

Section	Subsection	Clause	<b>Amendment of Ordinance, XLIX of 2001</b> <b>Amended Bill 2013-14</b>
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-
8			<b>General provisions relating to taxes imposed under sections 5, 6 and 7</b>
		e	<del>[Provided that the provision of this section shall not apply to dividend received by a company.]</del>
15			<b>Income from property</b>
	6		<del>Income under this section shall be liable to tax at the rate specified in Division VI of Part I of the First Schedule;</del>
	7		<del>the provisions of sub-section (1), shall not apply in respect of a taxpayer who— (i) is an individual or association of persons; (ii) derives income chargeable to tax under this section not exceeding Rs. 150,000 in a tax year; and (iii) does not derive taxable income under any other head.]</del>
15A			<b>Deductions in computing income chargeable under the head "Income from Property"</b>
	1		In computing the income of a person chargeable to tax under the head "Income from Property" for a tax year, a deduction shall be allowed for the following expenditures or allowances, namely:- (a) In respect of repairs to a building, an allowance equal to one-fifth of the rent chargeable to tax in respect of the building for the year, computed before any deduction allowed under this section. (b) Any premium paid or payable by the person in the year to insure the building against the risk of damage or destruction; (c) Any local rate, tax, charge or cess in respect of the property or the rent from the property paid or payable by the person to any local authority or government in the year, not being any tax payable under this Ordinance; (d) Any ground rent paid or payable by the person in the year in respect of the property; (e) Any profit paid or payable by the person in the year on any money borrowed including by way of mortgage to acquire, construct, renovate, extend or reconstruct the property; (f) Where the property has been acquired, constructed, renovated, extended, or reconstructed by the person with capital contributed by the House Building Finance Corporation or a scheduled bank under a scheme of investment in property on the basis of sharing the rent made by the Corporation or bank, the share in rent and share towards appreciation in the value of property(excluding the return of capital, if any) from the property paid or payable by the person to the said Corporation or the bank in the year under that scheme; (g) where the property is subject to mortgage or other capital charge, the amount of profit or interest paid on such mortgage or charge; (h) any expenditure (not exceeding six percent of the rent chargeable to tax in respect of the property for the year computed before any

**Comment [IZR1]:**  
Sect 5 = Tax on dividends  
Sect 6 = Tax on certain payment to non-residents.  
Sect 7 = Tax on shipping and air transport income of a non-resident person.

		<p>deduction allowed under this section paid or payable by the person in the year for the purpose of collecting the rent due in respect of the property;</p> <p>(i) any expenditure paid or payable by the person in the tax year for legal services acquired to defend the person's title to the property or any suit connected with the property in a court; and</p> <p>(j) where there are reasonable grounds for believing that any unpaid rent in respect of the property is irrecoverable, an allowance equal to the unpaid rent where-</p> <p>(i) the tenancy was bona fide, the defaulting tenant has vacated the property or steps have been taken to compel the tenant to vacate the property and the defaulting tenant is not in occupation of any other property of the person;</p> <p>(ii) the person has taken all reasonable steps to institute legal proceedings for the recovery of the unpaid rent or has reasonable grounds to believe that legal proceedings would be useless; and</p> <p>(iii) the unpaid rent has been included in the income of the person chargeable to tax under the head "Income from Property" for the tax year in which the rent was due and tax has been duly paid on such income.</p>
	2	Where any unpaid rent allowed as a deduction under clause (j) of sub-section (1) is wholly or partly recovered, the amount recovered shall be chargeable to tax in the tax year in which it is recovered.
	3	Where a person has been allowed a deduction for any expenditure incurred in deriving rent chargeable to tax under the head "Income from Property" and the person has not paid the liability or a part of the liability to which the deduction relates within three years of the end of the tax year in which the deduction was allowed, the unpaid amount of the liability shall be chargeable to tax under the head "Income from Property" in the first tax year following the end of the three years.
	4	Where an unpaid liability is chargeable to tax as a result of the application of sub-section (3) and the person subsequently pays the liability or a part of the liability, the person shall be allowed a deduction for the amount paid in the tax year in which the payment is made.
	5	Any expenditure allowed to a person under this section as a deduction shall not be allowed as a deduction in computing the income of the person chargeable to tax under any other head of income.
	6	The provisions of section 21 shall apply in determining the deductions allowed to a person under this section in the same manner as they apply in determining the deduction allowed in computing the income of a person chargeable to tax under the head " Income from Business".;

**Comment [1ZR2]:**  
Section 21 = Deduction not allowed

56			<b>Set off of losses</b>
	1		Subject to sections <del>58 and 59</del> , where a person sustains a loss for any tax year under any head of income specified in section 11, the person shall be entitled to have the amount of the loss set off against the person's income, if any, chargeable to tax under any other head of income except <b>income under the head salary</b> or income from property for the year.
59AA			<b>Group Taxation</b>
	5		The option of group taxation shall be available to those group companies which comply with such corporate governance requirements <b>and group designation rules or regulations</b> as may be specified by the Securities and Exchange Commission of Pakistan from time to time and are designated as companies entitled to avail group taxation.
59B			<b>Group relief</b>
	2	g	all the companies in the group shall comply with such corporate governance requirements <b>and group designation rules or regulations</b> as may be specified by the Securities and Exchange Commission of Pakistan from time to time, and are designated as companies entitled to avail group relief; and
80			<b>Person</b>
	2	b(v)	<del>a trust, a co-operative society or a finance society [or any other society established or constituted by or under any law for the time being in force;]</del> a co-operative society, a finance society or any other society;";
	2	b(va)	a non-profit organization;
	2	b(vb)	A trust, an entity or a body of persons established or constituted by or under any law for the time being in force,;
111			<b>Unexplained income or assets</b>
	1		Provided that where a taxpayer explains the nature and source of the amount credited or the investment made, money or valuable article owned or funds from which the expenditure was made, by way of agricultural income, such explanation shall be accepted to the extent of agricultural income worked back on the basis of agricultural income tax paid under the relevant provincial law.
113			<b>Minimum tax on the income of certain persons</b>
	1	e	the claiming of allowances or deductions (including depreciation and amortization deductions) no tax is payable or paid by the person for a tax year or the tax payable or paid by the person for a tax year is less than <del>one-half</del> <b>one</b> percent of the amount representing the person's turnover from all sources for that year:
	2	b	the person shall pay as income tax for the tax year (instead of the actual tax payable under this Ordinance), an amount equal to <del>one-half</del> <b>one</b> percent of the person's turnover for the year;
	2	c	where tax paid under sub-section (1) exceeds the actual tax payable under Part I, Division II of the First Schedule, <b>clause (1) Division I</b> , or the excess amount of tax paid shall be carried forward for adjustment against tax liability under the aforesaid Part of the subsequent tax year:

**Comment [IZR3]:**

Sect 58 = Carry forward of speculation business losses.

Sect 59 = Carry forward of capital losses.

113A			<b>Minimum tax on builders.</b>
	1		Subject to this Ordinance, where a person derives income from the business of construction and sale of residential, commercial or other buildings, he shall pay minimum tax at the rates as the Federal Government may notify in the official Gazette. The Federal Government may also specify the mode, manner and time of payment of such amount of tax. <del>of rupees twenty five per square foot as per the construction or site plan approved by the relevant regulatory authority.</del>
	2		<del>The minimum tax to be paid under this section shall be computed on the basis of total number of square feet sold or booked for sale during the year.</del>
	3		The tax paid under this section shall be minimum tax on the income of the builder from the sale of such residential, commercial or other building.
			<b><del>Tax on Income of certain persons.—</del></b> <del>(1) Subject to this Ordinance, where a retailer being an individual or an association of persons has turnover upto rupees five million for any tax year, such person may opt for payment of tax as a final tax at the rates specified in Division IA of Part I of the First Schedule.</del>  <del>(2) For the purposes of this section,—</del>  <del>(a) "retailer" means a person selling goods to general public for the purpose of consumption;</del> <del>(b) "turnover" shall have the same meaning as assigned to it in sub-section (3) of section 113.</del>  <del>(3) The tax paid under this section shall be a final tax on the income arising from the turnover as specified in sub-section [(1)]. [The retailer shall not be entitled to claim any adjustment of withholding tax collected or deducted under any head during the year.</del>
113B			<b>Minimum tax on land developers</b>
	1		Subject to this Ordinance, where a person derives income from the business of development and sale of residential, commercial or other plots, he shall pay minimum tax at the rates as the Federal Government may notify in the official Gazette. The Federal Government may also specify the mode, manner and time of payment of such amount of tax. <del>of rupees fifty per square yard as per the lay out or site plan approved by the relevant regulatory authority.</del>
	2		<del>The tax computed under sub-section (1) shall be paid on the basis of total number of square yards sold or booked for sale during the year.</del>
	3		The tax paid under this section shall be minimum tax on the income of the developer from the sale of such residential, commercial or other plots sold or booked.";

			<p><del>Taxation of income of certain retailers. Subject to this Ordinance, a retailer being an individual or association of persons, (a) whose turnover exceeds five million rupees; and (b) who is subject to special procedure for payment of sales tax under [Chapter II of the Sales Tax Special Procedures Rules, 2007];</del></p> <p><del>shall pay final tax at the [following rates] which shall form part of single stage sales tax [ ] as envisaged in the aforesaid rules</del></p> <table border="1"> <thead> <tr> <th><del>S.No.</del></th> <th><del>Amount of turnover</del></th> <th><del>Rate of tax</del></th> </tr> </thead> <tbody> <tr> <td><del>1.</del></td> <td><del>Where turnover exceeds Rs.5,000,000 but does not exceed Rs.10,000,000</del></td> <td><del>Rs.25,000 plus 0.5% of the turnover exceeding Rs.5,000,000</del></td> </tr> <tr> <td><del>2.</del></td> <td><del>Where turnover exceeds Rs.10,000,000</del></td> <td><del>Rs. 50,000 plus 0.75% of the turnover exceeding Rs.10,000,000.</del></td> </tr> </tbody> </table> <p><del>(c) The retailer shall not be entitled to claim any adjustment of withholding tax collected or deducted under any head during the year</del></p> <p><del>Provided that turnover chargeable to tax under this section shall not include the sale of goods on which tax is</del></p>	<del>S.No.</del>	<del>Amount of turnover</del>	<del>Rate of tax</del>	<del>1.</del>	<del>Where turnover exceeds Rs.5,000,000 but does not exceed Rs.10,000,000</del>	<del>Rs.25,000 plus 0.5% of the turnover exceeding Rs.5,000,000</del>	<del>2.</del>	<del>Where turnover exceeds Rs.10,000,000</del>	<del>Rs. 50,000 plus 0.75% of the turnover exceeding Rs.10,000,000.</del>
<del>S.No.</del>	<del>Amount of turnover</del>	<del>Rate of tax</del>										
<del>1.</del>	<del>Where turnover exceeds Rs.5,000,000 but does not exceed Rs.10,000,000</del>	<del>Rs.25,000 plus 0.5% of the turnover exceeding Rs.5,000,000</del>										
<del>2.</del>	<del>Where turnover exceeds Rs.10,000,000</del>	<del>Rs. 50,000 plus 0.75% of the turnover exceeding Rs.10,000,000.</del>										
114			<b>Return of income</b>									
	1	b(viii)	is the holder of commercial or industrial connection of electricity where the amount of annual bill exceeds rupees <del>one million</del> five hundred thousand.									
	1	b(ix)	Is registered with any Chamber of Commerce and Industry or any trade or business association or any market committee or any professional body including Pakistan Engineering Council, Pakistan Medical and Dental Council, Pakistan Bar Council or any Provincial Bar Council, Institute of Chartered Accountants of Pakistan or Institute of Cost and Management Accountants of Pakistan.";									
	1A		Every individual whose income under the head 'Income from business' exceeds rupees three hundred thousand but does not exceed <del>rupees three hundred and fifty thousand</del> four hundred thousand in a tax year is also required to furnish return of income from the tax year									
	4		Subject to sub-section (5), the Commissioner may, by notice in writing, require any person who, in the Commissioner's opinion, is required to file a return of income under this section for a tax year [or assessment year] but who has failed to do so to furnish a return of income for that year within thirty days from the date of service of such notice or such longer or shorter period as may be specified in such notice or as the Commissioner may allow.									

	6	(b)	the reasons for revision of return, in writing, duly signed, by the taxpayers are filed with the return <del>[-; and] ]</del>
	6	(ba)	it is accompanied by approval of the Commissioner in writing for revision of return; and";
115			<b>Persons not required to furnish a return of income</b>
	1		<del>Where the entire income of a taxpayer in a tax year consists of income chargeable under the head "Salary", Annual Statement of Deduction of Income Tax from Salary, filed by the employer of such taxpayer, in prescribed form, the same shall, for the purposes of this Ordinance, be treated as a return of income furnished by the taxpayer under section 114.  [Provided that where salary income, for the tax year is five hundred thousand rupees or more, the taxpayer shall file return of income electronically in the prescribed form and it shall be accompanied by the proof of deduction or payment of tax and wealth statement as required under section 116.]</del>
	4		Any person who is not obliged to furnish a return for a tax year because all the person's income is subject to final taxation under sections 5, 6, 7, 15, 148, 151 and 152, sub-section (3) of section 153, sections 154, 156 and 156A, sub-section (3) of section 233, <del>sub-section (5) of section 234</del> or sub-section (3) of section 234A shall furnish to the Commissioner a statement showing such particulars relating to the person's income for the tax year in such form and verified in such manner as may be prescribed."  <del>Any person who is not obliged to furnish a return for a tax year because all the person's income is subject to final taxation under sections [ ] [5, 6, 7, [15,] [113A,] [113B,] 148 [ ] of section 151, section 152, [clauses (a), (c) and (d) of sub-section (3) of section 153], 154, 156 [ , 156A, sub-section (3) of section 233, [ ] ] or sub-section (5) of section 234 [or sub-section (3) of section 234A] ] shall furnish to the Commissioner a statement showing such particulars relating to the person's income for the tax year in such form and verified in such manner as may be prescribed.</del>

**Comment [IZR4]:**  
 Sect 5 = Tax on dividends  
 Sect 6 = Tax on certain payment to non-residents  
 Sect 7 = Tax on shipping and air transport income of a non-resident person  
 Sect 148= Imports  
 Sect 151 = Profit on debits  
 Sect 152 = Payment to non residents  
 Sect 153(3) = The tax [deductible] under clauses (a) and (c) of sub-section (1) and under sub-section (2) of this section, on the income of a resident person [ ], shall be final tax.  
 Sect 154 = Exports  
 Sect 156 = Prizes and winnings  
 Sect 156A = Petroleum Products  
 Sect 233(3)=Brokerage and commission  
 Where any tax is [required to be] collected from a person under sub-section (1), [such tax] shall be the final tax on the income of such persons.]  
 Sect 234(5) = Tax on motor vehicles  
 Where tax is collected from any person being the owner of goods transport vehicle, the tax so collected shall be the final tax on the income of such person [from plying, or hiring out, of such Vehicle  
 Sect 234A=CNG stations

116		<b>Wealth statement</b>
	1	[The] Commissioner may, by notice in writing, require any person <b>being an individual</b> to furnish, on the date specified in the notice, a statement (hereinafter referred to as the "wealth statement") in the prescribed form and verified in the prescribed manner giving particulars of
	2	Every resident taxpayer [being an individual] filing a return of income for any tax year <del>[whose last declared or assessed income for the declared income for the year], is [one million] rupees or more</del> shall furnish a wealth statement [and wealth reconciliation statement] for that year along with such return  This amendment shall be effective for the tax year 2013 and onwards; and  Provided that every member of an association of persons <del>whose share from the income of such association of persons, before tax, for the year is one million rupees or more</del> shall also furnish wealth statement and wealth reconciliation statement for the year along with return of income of the association.  This amendment shall be effective for the tax year 2013 and onwards; and
	3	Where a person, who has furnished a wealth statement, discovers any omission or wrong statement therein, he may, without prejudice to any liability incurred by him under any provision of this Ordinance, furnish a revised wealth statement <b>along with the revised wealth reconciliation and the reasons for filing revised wealth statement</b> , at any time before an assessment, for the tax year to which it relates, is made under sub-section (1) or sub-section (4) of section 122.
	4	Every person (other than a company <b>or an association of persons</b> ) filing statement under sub-section (4) of section 115, falling under final tax regime (FTR) <del>and has paid tax amounting to thirty five thousand rupees or more for the tax year</del> , shall file a wealth statement along with reconciliation of wealth statement.] This amendment shall be effective for the tax year 2013 and onwards; and
118		<b>Method of furnishing returns and other documents</b>
	1	A return of income under section 114, <del>an employer's certificate under section 115</del> , a statement required under sub-section (4) of section 115 or a wealth statement under section 116 shall be furnished in the prescribed manner.
	2A	Where salary income for the tax year is five hundred thousand rupees or more, the taxpayer shall file return of income electronically in the prescribed form and it shall be accompanied by the proof of deduction or payment of tax and <b>wealth statement as required under section 116.</b> ;
	3	A return of income for any person (other than a company), <del>an Annual Statement of deduction of income tax from salary</del> , filed by the employer of an individual or a statement required under sub-section (4) of section 115 shall be furnished as per the following schedule, namely:—

	3	A	<p>in the case of a statement required under sub-section (4) of section 115 or a return required to be filed through e-portal in the case of a salaried individual, on or before the 31st day of August next following the end of the tax year to which the statement or return relates; or"; and</p> <p><del>in the case of an Annual statement of deduction of income tax from salary, filed by the employer of an individual, return of income through e-portal in the case of a salaried person or a statement required under sub-section (4) of section 115, on or before the 31st day of August next following the end of the tax year to which the return, Annual Statement of deduction of income tax from salary, filed by the employer or statement relates.</del></p>
	6		<p>Where a taxpayer is not borne on the National Tax Number Register and fails to file an application in the prescribed form and manner with the taxpayer's return of income <del>or employer's certificate</del>, such return <del>or certificate</del> shall not be treated as a return <del>or certificate</del> furnished under this section.</p>
119			<b>Extension of time for furnishing returns and others documents.</b>
	1		<p>A person required to furnish –</p> <p>(a) a return of income under section 114 or 117;</p> <p><del>(b) an employer's certificate under section 115;</del></p> <p>(c) a statement required under sub-section (4) of section 115; or</p> <p>(d) a wealth statement under section 116,</p> <p>may apply, in writing, to the Commissioner for an extension of time to furnish the return, <del>certificate</del>, or statement, as the case may be.</p>
	2		<p>An application under sub-section (1) shall be made by the due date for furnishing the return of income, <del>employer's certificate</del>, or [ ] statement to which the application relates.</p>
	3		<p>Where an application has been made under sub-section (1) and the Commissioner is satisfied that the applicant is unable to furnish the return of income, <del>employer's certificate</del>, or [ ] statement to which the application relates by the due date because of –</p> <p>(a) absence from Pakistan;</p> <p>(b) sickness or other misadventure; or</p> <p>(c) any other reasonable cause,</p> <p>the Commissioner may, by [order], in writing, grant the applicant an extension of time for furnishing the return, <del>certificate</del>, or statement, as the case may be.</p>

120A		<p><b>Investment Tax on Income</b></p> <p><del>(1) Subject to this Ordinance, the Board may make a scheme of payment of investment tax in respect of undisclosed income, representing any amount or investment made in movable or immovable assets.</del></p> <p><del>(2) Where any person declares undisclosed income under sub-section (1) in accordance with the scheme and the rules, the tax on such income called investment tax shall be charged at such rate as may be prescribed.</del></p> <p><del>(3) Where a person has paid tax on his undisclosed income in accordance with the scheme and the rules, he shall—</del></p> <p><del>(a) be entitled to incorporate in his books of account such undisclosed income in tangible form; and</del></p> <p><del>(b) not be liable to pay any tax, charge, levy, penalty or prosecution in respect of such income under this Ordinance.</del></p> <p><del>(4) For the purposes of this section —</del></p> <p><del>(i) "undisclosed income" means any income, including any investment to be deemed as income under section 111 or any other deemed income, for any year or years, which was chargeable to tax but was not so charged; and</del></p> <p><del>(ii) "investment tax" means tax chargeable on the undisclosed income under the scheme under sub-section (1) and shall have the same meaning as given in clause (63) of section 2 of the Income Tax Ordinance, 2001.]</del></p>
122C	2	<p><b>Provisional assessment</b></p> <p>Notwithstanding anything contained in this Ordinance, the provisional assessment completed under sub-section (1) shall be treated as the final assessment after the expiry of <del>sixty</del> forty five days from the date of service of order of provisional assessment and the provisions of this Ordinance shall apply accordingly:</p> <p>Provided that the provisions of sub-section (2) shall not apply if return of income along with wealth statement, wealth reconciliation statement and other documents required under sub-section (2A) of section 116 are filed by the person for the relevant tax year during the said period of <del>sixty</del> forty five days."</p>
130	3	<p><b>Appointment of the Appellate Tribunal.</b></p> <p>A person may be appointed as a judicial member of the Appellate Tribunal if the person -</p> <p>a has exercised the powers of a District Judge and is qualified to be a Judge of a High Court; <del>or</del></p> <p>b is or has been an advocate of a High Court and is qualified to be a Judge of the High Court. ;<del>or</del></p> <p>c is an officer of Inland Revenue Service and a law graduate having at least fifteen years of service in BS-17 and above.;"</p>

	4		A person may be appointed as an accountant member of an appellate tribunal if.-  (a) he is an officer of Inland Revenue [Service] equivalent to the rank of Regional Commissioner; <del>or</del> (b) a Commissioner Inland Revenue or Commissioner Inland Revenue (Appeals) having at least [three] years experience as Commissioner or Collector; or (c) a person who has, for a period of not less than ten years, practiced professionally as a chartered accountant within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961); and
	5		The Federal Government shall appoint a member of the Appellate Tribunal as Chairperson of the Tribunal and, except in special circumstances, the person appointed should be a judicial member.
147			<b>Advance tax paid by the taxpayer.</b>
	1	ba	income chargeable to tax under section 15
	4		Where the taxpayer is [an association of persons or] a company, the amount of advance tax due for a quarter shall be computed according to the following formula, namely:-  $(A \times B/C) - D$ Where - A is the taxpayer's turnover for the quarter; B is the tax assessed to the taxpayer for the latest tax year; C is the taxpayer's turnover for the latest tax year; and D is the tax paid in the quarter for which a tax credit is allowed under section 168, <del>other than tax deducted under section 155.</del>
	4B		Where the taxpayer is an individual having latest assessed income of [five] hundred thousand rupees or more as determined under sub-section (2), the amount of advance tax due for a quarter shall be computed according to the following formula, namely: -  $(A/4) - B$ Where - A is the tax assessed to the taxpayer for the latest tax year or latest assessment year under the repealed Ordinance; and B is the tax paid in the quarter for which a tax credit is allowed under section 168, other than tax deducted under section 149 <del>or 155.</del>
148			<b>Import</b>
	148(7)	x	Large import houses addition in definition. a foreign produced film imported for the purposes of screening and viewing.

Comment [IZR5]:  
Income from property

Comment [IZR6]:  
Section 155 = Income from property

149			<b>SALARY</b>
	1		Every employer person responsible for paying salary to an employee shall, at the time of payment, deduct tax from the amount paid at the employee's average rate of tax computed at the rates specified in Division I of Part I of the First Schedule on the estimated income of the employee chargeable under the head "Salary" for the tax year in which the payment is made after making <del>[adjustment of tax withheld from employee under other heads and tax credit admissible under section 61, 62, 63 and 64 during the tax year after obtaining documentary evidence], as may be necessary;</del> for [:]  (i) <del>tax withheld from the employee under this Ordinance during the tax year;</del> (ii) any excess deduction or deficiency arising out of any previous deduction; or (iii) failure to make deduction during the year;]
152			<b>Payments to non-residents.</b>
	3		Sub-section (2) does not apply to an amount - a). that is subject to deduction of tax under section 149, 150, <del>155</del> , 156 or 233.
	8		In this section "prescribed person" means a prescribed person as defined in sub-section (7) of section 153.;
153			<b>Payments for goods, services and contracts. -</b>
	7	i	"prescribed person" means— (a) the Federal Government; (b) a company; (c) an association of persons constituted by, or under law; (d) a non-profit organization; (e) a foreign contractor or consultant; (f) a consortium or joint venture; (g) an exporter or an export house for the purpose of sub-section (2); (h) an association of persons, having turnover of fifty million rupees or above in tax year 2007 or in any subsequent tax year; or (i) an individual, having turnover of fifty million rupees or above in the tax year 2009 or in any subsequent year; (j) a person registered under the Sales Tax Act, 1990;"
<del>153A</del>			<del><b>Payments to traders and distributors</b></del>
	1		<del>Every manufacturer, at the time of sale to distributors, dealers and wholesalers, shall collect tax at the rate specified in Part IIA of the First Schedule, from the aforesaid persons, to whom such sales have been made.</del>
	2		<del>Tax credit for the tax collected under sub-section (1) shall be allowed in computing the tax due by the person on the taxable income for the tax year in which the tax was collected.</del>

155	3		<p><b>Income from property</b></p> <p>In this section, "prescribed person" means -</p> <p>(i) the Federal Government;</p> <p>(ii) a Provincial Government;</p> <p>(iii) [Local Government];</p> <p>(iv) a company;</p> <p>(v) a non-profit organization or a charitable institution;</p> <p>(vi) a diplomatic mission of a foreign state; <del>or</del></p> <p>(via) a private educational institution, a boutique, a beauty parlour, a hospital, a clinic or a maternity home;</p> <p>(vib) individuals or association of persons paying gross rent of rupees one and a half million and above in a year; or";</p> <p>(vii) any other person notified by the [Board] for the purpose of this section.</p>
164	2		<p><b>Certificate of collection or deduction of tax. -</b></p> <p>A person required to furnish a return of taxable income for a tax year shall attach to the return [copies of the challan of payment on the basis of which a certificate is] provided to the person under this section in respect of tax collected or deducted in that year <del>[and such certificate shall be treated as sufficient evidence of the collection or deduction for the purposes of section 168.]</del></p>
165	1		<p><b>Statements. -</b></p> <p>"<b>Explanation. -</b> For the removal of doubt, it is clarified that this sub-section overrides all conflicting provisions contained in the Protection of Economic Reforms Act, 1992 (XII of 1992), the Banking Companies Ordinance, 1962 (LVII of 1962), the Foreign Exchange Regulation Act, 1947 (VII of 1947) and the regulations made under the State Bank of Pakistan Act, 1956 (XXXIII of 1956) , if any, on the subject, in so far as divulgence of information under section 165 is concerned."; and</p>
	6		<p><del>Provided that annual statement shall also be filed where the income exceeds three hundred thousand rupees but does not exceed three hundred and fifty thousand rupees in a tax year.</del></p>
165A	1		<p><b>Furnishing of information by banks. -</b></p> <p>Notwithstanding anything contained in any law for the time being in force including but not limited to the Banking Companies Ordinance, 1962 (LVII of 1962), the Protection of Economic Reforms Act, 1992 (XII of 1992), the Foreign Exchange Regulation Act, 1947 (VII of 1947) and the regulations made under the State Bank of Pakistan Act, 1956 (XXXIII of 1956), if any, on the subject, every banking company shall make arrangements to provide to the Board in the prescribed form and manner,-</p>
		a	online access to its central database containing details of its account holders and all transactions made in their accounts;
		b	a list containing particulars of deposits aggregating rupees one million or more made during the preceding calendar month;

**Comment [IZR7]:**  
 Credit for tax collected or deducted. .

		c	a list of payments made by any person against bills raised in respect of a credit card issued to that person, aggregating to rupees one hundred thousand or more during the preceding calendar month;
		d	a consolidated list of loans written off exceeding rupees one million during a calendar year; and
		e	a copy of each Currency Transactions Report and Suspicious Transactions Report generated and submitted by it to the Financial Monitoring Unit under the Anti-Money Laundering Act, 2010 (VII of 2010).
	2		Each banking company shall also make arrangements to nominate a senior officer at the head office to coordinate with the Board for provision of any information and documents in addition to those listed in sub-section (1), as may be required by the Board.
	3		The banking companies and their officers shall not be liable to any civil, criminal or disciplinary proceedings against them for furnishing information required under this Ordinance.
	4		Subject to <del>section 216</del> , all information received under this section shall be used only for tax purposes and kept confidential.”;
168			<b>Credit for tax collected or deducted</b>
	3		No tax credit shall be allowed for any tax collected or deducted that is a final tax under— <del>(a) sub-section (7) of section 148;</del> (b) sub-section (3) of section 151; <del>(c) sub-section (1B) and (1BB) of section 152;</del> <del>(d) clauses (a), (c) and (d) of sub-section (3) of section 153;</del> (e) sub-section (4) of section 154; (f) sub-section (3) of section 156; (g) sub-section (2) of section 156A; (h) sub-section (3) of section 233; and <del>(i) sub-section (5) of section 234; and</del> (j) sub-section (3) of section 234A.
169			<b>Tax collected or deducted as a final tax.</b>
	1	a	the [advance tax required to be collected] is a final tax under sub-section (7) of section 148 <del>[or sub-section (5) of section 234</del> [or section 234A] ] on the income to which it relates; or
		b	the [tax required to be deducted] is a final tax under [sub-section (3) of section 151], sub-section (1B) [or sub-section(1BB)] of section 152, <del>relauses (a), (c) and (d) of</del> sub-section (3) of section 153], [ [sub-section (1AAA) of section 152], ] sub-section (4) of section 154, [ ] sub-section (3) of section 156, [ ] [sub-section (2) of section 156A or sub-section [(1) and] (3) of section 233 [ ] ] on the income from which it [was deductible].
	3		Where all the income derived by a person in a tax year is subject to final taxation under the provisions referred to in sub-section (1) or under sections 5, 6 and 7 <del>[and 15],</del> <del>[(other than dividend received by a company)]</del> [an assessment shall be treated to have been made under section 120 and] the person shall not be required to furnish a return of income under section 114 for the year.

**Comment [IZR8]:**  
Disclosure of information by a public servant.

171			<b>Additional payment for delayed refunds.</b>
	2	c	" <b>Explanation.</b> - For the removal of doubt, it is clarified that where a refund order is made on an application under sub-section (1) of section 170, for the purpose of compensation, the refund becomes due from the date refund order is made and not from the date the assessment of income treated to have been made by the Commissioner under section 120.";
172			<b>Representative</b>
	3	b	" <b>Explanation.</b> - In this clause the expression "business connection" includes transfer of an asset or business in Pakistan by a non-resident;"
177			<b>Audit</b>
	10		" <b>Explanation.</b> - For the removal of doubt, it is declared that the powers of the Commissioner under this section are independent of the powers of the Board under section 214C and nothing contained in section 214C restricts the powers of the Commissioner to call for the record or documents including books of accounts of a taxpayer for audit and to conduct audit under this section.";
178			<b>Assistance to Commissioner</b>
			Every Officer of Customs, <del>[Federal] Excise, [Sales Tax,]</del> Provincial Excise and Taxation, District Coordination Officer, District Officers including District Officer - Revenue, the Police and the Civil Armed Forces is empowered and required to assist the Commissioner in the discharge of the Commissioner's functions under this Ordinance.
181			<b>Taxpayer's registration</b>
	3		"Provided that the Board may in case of individuals allow, in place of National Tax Number use of Computerized National Identity Card issued by the National Database and Registration Authority.";
181C			<b>Display of National Tax Number</b>
			Every person deriving income from business chargeable to tax, who has been issued a National Tax Number, shall display his National Tax Number at a conspicuous place at every place of his business.";

182		Offences and penalties	
S.No	Offences	Penalties	Section of the Ordinance to which offence has reference
(1)	(2)	(3)	(4)
1	<p><del>Where any person fails to furnish a return of income or a statement as required under section 115 or wealth statement or wealth reconciliation statement or statement under section 165 within the due date.</del></p> <p>Where any person fails to furnish a return of income as required under section 114 within the due date.</p>	<p><del>Such person shall pay a penalty equal to 0.1% of the tax payable for each day of default subject to a minimum penalty of five thousand rupees and maximum penalty of 25% of the tax payable in respect of that tax year [-:]</del></p> <p>Such person shall pay a penalty equal to 0.1% of the tax payable in respect of that tax year for each day of default subject to a maximum penalty of 50% of the tax payable provided that if the penalty worked out as aforesaid is less than twenty thousand rupees or no tax is payable for that tax year such person shall pay a penalty of twenty thousand rupees"</p> <p>[Explanation.— For the purposes of this entry, it is declared that the expression "tax payable</p>	<p><del>114, 115, 116 and 165</del></p> <p>and 118</p>
1A	Where any person fails to furnish a statement as required under section 115, 165 or 165A within the due date.	Such person shall pay a penalty of Rs.2500 for each day of default subject to a minimum penalty of fifty thousand rupees:	115, 165 and 165A
1AA	Where any person fails to furnish wealth statement or wealth reconciliation statement.	Such person shall pay a penalty of Rs.100 for each day of default.	114, 115 and 116";

8	Where a taxpayer who, without Where a taxpayer who, without any reasonable cause, in non-compliance with provisions of section 177—  (a) fails to produce the record of documents on receipt of first notice.  (b) fails to produce the record or documents on receipt of second notice; and  (c) Fails to produce the record or documents on receipt of third notice.	Such person shall pay a penalty of <del>five</del> twenty five thousand rupees;  such person shall pay a penalty of <del>ten</del> fifty thousand rupees; and  such person shall pay a penalty of <del>fifty</del> one hundred thousand rupees.	177
9	Any person who fails to furnish the information required or to comply with any other term of the notice served under section 176	Such person shall pay a penalty of <del>five</del> twenty five thousand rupees for the first default and <del>ten</del> fifty thousand rupees for each subsequent default.	176
16	Any person who fails to display NTN Certificate at the place of business as required under this Ordinance or the rules made thereunder.	Such person shall pay a penalty of five thousand rupees.	181C

198		<b>Prosecution of unauthorized disclosure of information by public servant.</b> A person who discloses any particulars in contravention of section 216 shall commit an offence punishable on conviction with a fine of not less than five hundred thousand rupees or imprisonment for a term not exceeding one year <del>six months</del> , or both
210	1	<b>Delegation</b> The Commissioner [subject to sub-section (1A),] may, by an order in writing, delegate to any <del>[Officer of Inland Revenue, subordinate to the Commissioner]</del> Additional Commissioner, Deputy Commissioner, Assistant Commissioner or Inland Revenue Officer all or any of the powers or functions conferred upon or assigned to the Commissioner under this Ordinance, other than the power of delegation.
214C		<b>Selection of Audit by the Board</b>
	1A	Notwithstanding anything contained in this Ordinance or any other law, for the time being in force, the Board shall keep the parameters confidential"; and
	3	"Explanation.- For the removal of doubt, it is declared that the powers of the Commissioner under section 177 are independent of the powers of the Board under this section and nothing contained in this section restricts the powers of the Commissioner to call for the record or documents including books of accounts of a taxpayer for audit and to conduct audit under section 177.";
227A		<b>Reward to Inland Revenue officers and officials.</b>
	1	In cases involving concealment or evasion of income tax and other taxes, cash reward shall be sanctioned to the officers and officials of Inland Revenue for their meritorious conduct in such cases and to the informer providing credible information leading to such detection, as may be prescribed by the Board, only after realization of part or whole of the taxes involved in such cases.
	2	The Board may, by a notification in the official Gazette, prescribe the procedure in this behalf and specify the apportionment of reward sanctioned under this section for individual performance or to collective welfare of the officers and officials of Inland Revenue.";
CHAPTER XI - PART II		<del>DIRECTORATE GENERAL OF INTERNAL AUDIT</del> substituted by DIRECTORATES-GENERAL
CHAPTER XI - PART III		<del>DIRECTORATE GENERAL OF WITHHOLDING TAXES</del> substituted by DIRECTORATES-GENERAL
230B		<b>Directorate General of Law</b>
	1	The Directorate- General of Law shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors, Assistant Directors, Law Officers and such other officers as the Board may, by notification in the official Gazette, appoint.
	2	The Board may, by notification in the official Gazette, specify the functions, jurisdiction and powers of the Directorate- General of Law.
230C		<b>Directorate General of Research and Development.</b>
	1	The Directorate-General of Research and Development shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors, Assistant Directors and such other officers as the Board may, by notification in the official Gazette, appoint.

	2		The Board may, by notification in the official Gazette, specify the functions, jurisdiction and powers of the Directorate-General of Research and Development.”;
233AA			<b>Collection of tax by NCCPL</b> NCCPL shall collect advance tax from the members of Stock Exchange registered in Pakistan, margin financiers, trading financiers and lenders in respect of margin financing in share business or providing of any margin financing, margin trading or securities lending under Securities (Leveraged Markets and Pledging) Rules, 2011 in share business at the rate specified in Division <del>IIA</del> IIB of Part IV of First Schedule;  Provided that the provision of this section shall not apply to any Mutual Fund specified in sub-clause (2) of clause (57) of Part I of the Second Schedule.
234			<b>Tax on motor vehicles.</b>
	1		Any person [at the time of] collecting motor vehicle tax shall also collect advance tax at the rates specified in Division III Part IV of the First Schedule.
	2		If the motor vehicle tax is collected in installments or lump sum, the advance tax may also be collected in installments or lump sum in like manner.
	5		<del>Where tax is collected from any person being the owner of goods transport vehicle, the tax so collected shall be the final tax on the income of such person [from plying, or hiring out, of such vehicle].</del>  Advance tax collected under this section shall be adjustable.”;
236D			<b>Advance tax on functions and gatherings</b>
	1		Every prescribed person shall collect advance tax at the rate specified in Division XI of Part IV of the First Schedule on the total amount of the bill from a person arranging or holding a function in a marriage hall, marquee, hotel, restaurant, commercial lawn, club, a community place or any other place used for such purpose.
	2		Where the food, service or any other facility is provided by any other person, the prescribed person shall also collect advance tax on the payment for such food, service or facility at the rate specified in Division XI of Part IV of the First Schedule from the person arranging or holding the function.
	3		The advance tax collected under sub-section (1) and sub-section (2) shall be adjustable.
	4		In this section,-
		a	“function” includes any wedding related event, a seminar, a workshop, a session, an exhibition, a concert, a show, a party or any other gathering held for such purpose; and
		b	“Prescribed person” includes the owner, a lease-holder, an operator or a manager of a marriage hall, marquee, hotel, restaurant, commercial lawn, club, a community place or any other place used for such purpose.

236E			<b>Advance tax on foreign-produced films, TV plays and serials.</b>
	1		Any person responsible for censoring or certifying a foreign-produced film, a TV drama serial or a play, for screening and viewing, shall, at the time of censoring or certifying, collect advance tax at the rates specified in Division XII of Part IV of the First Schedule.
	2		The advance tax collected under sub-section (1) shall be adjustable.
236F			<b>Advance tax on cable operators and other electronic media.</b>
	1		Pakistan Electronic Media Regulatory Authority, at the time of issuance of license for distribution services or renewal of the license to a licensee, shall collect advance tax at the rates specified in Division XIII of Part IV of the First Schedule.
	2		The tax collected under sub-section (1) shall be adjustable.
	3		For the purpose of this section, "cable television operator", "DTH", "Distribution Service", "electronic media", "IPTV", "loop holder", "MMDS", "mobile TV", shall have the same meanings as defined in Pakistan Electronic Media Regulatory Authority Ordinance, 2002 (XIII of 2002) and Pakistan Electronic Media Regulatory Authority Rules, 2009.
236G			<b>Advance tax on sales to distributors, dealers and wholesalers.</b>
	1		Every manufacturer or commercial importer of electronics, sugar, cement, iron and steel products, fertilizer, motorcycles, pesticides, cigarettes, glass, textile, beverages, paint or foam sector, at the time of sale to distributors, dealers and wholesalers, shall collect advance tax at the rate specified in Division XIV of Part IV of the First Schedule, from the aforesaid person to whom such sales have been made.
	2		Credit for the tax collected under sub-section (1) shall be allowed in computing the tax due by the distributor, dealer or wholesaler on the taxable income for the tax year in which the tax was collected.
236H			<b>Advance tax on sales to retailers.</b>
	1		Every manufacturer, distributor, dealer, wholesaler or commercial importer of electronics, sugar, cement, iron and steel products, fertilizer, motorcycles, pesticides, cigarettes, glass, textile, beverages, paint or foam sector, at the time of sale to retailers, shall collect advance tax at the rate specified in Division XV of Part IV of the First Schedule, from the aforesaid person to whom such sales have been made.
	2		Credit for the tax collected under sub-section (1) shall be allowed in computing the tax due by the retailer on the taxable income for the tax year in which the tax was collected.
236I			<b>Collection of advance tax by educational institutions.</b>
	1		There shall be collected advance tax at the rate specified in Division XVI of Part-IV of the First Schedule on the amount of fee paid to an educational institution.
	2		The person preparing fee voucher or challan shall charge advance tax under sub-section (1) in the manner the fee is charged.
	3		Advance tax under this section shall not be collected from a person where annual fee does not exceed two hundred thousand rupees.

	4		The term "fee" includes, tuition fee and all charges received by the educational institution, by whatever name called, excluding the amount which is refundable.
	5		Tax collected under this section shall be adjustable against the tax liability of either of the parents or guardian making payment of the fee.
236J			<b>Advance tax on dealers, commission agents and arhatis etc.,</b>
	1		Every market committee shall collect advance tax from dealers, commission agents or arhatis, etc. at the rates specified in Division XVII of Part-IV of the First Schedule at the time of issuance or renewal of licenses.
	2		The advance tax collected under sub-section (1) shall be adjustable.
	3		In this section "market committee" includes any committee or body formed under any provincial or local law made for the purposes of establishing, regulating or organizing agricultural, livestock and other commodity markets."; and
239B			<b>Reference to authorities.</b>
	1		Any reference to the Regional Commissioner of Income Tax, Commissioner of Income Tax, Commissioner of Income Tax (Appeals) and Taxation Officer, wherever occurring, in this Ordinance and the rules made thereunder and in any other law in force at the time of promulgation of this Ordinance and notifications, orders, circulars or clarifications or any instrument issued thereunder and in any other law in force at the time of promulgation of this Ordinance shall be construed as reference to the Chief Commissioner Inland Revenue, Commissioner Inland Revenue, Commissioner Inland Revenue (Appeals) and officer of Inland Revenue, respectively.