Clause (aa) of sub-section (2) of Sec. 3	Re-importation of foreign origin goods which were temporarily exported out of	Temporary Imports (Business & Foreigners)	1

Pakistan				
18	Clause (aa) of sub-section (2) of Sec. 3	Post-harvest handling and processing & miscellaneous machinery	Agriculture Machinery (Common Masses)	0.8
19	Clause (aa) of sub-section (2) of Sec. 3	Plant, machinery, 2 [and equipment] used in production of biodiesel	Industrial Machinery (Business and Industry)	0.1
Total				8,677

Part 6: Reduced Rate under 8th Schedule of 10 %

1	Clause (aa) of sub-section (2) of Sec. 3	White crystalline sugar (8% reduced rate)	Common Masses Household items	24,141
2	Clause (aa) of sub-section (2) of Sec. 3	Soya bean meal	Industrial Input	6,777
3	Clause (aa) of sub-section (2) of Sec. 3	Ingredients of poultry feed, cattle feed, except soya bean meal of PCT heading 2304.0000 and oilcake of cotton-seed falling under PCT heading 2306.1000	Agriculture Sector (Common Masses)	2,578
4	Clause (aa) of sub-section (2) of Sec. 3	Yogurt	Food Item (Common Masses)	506
5	Clause (aa) of sub-section (2) of Sec. 3	Flavoured milk	Food Item (Common Masses)	452
6	Clause (aa) of sub-section (2) of Sec. 3	LPG	Industry and Common Masses	431
7	Clause (aa) of sub-section (2) of Sec. 3	Cheese	Food Item (Common Masses)	147
8	Clause (aa) of sub-section (2) of Sec. 3	Cream	Food Item (Common Masses)	136
9	Clause (aa) of sub-section (2)	Milk and cream, concentrated or containing	Food Item (Common Masses)	85

	of Sec. 3	added sugar or other sweetening matter		
10	Clause (aa) of sub-section (2) of Sec. 3	Plant and machinery not manufactured locally and having no compatible local substitutes	Industry and Business	76
11	Clause (aa) of sub-section (2) of Sec. 3	Butter	Food Item (Common Masses)	61
12	Clause (aa) of sub-section (2) of Sec. 3	Soya bean seed	Agriculture Sector (Common Masses)	48
13	Clause (aa) of sub-section (2) of Sec. 3	Desi ghee	Food Item (Common Masses)	15
14	Clause (aa) of sub-section (2) of Sec. 3	Whey	Food Item (Common Masses)	0.6
15	Clause (aa) of sub-section (2) of Sec. 3	Multimedia projectors	Film Industry	-
Total				35,452

Part 7: Other Reduced Rates

1	Clause (aa) of sub-section (2) of Sec. 3	LNG/RLNG (12% reduced rate)	Industry and Common Masses	4,063
2	Clause (aa) of sub-section (2) of Sec. 3	Others (misc)	Others (misc)	40
3	Clause (aa) of sub-section (2) of Sec. 3	Locally produced coal	Business (Bricks Killen)	17
4	Clause (aa) of sub-section (2) of Sec. 3	Rapeseed, sunflower seed and canola seed (16% reduced rate)	Agriculture Sector (Common Masses)	-
5	Sub-section (9A) of section 3	Sale of POS Clients (retail outlets)	Retail outlets which are integrated with Board's	49,018

	computerized system	
Total		53,138

Part 8: Sales Tax on Cellular Mobile Phones under 9th Schedule

1	Sub-section (3B) of section 3	Cellular mobile phones (not exceeding US\$ 30)	Mobile importers consumers	phone /	2,424
2	Sub-section (3B) of section 3	Cellular mobile phones (exceeding US\$ 30 but not exceeding US\$ 100)	Mobile importers consumers	phone /	10,032
3	Sub-section (3B) of section 3	Cellular mobile phones (exceeding US\$ 100 but not exceeding US\$ 200)	Mobile importers consumers	phone /	5,764
4	Sub-section (3B) of section 3	Cellular mobile phones (exceeding US\$ 200 but not exceeding US\$ 350)	Mobile importers consumers	phone /	1,239
5	Sub-section (3B) of section 3	Cellular mobile phones (exceeding US\$ 350 but not exceeding US\$ 500)	Mobile importers consumers	phone /	56
6	Sub-section (3B) of section 3	Cellular mobile phones (Exceeding US\$ 500)	Mobile importers consumers	phone /	731
7	Sub-section (3B) of section 3	Cellular mobile phones (PTA - DIRBS)	Mobile importers consumers	phone /	2,908
Total					23,154

Grand Total – Sales Tax	518,814

Tax Expenditure Estimates (Customs Duties)

TABLE 3: Tax Expenditure Estimates of Customs Duties - FY 2020

Contents

Part 1: Chapter-99 Exemptions
Part 2: FTA & PTA Exemptions

(Rs. Million)

10,649
45,020

Part 3: 5th Schedule Exemptions & Concessions	87,859
Part 4: General Concessions: Automobile sector, E&P Companies, CPEC, etc.	95,420
Part 5: Exemption of Additional Customs Duty	4,773
Part 6: Exemption of Regulatory Duty	9,390
Total	253,111

Sr.	Legal Ref	Description	Intended Beneficiary	Estimate (Rs in millions)
<u>Part 1: Chapter-99 Exemptions</u>				
1	Chapter-99 Exemptions - PCT Code: 9901.0000	Goods imported by various agencies of the United Nations	Agencies under the United Nations	282
2	Chapter-99 Exemptions - PCT Code: 9902.0000	Goods imported by Diplomats/Embassies/ Consulates	Diplomats/Embassies/ Consulates under the Diplomatic and Consular Privileges Act, 1972	496
3	Chapter-99 Exemptions - PCT Code: 9903.0000	Goods imported by privileged personnel or by organizations or by any person authorized by the contracting parties, under grant-in- aid agreements	Privileged personnel or organizations or any person authorized by the contracting parties, under grant-in- aid agreements (including those agreements which cover off budget foreign contributions or funds brought by registered INGO's without any financial liabilities to the Government of Pakistan)	1,759
4	Chapter-99 Exemptions - PCT Code: 9904.0000	Vehicles in CKD condition, imported by recognized local	Diplomats, diplomatic missions, privileged persons	20

		manufacturer for supply to diplomat, diplomatic mission, privileged person		
5	Chapter-99 Exemptions - PCT Code: 9905.0000	Imports by Dignitaries of UAE, Qatar and Bahrain	Dignitaries of UAE, Qatar and Bahrain	21
6	Chapter-99 Exemptions - PCT Code: 9906.0000	Goods imported under the President/ Prime Minister/ Governors/ 's Salary, Allowances and Privileges Act, 1975	The President and the Prime Minister of Pakistan. The Governors and the Acting Governors of the Provinces	1
7	Chapter-99 Exemptions - PCT Code: 9908.0000	Goods received as gift or donation from a foreign government or organization by the Federal or Provincial Government or any public sector organization or Goods received as gift by Pakistani organizations from Church World Services or the Catholic Relief Services	Federal, the provincial or any public sector organization	4
8	Chapter-99 Exemptions - PCT Code: 9909.0000	Articles, value of which does not exceed Rs.20,000/- per parcel, if imported through post or courier service as unsolicited gift parcel	General	1
9	Chapter-99 Exemptions - PCT Code: 9910.0000	Samples of no commercial value imported by manufacturers	Manufacturers	3
10	Chapter-99 Exemptions - PCT Code: 9911.0000	Relief goods donated for free distribution among the victims of natural disaster or other catastrophe OR Plant, machinery and equipment imported by	Victims of natural disasters and earthquakes	165

		way of donation for installation in the earthquake hit districts		
11	Chapter-99 Exemptions - PCT Code: 9912.0000	Imports by Edhi Foundation	Edhi Foundation, recipients of philanthropic aid from Edhi Foundation	378
12	Chapter-99 Exemptions - PCT Code: 9913.0000	Gifts or donations received by a charitable non-profit making hospital or institution	Charitable non-profit making hospital or institution	2,662
13	Chapter-99 Exemptions - PCT Code: 9914.0000	Imports by Charitable Institutions and Hospitals	Charitable Institutions and Hospitals	2,105
14	Chapter-99 Exemptions - PCT Code: 9915.0000	Goods imported by or donated to non -profit making educational and research institutions	Educational and research institutions	356
15	Chapter-99 Exemptions - PCT Code: 9916.0000	Goods supplied free of cost as replacement of identical goods previously imported	General	183
16	Chapter-99 Exemptions - PCT Code: 9922.0000	Ship spares, stores and equipment imported for use in ships registered in Pakistan	Shipping companies, ship owners	14
17	Chapter-99 Exemptions - PCT Code: 9924.0000	Eye cornea	Healthcare consumers	1
18	Chapter-99 Exemptions - PCT Code: 9925.0000	Artificial kidneys, hemodialysis machines, hemodialyzers, A.V. fistula needles, hemodialysis fluids & powder, blood tubing tines for dialysis, reverse osmosis plants for dialysis, double lumen catheter for dialysis, catheters for renal failure patients, peritoneal dialysis solution and	Healthcare consumers	391

		cardiac catheters. colostomy bags and appliances identifiable for Ostomy use		
19	Chapter-99 Exemptions - PCT Code: 9927.0000	Pharmaceutical raw materials if imported for manufacture of contraceptives in accordance with the input output ratios determined by the Directorate of Input Output Co-efficient Organization. Contraceptives and accessories thereof.	Consumers of contraceptives	133
20	Chapter-99 Exemptions - PCT Code: 9930.0000	Any goods, including vehicles, specified in the First schedule to the Customs Act, 1969 (IV of 1969) imported by Federal/Provincial/ Local Government Departments, Municipal bodies and Development authorities subject to the condition that the goods are donated to the importers for use in an approved foreign grant funded project under a proper grant relating to Capital Aid-Technical Assistant Agreement signed between the Government of Pakistan and a foreign government or agency subject to concurrence of the Federal Board of Revenue.	Federal/Provincial/ Local Government Departments, Municipal bodies and Development authorities subject to the condition that the goods are donated to the importers for use in an approved foreign grant funded project	236
21	Chapter-99 Exemptions - PCT	Ground handling equipments, service and	Domestic airlines or other service	74

	Code: 9931.0000	operation vehicles, companies catering equipment and fuel trucks not manufactured locally, imported by domestic airlines or by any other service company to which a licence has been issued by the Civil Aviation Authority for such purposes.		
22	Chapter-99 Exemptions - PCT Code: 9937.0000	Items relating to disabled persons, like Wheel chairs, Artificial human part, Items used for rehabilitation of blind persons etc..	Disabled persons	223
23	Chapter-99 Exemptions - PCT Code: 9938.0000	Disposables, as are not manufactured locally, for Cardiology/cardiac surgery, Neurovascular, Electrophysiology, Endosurgery, Endoscopy, Oncology, Urology, Gynecology;	Healthcare consumers	912
24	Chapter-99 Exemptions - PCT Code: 9939.0000	Diagnostic kits for HIV and Hepatitis	Healthcare consumers	227
25	Chapter-99 Exemptions - PCT Code: 9941.0000	Goods imported by or donated to municipal authorities including development authorities , Federal Government, Provincial Government, Government of Azad Jammu and Kashmir, Government of Gilgit-Baltistan, National Disaster Management Authority (NDMA), Provincial Disaster Management Authority	Municipal authorities including development authorities , Federal Government, Provincial Government, Government of Azad Jammu and Kashmir, Government of Gilgit-Baltistan, National Disaster Management Authority (NDMA), Provincial Disaster	-

(PDMA) and Government
Emergency/Rescue
services,

Management
Authority (PDMA) and
Government
Emergency/Rescue
services,

Total	10,648.63

Part 2: FTA & PTA Exemptions

1	558(I)/2004 Table I - Section 19	FTA: General exemption on import from ECO	FTA: General exemption on import from ECO	-
2	558(I)/2004 Table II - Section 19	FTA: General exemption on import from SAARC	FTA: General exemption on import from SAARC	231
3	1296(I)/2005 Table-I - Section 19	FTA: Pak-China Early Harvest Program (prescribes FTA CD Rate)	FTA: Pak-China Early Harvest Program (prescribes FTA CD Rate)	2
4	1296(I)/2005 Table-II - Section 19	FTA: Pak-China Early Harvest Program (prescribes %age of concession in CD Rate)	FTA: Pak-China Early Harvest Program (prescribes %age of concession in CD Rate)	-
5	1274(I)/2006 Table-I - Section 19	FTA: General exemption on import from SAARC countries under SAFTA Agreement	FTA: General exemption on import from SAARC countries under SAFTA Agreement	1,602
6	1274(I)/2006 Table-II - Section 19	FTA: General exemption on import from SAARC countries under SAFTA Agreement	FTA: General exemption on import from SAARC countries under SAFTA Agreement	15
7	SRO 659(I)/2007 Table-I - Section 19	FTA: General exemption on import from China under Pak-China FTA	FTA: General exemption on import from China under Pak-China FTA	26,856
8	SRO 659(I)/2007 Table-II - Section	FTA: General exemption on import from China	FTA: General exemption on import	6,911

	19		under Pak-China FTA	from China under Pak-China FTA	
9	SRO1151(I)/2007 Table - Section 19		PTA: General exemption on import from Mauritius under PTA	PTA: General exemption on import from Mauritius under PTA	5
10	SRO1261(I)/2007 Table I - Section 19		PTA: General exemption on import from Malaysia under PTA	PTA: General exemption on import from Malaysia under PTA	2,517
11	SRO1261(I)/2007 Table II - Section 19		PTA: General exemption on import from Malaysia under PTA	PTA: General exemption on import from Malaysia under PTA	922
12	SRO741(I)/2013 - Section 19		PTA: General exemption on import from Indonesia under Pak-Indonesia PTA	PTA: General exemption on import from Indonesia under Pak-Indonesia PTA	3,647
13	SRO280(I)/2014 d - Section 19		FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	480
14	SRO280(I)/2014 - Section 19		FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	-
15	SRO280(I)/2014 Table-I - Section 19		FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	1,773
16	SRO280(I)/2014 TABLE-III - Section 19		FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	58
Total					45,020

Part 3: 5th Schedule Exemptions

1	5th Schedule (Customs Duty)	Imports of Plant, Machinery, Equipment	Industry - General	20,758

	Part-I	and Apparatus, including Capital Goods for various industries/sectors		
2	5th Schedule (Customs Duty)- Part II Table-A	Import of Active Pharmaceutical Ingredients by pharma sector	Pharmaceutical industry	1,302
3	5th Schedule (Customs Duty)- Part II Table-B	Excepients/Chemicals by pharmaceutical sector	Pharmaceutical industry	452
4	5th Schedule (Customs Duty)- Part II Table-C	Drugs (mostly Life Saving) by pharmaceutical sector	Pharmaceutical industry, General	6,482
5	5th Schedule (Customs Duty)- Part II Table-D	Packing Materials/Raw Materials for Packing by pharmaceutical sector	Pharmaceutical industry	707
6	5th Schedule (Customs Duty)- Part II Table-E	Diagnostic Kits/Equipments by pharmaceutical sector	Pharmaceutical industry	2,121
7	5th Schedule(Customs Duty)- Part III	Poultry and Textile Sectors	Poultry and Textile Sectors	25,865
8	5th Schedule(Customs Duty)- Part IV	Machinery and Equipment for Textile Sector	Machinery and Equipment for Textile Sector	3,127
9	5th Schedule(Customs Duty)- Part V	Automotive Manufacturing Sector (Auto Policy)	Automotive Manufacturing Sector (Auto Policy)	832
10	5th Schedule(Customs Duty)- Part VI	Aviation Sector (Aviation Policy)	Aviation Sector (Aviation Policy)	713
11	5th Schedule (Customs Duty) Part-VII	Essential edible items like pulses, potato etc, Oil and Oil products, Inputs of export sectors etc.	Essential edible items like pulses, potato etc, Oil and Oil products, Inputs of export sectors etc.	25,026
12	5th Schedule(Customs Duty)- Part VIII	Miscellaneous.	Miscellaneous.	474
Total				87,859

Part 4: General Concessions: Automobile sector, E&P Companies, CPEC, etc.

1	268(I)/2015 Section 19	- Mining equipment & machinery imported by Thar Coal Field	Thar Coal Field	521
2	565(I)/2006 Section 19	- Raw material of survey based Local industries: Stationary/ Electrical Capacitors/ Pesticides / Distilled Fatty Acids / CRC & GI coils / Fans/ Transformers / Electric Motors manufacturers	Survey based Local industries: Stationary/ Electrical Capacitors/ Pesticides / Distilled Fatty Acids / CRC & GI coils / Fans/ Transformers / Electric Motors manufacturers	14,950
3	SRO 499(I)/2013 Section 19	- Auto Sector: General exemption of import of Hybrid Electric Vehicles	Auto Sector, consumers of automobiles	504
4	SRO678(I)/2004 Section 19	- Exploration and Production (E&P)Companies	Exploration and Production (E&P)Companies	5,326
5	107(I)/2019 and SRO 48(I)/2018 Section 19	- Import of Cotton	Textile Sector (Local Yarn Producers)	2,717
6	SRO 642(I)/2016 Section 19	- Imports by M/s CSCEL for Karachi-Peshawar Motorway	M/s CSCEL	1,885
7	SRO 644(I)/2018 Section 19	- General: Concession of CD on import of electric motor vehicles	General	8
8	SRO40(I)/2017 Section 19	- Lahore Orange Metro Train Project	Contractors of Lahore Orange Metro Train Project	708
9	SRO655(I)/2006 Section 19	- Automotive sector	Vendors of Automotive sector	29,219
10	SRO656(I)/2006 Section 19	- OEMs of Automotive Sector	OEMs of Automotive Sector	39,582
Total				95,420

Part 5: Exemption of Additional Customs Duty

1	SRO 630(I)/2018 - Section 18(5)	Exemption of Addl. Customs Duty for imports under SRO 678-2004, Fifth Schedule, Chapter-99, SRO 492-2009, 565-2006, import of Vehicles by new entrants, etc..	Exemption of Addl. Customs Duty for imports under SRO 678-2004, Fifth Schedule, Chapter-99, SRO 492-2009, 565-2006, import of Vehicles by new entrants, etc..	3,036
2	108(I)/2019 Section 18(5)	Exemption of Addl. Customs Duty on PCT 52.01 and 52.03	Exemption of Addl. Customs Duty on PCT 52.01 and 52.03	1,737
Total				4,773

Part 6: Exemption of Regulatory Duty

1	SRO 640(I)/2018 - Section 18(3)	Exemption of RD under Para 2 of the SRO for imports under SRO 678-2004, Fifth Schedule, Chapter-99, SRO 492-2009, 565-2006, import of Vehicles by new entrants, etc..	Imports under SRO 678-2004, Fifth Schedule, Chapter-99, SRO 492-2009, 565-2006, import of Vehicles by new entrants, etc..	527
2	SRO 1265(I)/2018 - Section 18(3)	Exemption of RD under Para 2 of the SRO for imports under SRO 678-2004, Fifth Schedule, Chapter-99, SRO 492-2009, 565-2006, import of Vehicles by new entrants, etc..	Imports under SRO 678-2004, Fifth Schedule, Chapter-99, SRO 492-2009, 565-2006, import of Vehicles by new entrants, etc..	6,467
3	SRO 640(I)/2018 - Section 18(3)	Exemption of RD under Para 2 of the SRO for imports under SRO 678-2004, Fifth Schedule, Chapter-99, SRO 492-2009, 565-2006, import of Vehicles by new entrants, etc..	Imports under SRO 678-2004, Fifth Schedule, Chapter-99, SRO 492-2009, 565-2006, import of Vehicles by new entrants, etc..	2,396

Total	9,390.33

Grand Total - Customs	253,144

Source: WeBOC 1.7 (Insights) Exemption SRO Wise Report