

**Customs**

Section 32(3)(A) False statement error time period extended three to five years.

**Sales Tax**

SRO 482(1)/2011 Payment of sales tax on account of minimum value addition increase from two to three percent. w.a.f 4th June 2011

SRO 487(1)/2011 Auto revise return option OMITTED.

Section 3 Rule 65(3) Report submitting date extend from sixty to ninety days

Section 8B Sales tax rate reduce 17 to 16% w.a.f 4th June 2011

Section 8B Out tax adjustable within twelve monthly installment - OMITTED and ninety percent adjustment shall not apply in case of fixed Assets or capital goods.

Section 21(3) De-registered, blacklisted and suspension unit.

Section 66 Sales tax invoices shall not be entertained for refund or input tax credit.

Section 66 No refund shall be admissible under this section if incident of tax has been passed directly or indirectly to the consumer.

Schedule six Sixteen percent sales tax from 4th June 2011.

Table I

- a) Surgical Tape
- b) Ultrasound gel
- c) Diapers for adults (Patients)
- d) Bricks
- e) Building blocks of cements including ready mix concrete blocks.
- f) Computer software
- g) Ambulances, fire fighting vehicles, waste disposal trucks, brake down lorries, special purposes vehicles for the maintenance of street lights and overhead cables
- h) Aircrafts
- i) Ships
- j) Defence stores
- k) Spare parts and equipment for Aircrafts
- l) Equipment and Machinery for pilotage, salvage or towage for use in ports or airports.
- m) Equipment and Machinery for air navigation
- n) Equipment and machinery used for services provided for handling of ships or aircrafts in a customs port or Customs airport.
- o) Tractors bulldozers and combined harvesters
- p) Import and supply of fully dedicated CNG Euro-2 buses whether in CBU or CKD condition.

## **Income Tax**

- Section 62 Tax credit for investment in shares and insurance 100% redefine
- Section 63 Contribution to an Approved pension fund  
Tax credit formula under definition of C limit of Rs. 500,000 OMITTED.
- Section 65c Enlistment tax credit increase from five to fifteen percent.
- Section 65D Tax credit for equity investment - introduced
- Section 111 (1)(d) Unexplained income or assets.  
any person has concealed income or furnished inaccurate particulars of income including:-  
(i) the suppression of any production, sales or any amount chargeable to tax; or  
(ii) the suppression of any item of receipt liable to tax in whole or in part;
- Section 113(2) carried forward and adjusted against tax liability increase from three to five tax years.
- Section 113(3)(a) word gross sales insert.
- Sec 114(1)(b)(viii) Return of Income  
The holder of commercial or industrial connection of electricity where the amount of annual bill exceeds rupees one million.
- Sec 114 (1)(A) Every Individual whose income under the head "Income from business" exceeds Rs. 300,000 but does not exceed Rs. 350,000 in a tax year is required to furnish return of income for the tax year.
- Section 115 Section 151 - Profit on debt (100% under PTR)
- Section 153(1)(a) - for the sale of goods (Out from PTR)
- Section 153(1)( c)- on the execution of a contract, other than a contract for the sale of goods or the rendering of or providing of services. (Out from PTR)
- Section 153(3)(a) - a turnkey contract (PTR) (Omitted Finance Act 2005)
- Section 153(3)( c)- a contract or sub-contract under a construction, assembly or installation project in Pakistan, including a contract for the supply of supervisory activities in relation to such project; or (PTR) (Omitted Finance Act 2006)
- Section 153(3)(d) - any other contract for construction or services rendered, other than a contract to which section 152 applies, or (PTR) (Omitted Finance Act 2006)
- Section 233A (1)(a) - at the rates specified in Division IIA of Part IV of First Schedule from its Members on purchase of shares in lieu of 1[tax on] the commission earned by such Members; (Out from PTR)

- Section 233A(1)(b)- at the rates specified in Division IIA of Part IV of First 2[Schedule] from its Members on sale of shares in lieu of 3[tax on] the commission earned by such Members; (Out from PTR)
- Section 116(2) Resident and being an Individual filling of wealth statement limit increase from Rs. 500,000 to one million.
- Section 116(2) New proviso insert.  
Provided that every member of an association of persons whose share from the income of such association of persons, before tax, for the year is one million rupees or more shall also furnish wealth statement and wealth reconciliation statement for the year along with return of income of the association."; and
- Section 116(2) (A) New proviso insert  
Where a person, being an individual or an association of persons, files a return in response to a provisional assessment order under section 122C, such return shall be accompanied by wealth statement along with a wealth reconciliation statement and an explanation of source of acquisition of assets specified therein in the case of an individual and wealth statements of all members in the case of an association of persons and such wealth statements shall be accompanied by wealth reconciliation statements and explanation of source of acquisition of assets specified therein."
- Section 147(5B) Advance tax paid by the taxpayer period extent 7 to 20days.  
Section 153 at the time of making the payment, deduct tax from the gross amount payable including sales tax, if any.
- Section 153(3) The gross amount payable for a sale of goods shall include the sales tax if any, payable in respect of the sale.(REMOVED)
- Section 153(3) Re-define
- Section 156(B)(1)(b) Withdrawal of balance under pension fund limit increased from 25% to 50%.
- Section 165(1) filling of monthly return instead of Quarterly.
- Section 165(1)(a) CNIC and NTN must shown with Name and address.
- Section 165(2) Quarterly submission of WHT OMITTED
- Section 165(6) Every person deducting tax from payment under section 149 shall furnish to the Commissioner an annual statement in the prescribed form and manner:  
  
Provided that annual statement shall also be filed where the income exceeds rupees three hundred thousand but does not exceed rupees three hundred and fifty thousand in a tax year.";

Section 236(B)(3) The advance tax collected under sub-section (1) shall be adjustable.

Section 236(B)(4) The advance tax under this section shall not be collected in the case of,  
(a) the Federal Government or a Provincial Government;  
(b) a person who produces a certificate from the Commissioner Inland Revenue that income of such person during the tax year is exempt.”;