

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

2			Definition
		22B	" fee for offshore digital services " means any consideration for providing or rendering services by a nonresident person for online advertising including digital advertising space, designing, creating, hosting or maintenance of websites, digital or cyber space for websites, advertising, e-mails, online computing, blogs, online content and online data, providing any facility or service for uploading, storing or distribution of digital content including digital text, digital audio or digital video, online collection or processing of data related to users in Pakistan, any facility for online sale of goods or services or any other online facility."; and
		23A	filer means a taxpayer whose name appears in the active taxpayers' list issued by the Board or AJ&K Council Board of Revenue or Gilgit-Baltistan Council Board of Revenue from time to time or is holder of a taxpayer's card;
		29	income includes any amount chargeable to tax under this Ordinance, any amount subject to collection or deduction of tax under section 148, 150, 152(1), 153, 154, 156, 156A, 233, 233A, sub-section (5) of section 234, 236M and 236N , and amount treated as income under any provision of this Ordinance and any loss of income.
		41	permanent establishment in relation to a person, means a fixed place of business through which the business of the person is wholly or partly carried on, and includes -
		41(e)	a person acting in Pakistan on behalf of the person (hereinafter referred to as the gent), other than an agent of independent status acting in the ordinary course of business as such, if the agent - (i) has and habitually exercises an authority to conclude contracts on behalf of the other person; has and habitually exercises an authority to conclude contracts on behalf of the other person or has and habitually plays the principal role leading to the conclusion of contracts that are routinely concluded without material modification by the person and these contracts are— a. in the name of the person; or b. for the transfer of the ownership of or for the granting of the right to use property owned by that enterprise or that the enterprise has the right to use; or c. for the provision of services by that person; or";

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			(ii) has no such authority, but habitually maintains a stock-in-trade or other merchandise from which the agent regularly delivers goods or merchandise on behalf of the other person; or "Explanation.— For removal of doubt, it is clarified that an agent of independent status acting in the ordinary course of business does not include a person acting exclusively or almost exclusively on behalf of the person to which it is an associate; or";
		41(g)	a fixed place of business that is used or maintained by a person if the person or an associate of a person carries on business at that place or at another place in Pakistan and— i. that place or other place constitutes a permanent establishment of the person or an associate of the person under this sub-clause; or ii. business carried on by the person or an associate of the person at the same place or at more than one place constitute complementary functions that are part of a cohesive business operation. Explanation.- For the removal of doubt, it is clarified that— (A) the term "cohesive business operation" includes an overall arrangement for the supply of goods, installation, construction, assembly, commission, guarantees or supervisory activities and all or principal activities are undertaken or performed either by the person or the associates of the person; and (B) supply of goods include the goods imported in the name of the associate or any other person, whether or not the title to the goods passes outside Pakistan.";
4B			Super tax for rehabilitation of temporarily displaced persons—
	1		A super tax shall be imposed for rehabilitation of temporarily displaced persons, for tax years 2015 to 2017 2020, at the rates specified in Division IIA of Part I of the First Schedule, on income of every person specified in the said Division.
5A			Tax on undistributed profits.-
	1		For tax year 2017 and onwards, a tax shall be imposed at the rate of seven and a-half five percent of its accounting profit before tax on every public company, other than a scheduled bank or a modaraba, that derives profit for a tax year but does not distribute at least forty twenty percent of its after tax profits within six months of the end of the tax year through cash or bonus shares :

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6			Tax on certain payments to non-residents.—
	1		Subject to this Ordinance, a tax shall be imposed, at the rate specified in Division IV of Part I of the First Schedule, on every non-resident person who receives any Pakistan-source royalty, fee for offshore digital services or fee for technical services.
	3		This section shall not apply to —
		(b)	any fee for technical services or fee for offshore digital services where the services giving rise to the fee are rendered through a permanent establishment in Pakistan of the non-resident person; or
	4		Any Pakistani-source royalty, fee for offshore digital services or fee for technical services received by a non-resident person to which this section does not apply by virtue of clause (a) or (b) of sub-section (3) shall be treated as income from business attributable to the permanent establishment in Pakistan of the person.
8			General provisions relating to taxes imposed under sections 5, 6 and 7
	1		Subject to this Ordinance, the tax imposed under Sections 5, 5A , 5AA, 6, 7, 7A and 7B shall be a final tax on the amount in respect of which the tax is imposed and—
18			Income from business
	1	(e)	any management fee derived by a management company (including a modaraba management company) "Explanation.— For the removal of doubt it is clarified that income subject to taxation under sections 5A, 5AA, 6, 7 and 7A shall not be chargeable to tax under this section."
37			Capital gains
	4A		Where the capital asset becomes the property of the person
		(a)	under a gift from a relative as defined in sub-section (5) of section 85 , bequest or will;
39			Income from other sources.
	1		Income of every kind received by a person in a tax year, if it is not included in any other head, other than income exempt from tax under this Ordinance, shall be chargeable to tax in that year under the head —Income from Other Sources ¹ , including the following namely:
		m	income arising to the shareholder of a company, from the issuance of bonus shares.
53			Exemptions and tax concessions in the Second Schedule—
	2		The Board with the approval of Federal Minister in charge may, from time to time pursuant to the approval of the Economic Coordination Committee of Cabinet Federal Government may , whenever circumstances exist to take immediate action for the purposes of national security, natural disaster,

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			national food security in emergency situations, protection of national economic interests in situations arising out of abnormal fluctuation in international commodity prices, removal of anomalies in taxes, development of backward areas , implementation of bilateral and multilateral agreements or granting an exemption from any tax imposed under this Ordinance including a reduction in the rate of tax imposed under this Ordinance or a reduction in tax liability under this Ordinance or an exemption from the operation of any provision of this Ordinance to any international financial institution or foreign Government owned financial institution operating under an agreement, memorandum of understanding or any other arrangement with the Government of Pakistan, by notification in the official Gazette, make such amendment in the Second Schedule by –
57			Carry forward of business losses.
	1		Where a person sustains a loss for a tax year under the head –Income from Business (other than a loss to which sub-section (4) or section 58 applies) and the loss cannot be wholly set off under section 56, so much of the loss that has not been set off shall be carried forward to the following tax year and set off against the person's income chargeable under the head –Income from Business for that year.
	4		Where the loss referred to in sub-section (1) includes deductions allowed under sections 22, 23, 23A, 23B and 24 that have not been set off against income, the amount not set off shall be added to the deductions allowed under those sections in the following tax year, and so on until completely set off. The loss attributable to deductions allowed under sections 22, 23, 23A, 23B and 24 that has not been set off against income, the loss not set off shall be set off against fifty percent of the person's balance income chargeable under the head "income from business" after setting off loss under sub-section (1), in the following tax year and so on until completely set off: Provided that such loss shall be set off against hundred percent of the said balance income if the taxable income for the year is less than ten million Rupees;

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59A			Limitations on set off and carry forward of losses.—
	5		Where in computing the taxable income for any tax year, full effect cannot be given to a deduction mentioned in section 22, 23, 24 or 25 owing to there being no profits or gains chargeable for that year or such profits or gains being less than the deduction, then, subject to sub-section (12) of section 22, and sub-section (6), the deduction or part of the deduction to which effect has not been given, as the case may be, shall be added to the amount of such deduction for the following year and be treated to be part of that deduction, or if there is no such deduction for that year, be treated to be the deduction for that year and so on for succeeding years. Subject to sub-section (4) of section 57, sub-section (12) of section 22 and sub-section (6), where in computing the taxable income for any tax year, full effect cannot be given to the loss relating to deductions under section 22, 23, 24 or 25 owing to there being no profits or gains chargeable for that year or such profits or gains as mentioned in sub-section (4) of section 57, being less than the said loss, the loss or part of the loss, as the case may be, shall be set off against fifty percent of the person's income chargeable under the head "income from business" for the following year or if there is no "income from business" for that year, be set off against fifty percent of the person's income chargeable under the head "income from business" for the next following year and so on for succeeding years.";
62			Tax credit for investment in shares and insurance.—
	2		The amount of a person's tax credit allowed under sub-section (1) for a tax year shall be computed according to the following formula, namely: — (A/B) x C where— A is the amount of tax assessed to the person for the tax year before allowance of any tax credit under this Part; B is the person's taxable income for the tax year; and C is the lesser of — (a) the total cost of acquiring the shares, or sukuks, or the total contribution or premium paid by the person referred to in sub-section (1) in the year; (b) twenty per cent of the person's taxable income for the year; or (c) one and a half two million rupees].
65B			Tax credit for investment.
	2		The provisions of sub-section (1) shall apply if the plant and machinery is purchased and installed at any time between the first day of July, 2010, and the 30th day of June, 2019 2021.

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65D			Tax credit for newly established industrial undertakings
	2		Tax credit under this section shall be admissible where—
		(a)	the company is incorporated and industrial undertaking is setup between the first day of July, 2011 and 30th day of June, 2019 2021
65E			Tax credit for industrial undertakings established before the first day of July, 2011
	4		The provisions of sub-section (1) shall apply if the plant and machinery is installed at any time between the first day of July, 2011 and the 30th day of June, 2019 2021
79			Non-recognition rules
	1		For the purposes of this Ordinance and subject to sub-section (2), no gain or loss shall be taken to arise on the disposal of an asset -
		(c)	by reason of a gift of the asset to a relative, as defined in sub-section (5) of section 85;
100A			Special provisions relating to banking business
	3		Notwithstanding anything contained in sub-section (1), income, profits and gains and tax payable thereon shall be computed subject to the limitations and provisions contained in Chapters VII and VIII.;"
100C			Tax credit for certain persons.-
	2		Persons and incomes eligible for tax credit under this section include-
		(e)	any income which is derived from investments in securities of the Federal Government, profit on debt from scheduled banks and microfinance banks , grant received from Federal Government or Provincial Government or District Governments, foreign grants and house property held under trust or other legal obligations wholly, or in part only, for religious or charitable purposes and is actually applied or finally set apart for application thereto:
101			Geographical source of income.
	3		Business income of a non-resident person shall be Pakistan-source income to the extent to which it is directly or indirectly attributable to -
		(e)	import of goods, whether or not the title to the goods passes outside Pakistan, if the import is part of an overall arrangement for the supply of goods, installation, construction, assembly, commission, guarantees or supervisory activities and all or principal activities are undertaken or performed either by the associates of the person supplying the goods or its permanent establishment, whether or not the goods are imported in the name of the person, associate of the person or any other person. Explanation.— For the removal of doubt, it is clarified that where the income is subject to taxation under sections 5A, 5AA, 6, 7 and 7A, the income shall not be chargeable to tax under the head income from business.;" and

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	12A		A fee for offshore digital services shall be Pakistan-source income, if it is -
		(a)	paid by a resident person, except where the fee is payable in respect of services utilised in a business carried on by the resident outside Pakistan through a permanent establishment; or
		(b)	borne by a permanent establishment in Pakistan of a non-resident person.";
101A			Gain on disposal of assets outside Pakistan.—
	1		Any gain from the disposal or alienation outside Pakistan of an asset located in Pakistan of a non-resident company shall be Pakistan-source
	2		The gain under sub-section (1) shall be chargeable to tax at the rate and in the manner as specified in sub-section (10).
	3		Where the asset is any share or interest in a nonresident company, the asset shall be treated to be located in Pakistan, if—
		(a)	the share or interest derives, directly or indirectly, its value wholly or principally from the assets located in Pakistan; and
		(b)	shares or interest representing ten per cent or more of the share capital of the non-resident company are disposed or alienated.
	4		The share or interest, as mentioned in sub-section (3), shall be treated to derive its value principally from the assets located in Pakistan, if on the last day of the tax year preceding the date of transfer of a share or an interest, the value of such assets exceeds one hundred million Rupees and represents at least fifty per cent of the value of all the assets owned by the non-resident company.
	5		Notwithstanding the provisions of section 68, the value as mentioned in sub-section (4) shall be the fair market value, as may be prescribed, for the purpose of this section without reduction of liabilities.
	6		Where the entire assets by the non-resident company are not located in Pakistan, the income of the non-resident company, from disposal or alienation outside Pakistan of a share of, or interest in, such non-resident company shall be treated to be located in Pakistan, to the extent it is reasonably attributable to assets located in Pakistan and determined as may be prescribed.
	7		Where the asset of a non-resident company derives, directly or indirectly, its value wholly or principally from the assets located in Pakistan and the non-resident company holds, directly or indirectly, such assets through a resident company, such resident company shall, for the purposes of determination of gain and tax thereon under sub-section (8) or, as the case may be, sub-section (9), shall furnish to the Commissioner within sixty days of the transaction of disposal or alienation of the asset by the non-resident company, the prescribed information or documents, in a statement as may be prescribed:

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			Provided that the Commissioner may, by notice in writing require the resident company, to furnish information, documents and statement within a period of less than sixty days as specified in the notice.
	8		The person acquiring the asset from the non-resident person shall deduct tax from the gross amount paid as consideration for the asset at the rate of fifteen percent ten percent of the fair market value of the asset and shall be paid to the Commissioner by way of credit to the Federal Government through remittance to the Government Treasury or deposit in an authorized branch of the State Bank of Pakistan or the National Bank of Pakistan, within fifteen days of the payment to the non-resident.
	9		The resident company as referred to in sub-section (7) shall collect advance tax as computed in sub-section (10) from the non-resident company within thirty days of the transaction of disposal or alienation of the asset by such non-resident company: Provided that where the tax has been deducted and paid by the person acquiring the asset from the non-resident person under sub-section (8), the said tax shall be treated as tax collected and paid under this sub-section and shall be allowed a tax credit for that tax in computing the tax under sub-section (10).
	10		The tax to be deducted under sub-section (8) or to be collected under sub-section (9) shall be the higher of –
		(a)	20% of A, where A = fair market value less cost of acquisition of the asset; or
		(b)	10% of the fair market value of the asset.
	11		Where tax has been paid under sub-section (8) or (9), no tax shall be payable by the non-resident company in respect of gain under sub-section (8) of section 22 or capital gains under section 37 or 37A.”;
	<u>12</u>		<u>Where any gain is taxable under this section and also under any other provision of this Ordinance, the said gain shall be taxable under other provision of the Ordinance.</u>
107			Agreements for the avoidance of double taxation and prevention of fiscal evasion.
	2		<u>Subject to section 109, where</u> Where any agreement is made in accordance with sub-section (1), the agreement and the provisions made by notification for implementing the agreement shall, notwithstanding anything contained in any law for the time being in force, have effect in so far as they provide for at least one of the following -

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			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

108			Transactions between associates.
	3		Every taxpayer who has entered into a transaction with its associate shall:
		(b)	keep and maintain , maintain and furnish to the Board prescribed country-by-country report, where applicable;
	4		A taxpayer who has entered into a transaction with its associate shall furnish, within thirty days the documents and information to be kept and maintained under sub-section (3) if required by the Commissioner in the course of any proceedings under clause (a), (c) or (d) of this Ordinance.;
109			Recharacterisation of income and deductions.
	1		For the purposes of determining liability to tax under this Ordinance, the Commissioner may -
		(d)	From tax year 2018 onwards, he disregard an entity or a corporate structure that does not have an economic or commercial substance or was created as part of the tax avoidance scheme.";
	3		Reduction in a person's liability to tax as referred to in sub-section (2) means a reduction, avoidance or deferral of tax or increase in a refund of tax and includes a reduction, avoidance or deferral of tax that would have been payable under this Ordinance, but are not payable due to a tax treaty for the avoidance of double taxation as referred to in section 107.";
109A			Controlled foreign company.—
	1		There shall be included in the taxable income of a resident person for a tax year an income attributable to controlled foreign company as defined in sub-section (2).
	2		For the purpose of this section, controlled foreign company means a non-resident company, if—
		(a)	more than fifty percent of the capital or voting rights of the non-resident company are held, directly or indirectly, by one or more persons resident in Pakistan or more than forty percent of the capital or voting rights of the nonresident company are held, directly or indirectly, by a single resident person in Pakistan;
		(b)	tax paid, after taking into account any foreign tax credits available to the non-resident company, on the income derived or accrued, during a foreign tax year, by the non-resident company to any tax authority outside Pakistan is less than sixty percent of the tax payable on the said income under this Ordinance;
		(c)	the non-resident company does not derive active business income as defined under subsection (3); and
		(d)	the shares of the company are not traded on any stock exchange recognized by law of the country or jurisdiction of which the non-resident company is resident for tax purposes.
	3		A company shall be treated to have derived active income if —
		(a)	more than eighty percent of income of the company does not include income

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			from dividend, interest, property, capital gains, royalty, annuity payment, supply of goods or services to an associate, sale or licensing of intangibles and management, holding or investment in securities and financial assets; and
		(b)	Principally derives income under the head "income from business" in the country or jurisdiction of which it is a resident.
	4		Income of a controlled foreign company is an amount equal to the taxable income of that company determined in accordance with the provisions of this Ordinance as if that controlled foreign company is a resident taxpayer and shall be taxed at the rate specified in Division III of Part I of the First Schedule.
	5		The amount of attributable income under sub-section (1) for a tax year shall be computed according to the following formula, namely: — A x (B/100) Where - A is the amount of income of a controlled foreign company under sub-section (2); and B is the percentage of capital or voting rights, whichever is higher, held by the person, directly or indirectly, in the controlled foreign company.
	6		The amount of attributable income shall be treated as zero, if the capital or voting rights of the resident person is less than ten percent.
	7		Income of a controlled foreign company shall be treated as zero, if it is less than ten million Rupees.
	8		The income of a controlled foreign company in respect of a foreign tax year, as defined in sub-section (9), shall be determined in the currency of that controlled foreign company and shall, for purposes of determining the amount to be included in the income of any resident person during any tax year under the provisions of this section, be converted into Rupees at the State Bank of Pakistan rate applying between that foreign currency and the Rupee on the last day of the tax year.
	9		Foreign tax year, in relation to a non-resident company, means any year or period of reporting for income tax purposes by that non-resident company in the country or jurisdiction of residence or, if that company is not subject to income tax, any annual period of financial reporting by that company.
	10		The income attributable to controlled foreign company under sub-section (1) and taxed in Pakistan under this section shall not be taxed again when the same income is received in Pakistan by the resident taxpayer.";

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			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

109A	11		Where tax has been paid by the resident person on the income attributable to controlled foreign company and in a subsequent tax year the resident person receives dividend distributed by the controlled foreign company, after deduction of tax on dividend, the resident person shall be allowed a tax credit equal to the lesser of, —
		(i)	foreign tax paid, as defined in sub-section (8) of section 103, on dividends; and
		(ii)	Pakistan tax payable, as defined in section 103, for the tax year in which the dividend is received by the resident taxpayer.
111			Unexplained income or assets.
	2		The amount referred to in sub-section (1) shall be included in the person's income chargeable to tax in the tax year to which such amount relates. The amount referred to in sub-section (1) shall be included in the person's income chargeable to tax:
		(i)	in the tax year to which such amount relates if the amount representing investment, money, valuable article or expenditure is situated or incurred in Pakistan or concealed income is Pakistan-source; and
		(ii)	in the tax year immediately preceding the tax year in which the investment, money, valuable article or expenditure is discovered by the Commissioner and is situated or incurred outside Pakistan and concealed income is foreign-source. Explanation.— For the removal of doubt, it is clarified that where the investment, money, valuable article or expenditure is acquired or incurred outside Pakistan in a prior tax year and is in respect of assets or expenditure situated or incurred outside Pakistan liable to be included in the income of tax year 2018 and onwards on the basis of discovery made by the Commissioner during tax year 2019 and onwards and the person explains the acquisition of such asset or expenditure from sources relating to tax year in which such asset was acquired or expenditure was incurred, such explanation shall not be rejected on the basis that the source does not relate to the tax year immediately preceding tax year in which the asset or expenditure was discovered by the Commissioner in which the amount chargeable to tax is to be included.”;
	4		Sub-section (1) does not apply, —
		(a)	to any amount of foreign exchange remitted from outside Pakistan through normal banking channels not exceeding ten million Rupees in a tax year that is encashed into rupees by a scheduled bank and a certificate from such bank is produced to that effect,

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114			Return of income
	1		Subject to this Ordinance, the following persons are required to furnish a return of income for a tax year, namely:-
		(b)	any person not covered by clause 8[(a), (ab), (ac) or (ad)] who—
		(b)	x. every resident person being an individual required to file foreign income and assets statement under section 116A."; and
	2		A return of income -
		(f)	shall be accompanied with a foreign income and assets statement as required under section 116A."; and
116A			Foreign income and assets statement-
	1		Every resident taxpayer being an individual having foreign income of not less than ten thousand United States dollars or having foreign assets with a value of not less than one hundred thousand United States dollars shall furnish a statement, hereinafter referred to as the foreign income and assets statement, in the prescribed form and verified in the prescribed manner giving particulars of —
		(a)	the person's total foreign assets and liabilities as or the last day of the tax year;
		(b)	any foreign assets transferred by the person to any other person during the tax year and the consideration for the said transfer; and
		(c)	complete particulars of foreign income, the expenditure derived during the tax year and the expenditure wholly and necessarily for the purposes of deriving the said income.
	2		The Commissioner may by a notice in writing require any person being an individual who, in the opinion of the Commissioner on the basis of reasons to be recorded in writing, was required to furnish a foreign income and assets statement under sub-section (1) but who has failed to do so to furnish the foreign income and assets statement on the date specified in the notice."
118			Method of furnishing returns and other documents.
	1		A return of income under section 114, a statement required under sub-section (4) of section 115 or a wealth statement under section 116 or a foreign income and assets statement under 116A, if applicable 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 wealth statement as required under section 116 or a foreign income and assets statement under 116A, if applicable.
			Provided that the Board may amend the condition specified in this sub-section or direct that the said condition shall not apply for a tax year.

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121			Best judgement assessment.
	3		An assessment order under this section shall only be issued within five years after the end of the tax year or the income year to which it relates. Provided that where notice for furnishing a return of income under sub-section (4) of section 114 is issued in respect of one or more of the last ten completed tax years in pursuance of proviso to sub-section (5) of section 114 an assessment order under this section shall only be issued within two years from the end of tax year in which such notice is issued.
131			Appeal to the Appellate Tribunal.
	5		Notwithstanding that an appeal has been filed under this section, tax shall, unless recovery thereof has been stayed by the Appellate Tribunal, be payable in accordance with the assessment made in the case: Provided that if on filing of application in a particular case, the the Appellate Tribunal is of the opinion that the recovery of tax levied under this Ordinance and upheld by the Commissioner (Appeals), shall cause undue hardship to the taxpayer, the Tribunal, after affording opportunity of being heard to the Commissioner, may stay the recovery of such tax for a period not exceeding one hundred and eighty days in aggregate:- Provided further that where recovery of tax has been stayed under this section, such stay order shall cease to have effect on expiration of the said period of one hundred and eighty days following the date on which the stay order was made and the Commissioner shall proceed to recover the said tax: Provided further that in computing the aforesaid period of one hundred and eighty days, the period, if any, for which the recovery of tax was stayed by a High Court, shall be excluded.
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 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 is involved having effect on other cases.

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			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

	2		<p>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,-</p> <p>(i) an officer of Inland Revenue not below the rank of Commissioner;</p> <p>(ii) person to be nominated by the taxpayer from a panel notified by the Board comprising,-</p> <p>(a) senior chartered accountants and senior advocates having experience in the field of taxation; and</p> <p>(b) reputable businessmen as nominated by Chambers of Commerce and Industry;</p> <p>Provided that the taxpayer shall not nominate a Chartered Accountant or an advocate if the said Chartered Accountant or the advocate is or has been an auditor or an authorized representative of the taxpayer; and</p> <p>(iii) a retired Judge not below the rank of District and Sessions Judge, to be nominated through consensus by the members appointed under clauses (i) and (ii).</p>
	3		The aggrieved person, or the Commissioner, or both, as the case may be, shall withdraw the appeal pending before any court of law or an Appellate Authority, after constitution of the committee by the Board under sub-section (2).
	4		The committee shall not commence the proceedings under sub-section (5) unless the order of withdrawal by the court of law or the Appellate Authority is communicated to the Board: Provided that if the order of withdrawal is not communicated within seventy five days of the appointment of the committee, the said committee shall be dissolved and provisions of this section shall not apply.
	4A		Notwithstanding anything contained in sub-section (4), the Chairman Chairman Federal Board of Revenue may, on the application of an aggrieved person, for reasons to be recorded in writing, and on being satisfied that there is an error in order or decision, pass such order as may be deemed just and equitable.
	5		<p>The Committee appointed under sub-section (2) shall examine the issue and may, if it deems 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 by majority, within one hundred and twenty days of its appointment:</p> <p>Provided that in computing the aforesaid period of one hundred and twenty days, the period, if any, for communicating the order of withdrawal under sub-</p>

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-
			section (4) shall be excluded
	6		The recovery of tax payable by a taxpayer in connection with any dispute for which a Committee has been appointed under subsection (2) shall be deemed to have been stayed on withdrawal of appeal up to the date of decision by the Committee.
	7		The decision of the committee under sub-section (5) shall be binding on the Commissioner and the aggrieved person.
	8		If the Committee fails to decide within the period of one hundred and twenty days under sub-section (5), 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 which issued the order of withdrawal under sub-section (4) and the appeal shall be treated to be pending before such court of law or the Appellate Authority as if the appeal had never been withdrawn.
	9		The Board shall communicate the order of dissolution to the court of law or the Appellate Authority and the Commissioner.
	10		The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the Appellate Authority, which shall decide the appeal within six months of the communication of said order.
	11		The aggrieved person may make the payment of income tax and other taxes as decided by the committee under sub-section (5) and all decisions, orders and judgments made or passed shall stand modified to that extent.
	12		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).
	13		The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.;
137			Due date for payment of tax
	2		Where any tax is payable under an assessment order or an amended assessment order or any other order issued by the Commissioner under this Ordinance, a notice shall be served upon the taxpayer in the prescribed form specifying the amount payable and thereupon the sum so specified shall be paid within thirty days from the date of service of the notice. Provided that the due date for payment of tax payable under sub-section (7) of section 147 shall be the date specified in subsection (5) or sub-section (5A) or first proviso to sub-section (5B) of section 147.
140			Recovery of tax from persons holding money on behalf of a taxpayer
	1		Provided that the Commissioner shall not issue notice under this sub-section for recovery of any tax due from a taxpayer if the said taxpayer has filed an appeal under section 127 in respect of the order under which the tax sought to be recovered has become payable and the appeal has not been decided by the

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

			Commissioner (Appeals), subject to the condition that twenty five ten per cent of the said amount of tax due has been paid by the taxpayer.
147			Advance tax paid by the taxpayer.
	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 x B/C) - D Where - A is the taxpayer's turnover for the quarter; Provided that where the taxpayer fails to provide turnover or the turnover for the quarter is not known, it shall be taken to be one-fourth of one hundred and ten percent of the turnover of the latest tax year for which a return has been filed; B is the tax assessed to the taxpayer for the latest tax year; Explanation.- For removal of doubt it is clarified that tax assessed includes tax under sections 113 and 113C. 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 1686
147	4A		Any taxpayer including a banking company who is required to make payment of advance tax in accordance with sub-section (4), shall estimate the tax payable for the relevant tax year, at any time before the second installment is due. In case the tax payable is likely to be more than the amount that the taxpayer including a banking company is required to pay under sub-section (4), the taxpayer shall furnish to the Commissioner on or before the due date of the second quarter an estimate of the amount of tax payable by the taxpayer including a banking company and thereafter pay fifty per cent of such amount by the due date of the second quarter of the tax year after making adjustment for the amount, if any, already paid in terms of sub-section (4). The remaining fifty per cent of the estimate shall be paid after the second quarter in two equal installments payable by the due date of the third and fourth quarter of the tax year.
	6		If any taxpayer excluding a banking company who is required to make payment of advance tax under sub-section (1) estimates at any time before the last installment is due, that the tax payable by him for the relevant tax year is likely to be less than the amount he is required to pay under sub-section (1), the taxpayer excluding a banking company may furnish to the Commissioner an estimate of the amount of the tax payable by him, and thereafter pay such estimated amount, as reduced by the amount, if any, already paid under sub-section (1), in equal installments on such dates as have not expired.

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-
			<p>Provided that an estimate of the amount of tax payable shall contain turnover for the completed quarters of the relevant tax year, estimated turnover of the remaining quarters along with reasons for any decline in estimated turnover, documentary evidence of estimated expenses or deductions which may result in lower payment of advance tax and the computation of the estimated taxable income of the relevant tax year:</p> <p>Provided further that where the Commissioner is not satisfied with the documentary evidence provided or where an estimate of the amount of tax payable is not accompanied by details mentioned in the first proviso, the Commissioner may reject the estimate after providing an opportunity of being heard to the taxpayer and the taxpayer shall pay advance tax according to the formula contained in sub-section (4).</p>
148			Imports
	2		Notwithstanding omission of sub-section (2), any notification issued under the said sub-section and for the time being in force, shall continue to remain in force, unless amended or rescinded by the Board through notification in the official Gazette.
	8		<p>The tax required to be collected from a person under this section on the import of plastic raw material imported by an industrial undertaking falling falling under PCT heading 39.01 to 39.12, edible oil and packing material for a tax year shall be minimum tax.</p> <p>The tax required to be collected from a person under this section shall be minimum tax for a tax year on the import of—</p>
		(a)	goods where goods are sold in the same condition as they were when imported;
			Provided that the minimum tax payable under this clause shall be five percent of the import value as increased by customs duty, sales tax and federal excise duty;
		(b)	edible oil;
		(c)	packing material; and
		(d)	plastic raw material imported by an industrial undertaking falling under PCT headings 39.01 to 39.12.
152			Payments to non-residents
	1C		Every banking company or a financial institution remitting outside Pakistan an amount of fee for offshore digital services, chargeable to tax under section 6, to a nonresident person on behalf of any resident or a permanent establishment of a non-resident in Pakistan shall deduct tax from the gross amount paid at the rate specified in Division IV of Part I of the First Schedule.";

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted <u>substituted</u> Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

	2B		The tax deductible under clause (b) of subsection (2A) shall be a minimum tax and the provisions of sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (3) and sub-section (4A) of section 153 shall mutatis mutandis apply.
	7		Sub-section (5) shall not apply to a payment on account of -
		(a)	<p>an import of goods where title to the goods passes outside Pakistan and is supported by import documents], except an import that is part of an overall arrangement for the supply of goods, their installation, and any commission and guarantees in respect of the supply where -</p> <p>an import of goods where title to the goods passes outside Pakistan and is supported by import documents, except where -</p> <p>i. the supply is made by the head office outside Pakistan of a person to a permanent establishment of the person in Pakistan;</p> <p>the supply is made in connection with the overall arrangement for the supply of goods, installation, construction, assembly, commission, guarantees or supervisory activities and all or principal activities are undertaken or performed either by the associates of the person supplying the goods or its permanent establishment, whether or not the title passes outside Pakistan and whether or not the goods are imported in the name of the associate or any other person; or</p> <p>ii. the supply is made by a permanent establishment of the person outside Pakistan to a permanent establishment of the person in Pakistan;</p> <p>the supply is made by a resident person or a Pakistan permanent establishment of a nonresident person in connection with the overall arrangement as referred to in sub-clause (i); or;</p> <p>iii. the supply is made between associates; or</p> <p>iv. the supply is made by a resident person or a Pakistan permanent establishment of a non-resident person; or</p>
		(b)	educational and medical expenses remitted in accordance with the regulations of the State Bank of Pakistan.
153			Payments for goods, services and contracts
	1		Every prescribed person making a payment in full or part including a payment by way of advance to a resident person or
		(a)	for the sale of goods except where payment is less than seventy-five thousand Rupees in aggregate, during a financial year;
		(b)	for the rendering of or providing of services except where payment is less than thirty thousand Rupees in aggregate, during a financial year;

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted <u>substituted</u> Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

	7		In this section, —
		(i)	prescribed person means— <ul style="list-style-type: none"> h. an association of persons, having turnover of fifty million rupees or above in tax year 2007 or in any subsequent tax year any of the preceding tax years; i. an individual, having turnover of fifty million rupees or above in the tax year 2009 or in any subsequent year any of the preceding tax years; or j. a person registered under the Sales Tax Act, 1990; k. a person deriving income from the business of construction and sale of residential, commercial or other buildings (builder); or l. a person deriving income from the business of development and sale of residential, commercial or other plots (developer)
165A			Furnishing of information by banks
		(a)	online access to its central database containing details of its account holders and all transactions made in their accounts; a list of persons containing particulars of cash withdrawals exceeding fifty thousand Rupees in a day and tax deductions thereon for filers and non-filers, aggregating to Rupees one million or more during each preceding calendar month.
		(b)	a list containing particulars of deposits aggregating rupees one ten million or more made during the preceding calendar month.
		(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 two hundred thousand or more during the preceding calendar month;
168			Credit for tax collected or deducted.
	2		Subject to sub-sections (2A), (2B) , (3) and (4), where an amount of tax has been collected from a person under Division II of this Part or Chapter XII] or deducted from a payment made to a person under Division III of this Part or Chapter XII, the person shall be allowed a tax credit for that tax in computing the tax due by the person on the taxable income of the person for the tax year in which the tax was collected or deducted.
	2A		Where a company is a member of an association of persons which is taxed in accordance with section 92 and an amount of tax has been collected from an association of persons under Division II of this Part or Chapter XII or deducted from a payment made to the said association under Division III of this Part or Chapter XII, the company shall be allowed a tax credit, in respect of tax collected or deducted from the association of persons, according to the following formula, namely: —

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

			(A/B) × C Where — A. is the amount of share of profits before tax received by the company as a member from the association of persons; B. is the taxable income of the association of persons; and C. is the amount of tax withheld in the name of the association of persons.
	2B		No tax credit shall be allowed for any tax collected or deducted from an association of persons in respect of an amount for which credit has been allowed under sub-section (2A) to a company being a member of the association.
177			Audit.
	11		The Board may appoint as many special audit panels as may be necessary, comprising two or more members from the following:—
		(d)	any other person including a foreign expert or specialist as directed by the Board, to conduct an audit, including a forensic audit, of the income tax affairs of any person or classes of persons and the scope of such audit shall be as determined by the Board or the Commissioner on case-to-case basis.
		(e)	a tax audit expert deployed under an audit assistance programme of an international tax organization or a tax authority outside Pakistan: Provided that in case the member is not an officer of Inland Revenue, the person shall only be included as a member in the special audit panel if an agreement of confidentiality has been entered into between the Board and the person, international tax organization or a tax authority, as the case may be.”;

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

182			Offences and penalties
	TABLE		
	S.No	Offences	Penalties
	(1)	(2)	(3)
	1A	Where any person fails to furnish a statement as required under section 115, 165, or 165A, 165A or 165B within the due date.	Such person shall pay a penalty of Rs. 5000 if the person had already paid the tax collected or withheld by him within the due date for payment and the statement is filed within ninety days from the due date for filing the statement and, in all other cases, a penalty of Rs. 2500 for each day of default from the due date subject to a minimum penalty of Rs. 10,000.
	1AAA	Where any person fails to furnish a foreign assets and income statement within the due date.	Such persons shall pay a penalty of 2 percent of the foreign income or value of the foreign assets for each year of default.
182A			Return not filed within due date—
	1		Notwithstanding anything contained in this Ordinance, where a person fails to file a return of income under section 114 by the due date as specified in section 118 or by the date as extended by the Board under section 214A or extended by the Commissioner under section 119, as the case may be, such person shall—
		(a)	not be included in the active taxpayers' list for the year for which return was not filed within the due date; and Explanation - For the removal of doubt it is clarified that the provisions of this section shall apply from tax year 2018 and onwards for which the first Active Taxpayers List is to be issued on first day of March, 2019 under the Income Tax Rules, 2002.; and
		(b)	not be allowed, for that tax year, to carry forward any loss under Part VIII of Chapter IV;
214D			Automatic selection for audit

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

216			Disclosure of information by a public servant.-
	3		Nothing contained in sub-section (1) shall preclude the disclosure of any such particulars -
		(kb)	to National Database and Registration Authority for the purpose of broadening of the tax base;" and
	5		Nothing contained in sub-section (1) shall prevent the Board from publishing, with the prior approval of the Federal Minister in charge Government, any such particulars as are referred to in that sub-section.
218			Service of notices and other documents.
	1		Subject to this Ordinance, any notice, order or requisition required to be served on a resident individual (other than in a representative capacity) for the purposes of this Ordinance shall be treated as properly served on the individual if.
		(d)	served on the individual electronically in the prescribed manner
	2		Subject to this Ordinance, any notice, order or requisition required to be served on any person (other than a resident individual to whom sub-section (1) applies) for the purposes of this Ordinance shall be treated as properly served on the person if -
		(d)	served on the individual electronically in the prescribed manner,
227			Bar of suits in Civil Courts
	1		No suit or other legal proceeding shall be brought in any Civil Court against any order made or any notice issued under this Ordinance, and no prosecution, suit or other proceedings shall be made against any person for anything which is in good faith done or intended to be done under this Ordinance or any rules or orders made or notices issued thereunder.
			Explanation — For the removal of doubt, it is clarified that Civil Court includes any court exercising power of the civil court.
227C			Restriction on purchase of certain assets.—
			Notwithstanding anything contained in any law, for the time being in force—
		(a)	any application for booking, registration or purchase of a new locally manufactured motor vehicle or for first registration of an imported vehicle shall not be accepted or processed by any vehicle registering authority of Excise and Taxation Department or a manufacturer of a motor vehicle respectively, unless the person is a filer.;
		(b)	any application or request by a person to from any authority responsible for registering, recording or attesting transfer of any immovable property, exceeding five million rupees, for registering or attesting the transfer shall not be accepted or processed by such authority, unless the person is a filer.";

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

230F			Directorate General of Immovable Property.---
	1		The Directorate-General of Immovable Property, (hereinafter referred to as Directorate-General in this section, shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors and 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 and jurisdiction of the Directorate-General and its officers.
	3		The Directorate-General may, subject to the provisions and conditions as may be prescribed, initiate proceedings for the acquisition of property for the reasons and purposes specified in sub-section (4).
	4		The proceedings under sub-section (3) shall be initiated, where the Directorate-General, on the basis of valuation made by it, has reason to believe that any immovable property of a fair market value has been transferred by a person, hereinafter referred to as the transferor, to another person, hereinafter referred to as the transferee, for a consideration which is less than the fair market value of the immovable property and that the consideration for such transfer as agreed to between the transferor and transferee has been understated in the instrument of transfer for the purposes of –
		(a)	the avoidance or reduction of withholding tax obligations under this Ordinance;
		(b)	concealment of unexplained amount referred to in sub-section (1) of section 111 representing investment in immovable property; or
		(c)	avoidance or reduction of capital gains tax under section 37.
	5		The Directorate-General may appoint any valuer or expert as it considers necessary for the purposes of determination of valuation including fair market value of immovable property.
	6		The mode and manner of appointment of a valuer or expert shall be as may be prescribed.
	7		The valuation made under sub-section (4) and reasons that consideration is less than the fair market value shall be recorded in writing.
	8		No proceedings shall be initiated in respect of any immovable property after expiration of a period of six months from the end of the month in which the instrument of transfer in respect of such property is registered, recorded or attested.
	9		The mode and manner of initiation of proceedings and acquisition of immovable property under this section shall be as may be prescribed: Provided that the proceedings shall not be initiated unless the transferee is provided with an opportunity of being heard and where the objection by the transferee, if any, is rejected by the Directorate-General, it shall record in

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

			writing the reasons for rejection through an order.
	10		If the Directorate-General is satisfied with the objections or reasons furnished by the transferee or the transferor, it shall, by order in writing, declare that the property shall not be acquired under this section.
	11		If after hearing the objections, if any, and after taking into account all the relevant material on record, the Directorate-General is satisfied that the fair market value of such property exceeds the consideration by more than fifty per cent of such consideration and that transfer as agreed to between the transferor and the transferee has not been truly stated in the instrument of transfer it may, after obtaining approval of the Board, make an order for acquisition of the immovable property under this section.
	12		The transferee may prefer express appeal to the Appellate Tribunal of Immovable Property against the order of acquisition of any immovable property under sub-section (11) within sixty days of service of a copy of such order.
	13		There shall be established an Appellate Tribunal of Immovable Property to exercise the powers conferred on the Tribunal under this section.
	14		The appointment of members of the Tribunal, powers, functions, constitution of the Tribunal and mode and manner of disposal of appeals shall be as may be prescribed.
	15		The Appellate Tribunal may, after giving the appellant and the Directorate-General an opportunity of being heard, pass such order as it thinks fit.
	16		The transferee or the Directorate-General aggrieved by any order of the Tribunal may, within sixty days of the date on which the order under sub-section (15) is served, prefer an appeal against such order to the High Court.
	17		As soon as may be after the order for acquisition of immovable property made under sub-section (11) becomes final, the Directorate-General may, by notice in writing, order the transferee or any other person who may be in possession of the immovable property to surrender or deliver possession thereof to the Directorate-General within thirty days of the date of the service of the notice.
	18		The order referred to in sub-section (11) becomes final if either no appeal has been there against filed or on appeal filed before the Tribunal, the order is confirmed and no appeal is filed before the High Court or on appeal filed before the High Court the order is confirmed.
	19		Notwithstanding anything contained in any law or any agreement for the time being in force, where order referred to in sub-section (11) becomes final, the immovable property and all rights including ownership rights thereof shall be vested in the Federal Government and shall be treated to be in the same position in relation to such rights as the person in whom such rights would have continued to vest if such order had not become final.

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted <u>substituted</u> Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

	20		Where any immovable property is acquired under this section, the Board shall make the payment of consideration for acquisition to the person or persons entitled thereto, as soon as may be, after the property becomes vested in the Federal Government.
	21		Notwithstanding the provisions of section 68, for the purpose of this section,—
		(a)	"consideration for acquisition" means a sum equal to the aggregate of the amount of the consideration for the transfer of immovable property and hundred per cent of such consideration;
		(b)	"fair market value" in relation to an immovable property means the price that the immovable property would ordinarily fetch on sale in the open market on the date of execution of the instrument of transfer of such property;
		(c)	"immovable property" means any land with or without a superstructure or any building or part of a building or any rights therein and includes, where any land or any building or part of a building is transferred along with any machinery, plant, equipment, furniture and fittings; and
		(d)	"transfer" in relation to any immovable property means transfer of such property by way of sale or exchange or lease for a term of not less than ten years.
	22		The provisions of this section shall come into force on such date as the Federal Government may, by notification in official Gazette, appoint.
	23		From the date of appointment as mentioned in subsection (21), rates mentioned in column (3) of the Table in Division XVIII shall be 1% and provisions of clause (c) of sub-section (4) of section 111, section 236C, section 236W and Division X of Part IV of the First Schedule shall not apply."
233A			Collection of tax by a stock exchange registered in Pakistan
	2		The tax collected under sub-section (1) shall be final tax <u>adjustable</u> .
234HA			Tax on sale of certain petroleum products.—
	1		Every person selling petroleum products to a petrol pump operator or distributor, where such operator or distributor is not allowed a commission or discount, shall collect advance tax on ex depot sale price of such products at the rate specified in Division XVA of Part IV of the First schedule
	2		The tax deductible under sub-section (1) shall be a final tax on the income arising from the sale of petroleum products to which sub-section (1) applies.
236I			Collection of advance tax by educational institutions—
	3		Advance tax under this section shall not be collected from a person <u>on an amount which is paid by way of scholarship or</u> where annual fee does not exceed two hundred thousand rupees.

Section	Subsection	Clause	Amendment of Ordinance, XLIX of 2001 - NEW / inserted Omitted and deleted substituted Finance Act 2018-19 update
			In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:-

236K			Advance tax on purchase or transfer of immovable property
	3		Any person responsible for collecting payments in installments for purchase or allotment of any immovable property where the transfer is to be effected after making payment of all installments, shall at the time of collecting installments collect from the allottee or transferee advance tax at the rate specified in Division XVIII of Part IV of the First Schedule.”;
236M			Bonus shares issued by companies quoted on stock exchange—OMITTED
236N			Bonus shares issued by companies not quoted on stock exchange— OMITTED
236Y			Advance tax on persons remitting amounts abroad through credit or debit or prepaid cards
	1		Every banking company shall collect advance tax, at the time of transfer of any sum remitted outside Pakistan, on behalf of any person who has completed a credit card transaction, a debit card transaction, or a prepaid card transaction with a person outside Pakistan at the rate specified in Division XXVII of Part IV of the First Schedule.
	2		The advance tax collected under this section shall be adjustable
241			Validation
	2		Notwithstanding any omission, irregularity or deficiency in the establishment, or conferment of powers and functions, of the Directorate-General (Intelligence and Investigation), Inland Revenue and authorities specified in section 230, all orders passed, notices issued and actions taken in exercise or purported exercise of the powers and functions of the Commissioner under this Ordinance by the Directorate-General (Intelligence and Investigation), Inland Revenue or the authorities specified in section 230 shall be deemed to have been validly passed, issued and taken under this Ordinance.