

Section	Subsection	Clause	The Finance (Supplementary) Act, 2021 - dated 17-01-2022 NEW / inserted Omitted and deleted substituted

	Amendments of Islamabad Capital Territory (Tax on Services), Ordinance, 2001, (XLII of 2001). - In the Islamabad Capital Territory (Tax on Services), Ordinance, 2001, (XLII of 2001), the following further amendments shall be made, namely:-		
3			Scope of tax
	(1)		<p>Subject to the provisions of this Ordinance, there shall be charged, levied and paid a tax know as sales tax at rates specified in column (4) of the Schedule to this Ordinance of the value of the taxable services rendered or provided in the Islamabad Capital Territory.</p> <p>Subject to the provisions of this Ordinance, there shall be charged, levied and paid a tax known as sales tax at rates specified in column (4) of Table-1 of the Schedule to this Ordinance of the value of the taxable services rendered or provided in the Islamabad Capital Territory:</p> <p>Provided that the services specified in Table-2 of the Schedule shall be charged to tax at such rates and subject to such conditions and limitations as specified therein;"; and</p>
	(2)		<p>The tax shall be charged and levied on the services specified in3[column (2) of] the Schedule to this Ordinance in the same manner and at the same time, as if it were a sales tax leviable under sections 3, 3A or 3AA, as the case may be, of the Sales Tax Act,1990.</p> <p>in sub-section (2), for the words "the Schedule to this Ordinance", the expression "Table-1 or Table-2 of the Schedule to this Ordinance, as the case may be," shall be substituted;</p>
	<p>in the Schedule, -</p> <p>(a) the existing schedule shall be re-named as Table-1; and</p> <p>(b) after Table-1 amended as aforesaid, the following new Table shall be added, namely:-</p>		

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Table- 2

S.No.	Description	PCT Heading, if applicable	Rate of Tax
(1)	(2)	(3)	(4)
1.	Construction services, excluding (i) Construction projects (industrial and commercial) of the value (excluding actual and documented cost of land) not exceeding Rs.50 million per annum. (ii) The cases where sales tax is otherwise paid as property developers or promoters. (iii) Government civil works including cantonment boards. (iv) Construction of industrial zones, consular building and other organizations exempt from income tax. (v) Residential construction projects where the covered area does not exceed 10,000 square feet for houses and 20,000 square feet for apartments.	9814.2000 and 9824.0000	Zero per cent subject to the condition that no input tax adjustment or refund shall be admissible
2	Services provided for personal care by beauty parlours, clinics and slimming clinics, body development, web hosting and network design; and (b) "IT enabled services" include inbound or outbound call centres, medical transcription, remote monitoring, graphics design, accounting services, HR services, telemedicine centers, data entry operations, locally produced television programs and insurance claims processing.	9810.0000, 9821.4000	Five per cent subject to the
3.	Services provided by freight forwarding agents, and packers and movers.	9805.3000 and 9819.1400	Five percent or Rs. 1000 per bill of lading, whichever is higher subject to the condition that no input tax adjustment or refund shall be admissible.
4.	Services provided by tour operators and travel agents including all their allied services or facilities (other than Hajj and Umrah).	9803.9000, 9805.5000 and 9805.5100	Five per cent subject to the condition that no input tax adjustment or refund shall be admissible.
5.	Services provided by specialized workshops or undertakings (auto-workshops; workshops for industrial machinery, construction and earth- moving machinery or other special purpose machinery etc; workshops for electric or electronic equipment or appliances etc. Including computer hard ware; car washing or similar service stations and other workshops).	98.20	Five per cent subject to the condition that no input tax adjustment or refund shall be admissible.

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6.	Services provided by health clubs, gyms, physical fitness centres, indoor sports and	9821.1000, 9821.2000 and 9821.4000	Five per cent subject to the condition that no
7.	Services provided by laundries and dry cleaners.	9811.0000	Five per cent subject to the condition that no input tax adjustment or refund shall be admissible.
9.	Services provided by car / automobile dealers.	Respective headings	Five per cent subject to the condition that no input tax adjustment or refund shall be admissible.
10.	Services provided or rendered by marriage halls and lawns, by whatever name called, including "pandal" and "shamiana" services and caterers.	Respective headings	Five per cent subject to the condition that no input tax adjustment or refund shall be admissible.
11.	IT services and IT-enabled services. Explanation.- For the purpose of this entry - (a) "IT services" include software development, software maintenance, system integration, web design, web	Respective headings	Five Percent
12.	Services provided by property developers and promoters (including allied services) relating to low cost housing schemes sponsored or approved by Naya Pakistan Housing and Development Authority or under Government's Ehsaas programme.	9807 and respective sub-headings of heading 98.14	Zero per cent subject to the condition that no input tax adjustment or refund shall be admissible.";