

Chapter / Part	Clause	Sub-Clause	THE SECOND SCHEDULE (Finance Act 2018-19 update) NEW / inserted Omitted and deleted Substituted
----------------	--------	------------	--

I			EXEMPTIONS FROM TOTAL INCOME
	39A		Any amount paid as kit allowance, ration allowance, special messing allowance, SSG allowance, Northern Areas compensatory allowance, special pay for Northern Areas and height allowance to the Armed Forces personnel.;
	57	3	Any income of the following funds and institution, namely- (xv). Khyber Pakhtunkhwa Retirement Benefits and Death Compensation Fund (xvi). Khyber Pakhtunkhwa General Provident Investment Fund. (xvii). Khyber Pakhtunkhwa Pension Fund.
	61		Any amount paid as donation to the following institution, foundations societies, boards, trusts and funds, namely:
		(xvi)	Pakistan Sweet Home, Angels and Fairies Place.
		(xlvii)	Al-Shifa Trust Eye Hospital.
		(xlviii)	Aziz Tabba Foundation.
		(xlix)	Sindh Institute of Urology and Transplantation, SIUT Trust and Society for the Welfare of SIUT.
		(l)	Sharif Trust.
		(li)	The Kidney Centre Post Graduate Institute
		(lii)	Pakistan Disabled Foundation.
		(liii)	Sardar Trust Eye Hospital, Lahore.
	66		Any income derived by—
		(xxxv)	Third Pakistan International Sukuk Company Limited."; and
		(xlii)	SAARC Energy Centre.
		(xliii)	Pakistan Bar Council.
		(xliv)	Pakistan Centre for Philanthropy.
		(xlv)	Pakistan Mortgage Refinance Company Limited.
		(xlvi)	Aziz Tabba Foundation.
		(l)	Al-Shifa Trust Eye Hospital.
		(li)	Saylani Welfare International Trust.
		(lii)	Shaukat Khanum Memorial Trust.
		(liii)	Layton Rahmatullah Benevolent Trust (LRBT).
		(liv)	The Kidney Centre Post Graduate Training Institute.
		(lv)	Pakistan Disabled Foundation.
		(lvi)	Forman Christian College.
		(lvii)	Habib University Foundation
		(lviii)	Begum Akhtar Rukhsana Memorial Trust Hospital.
		(lix)	Al-Khidmat Foundation
		(lx)	Dawat-e-Islami Trust
		(lxi)	Sardar Trust Eye Hospital, Lahore.
	72A		Any income derived by Sukuk holder in relation to Sukuk issued by—The Second Pakistan International Sukuk Company Limited and the Third Pakistan International Sukuk Company Limited and the Third Pakistan International Sukuk Company Limited, including any gain on disposal of such Sukuk.

Chapter / Part	Clause	Sub-Clause	THE SECOND SCHEDULE (Finance Act 2018-19 update) NEW / inserted Omitted and deleted Substituted
	90A		Any profit on debt derived by any person on bonds issued by Pakistan Mortgage Refinance Company to refinance the residential housing mortgage market, for a period of five years with effect from the 1st day of July, 2018.
	100		Any income, not being income from manufacturing or trading activity, of a modaraba registered under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), for any assessment year commencing on or after the first day of July, 1999
	110C		Any gain by a person on transfer of a capital asset, being a bond issued by Pakistan Mortgage Refinance Company to refinance the residential housing mortgage market, during the period from the 1st day of July, 2018 till the 30th day of June, 2023.
	126BA		Profits and gains derived by a refinery set up between the 1st day of July, 2018 and the 30 th day of June, 2023 with minimum 100,000 barrels perday production capacity for a period of twenty years beginning in the month in which the refinery is set up or commercial production is commenced, whichever is later. Exemption under this clause shall also be available to existing refineries, if—
		(a)	existing production capacity is enhanced by at least 100,000 barrels per day;
		(b)	the refinery maintains separate accounts for income arising from aforesaid additional production capacity; and
		(c)	the refinery is a deep conversion refinery.”;
	133		Income from exports of computer software or IT services or IT enabled services upto the period ending on 30th day of June, 2019 2025:
II			Reduction in Tax Rates
	24AA		The rate of tax, under section 152 in the case of M/S CR-NORINCO JV (Chinese Contractor) as recipient, on payments arising out of commercial contract agreement signed with the Government of Punjab for installation of electrical and mechanical (E&M) equipment for construction of the Lahore Orange Line Metro Train Project, shall be 6% of the gross amount of payment.

Chapter / Part	Clause	Sub-Clause	THE SECOND SCHEDULE (Finance Act 2018-19 update) NEW / inserted Omitted and deleted Substituted
----------------	--------	------------	--

III			Reduction in Tax Liability
	6		The tax payable under clause (c) of sub-section (1) of section 39, in respect of any amount paid as yield or profit on investment in Bahbood Savings Certificate or Pensioners Benefit Account and Shuhada family welfare account shall not exceed 10% of such profit.
	7		The amount of tax payable by foreign film-makers from making films in Pakistan shall be reduced by fifty percent on income from film-making in Pakistan.
	8		The amount of tax payable by resident companies deriving income from film-making shall be reduced by fifty seventy percent on income from film-making
	9		The tax payable on profits and gains derived by a person from low cost housing projects shall be reduced by fifty percent. The reduction in tax liability under this clause shall apply to such project which is—
		(a)	owned and managed by a company formed for operating the said project and registered under the Companies Act, 2017 (XIX of 2017) and having its registered office in Pakistan; and
		(b)	not formed by the splitting up, or the reconstruction or reconstitution, of a business already in existence or by transfer to a new business of any machinery or plant used in a business which was being carried on in Pakistan at any time before the commencement of the new business; and
		(c)	a low cost housing project under which the maximum sale price of a single housing unit is two and a half million rupees.
IV			Exemption from Specific Provisions
	1A		the provision of clause (d) of section 46 shall not apply to Sukuk issued by "The Second Pakistan International Sukuk Company Limited" and the Third Pakistan International Sukuk Company Limited and the Third Pakistan International Sukuk Company Limited.
	11A		The provisions of section 113, regarding minimum tax, shall not apply to-
		(xxviii)	Third Pakistan International Sukuk Company Limited."; and
		(xxx)	taxpayers qualifying for exemption under clause (126) of Part-I of this Schedule with effect from the tax year 2014.
	11E		The provisions of clause (b) of sub-section (1) of section 153 shall not apply to payments received by Sui Southern Gas Company Limited and Pakistan LNG Terminal Limited from Sui Northern Gas Pipelines Limited on account of re-gasification charges.
	12A		The provisions of section 150 shall not apply to dividend paid to Transmission Line Projects under Transmission Line Policy 2015.
	36A		The provisions of clause (a) of sub-section (1) of section 151 shall not apply in respect of any amount paid as yield or profit on investment in Bahbood Savings Certificate or Pensioner's Benefit Account and Shuhada Family Welfare Account.

Chapter / Part	Clause	Sub-Clause	THE SECOND SCHEDULE (Finance Act 2018-19 update) NEW / inserted Omitted and deleted Substituted
	56		The provisions of section 148, regarding withholding tax on imports shall not apply in respect of—
		(ia)	Petroleum oils and oils obtained from bituminous minerals crude (PCT Code 2709.0000), Furnace-oil (PCT Code 2710.1941), High speed diesel oil (PCT Code 2710.1931), Motor spirit (PCT Code 2710.1210), J.P.1 (PCT Code 2710.1912), base oil for lubricating oil (PCT Code 2710.1993), Light diesel oil (PCT Code 2710.1921) and Super Kerosene Oil imported by Pakistan State Oil Company Limited, Shell Pakistan Limited, Attock Petroleum Limited, Byco Petroleum Pakistan Limited, Admore Gas Private Limited, Chevron Pakistan Limited, Total-PARCO Pakistan(Private) Limited, Hascol Petroleum Limited, Bakri Trading Company Pakistan (Pvt) Ltd, Overseas Oil Trading Company (Pvt) Ltd Bakri Energy (Private) Limited , Gas and Oil Pakistan (Pvt) Ltd or any other oil marketing company licensed by Oil and Gas Regulatory Authority (OGRA) and oil refineries.
	56B		The provision of sub-section (7) of section 148, and clause (a) of sub-section (1) of section 169 shall not apply to a person being a commercial importer if the person opts to file return of total income along with accounts and documents as may be prescribed, subject to the condition that minimum tax liability under normal tax regime shall not be less than 5.5% of the imports, if the person is a company and 6% otherwise.
	57		The provisions of section 153 shall not apply to companies operating Trading Houses which-
		2 nd Proviso	Provided further that minimum tax under section 113 shall be 0.5% upto the tax year 2019 2021 and one per cent thereafter.
	60A		The provisions of section 148 shall not apply for import of plant, machinery and equipment including dumpers and special purposes motor vehicles imported by the following for construction of Sukkur-Multan section of Karachi-Peshawar Motorway project and Karakorum Highway (KKH) Phase-II (Thakot to Havellian Section) of CPEC project respectively, namely:-
		(a)	M/s China State Construction Engineering Corporation Ltd. (M/s CSCEC); and
		(b)	M/s China Communication Construction Company (M/s CCCC).
	60AA		The provisions of section 148 of the Income Tax Ordinance, 2001(XLIX of 2001), shall not apply for import of construction materials or goods up to a maximum of 10,898.000 million rupees imported by China State Construction Engineering Corporation (M/s CSCEC) for construction of Sukkur-Multan section of Karachi- Peshawar Motorway project of National Highway Authority under CPEC.";

Chapter / Part	Clause	Sub-Clause	THE SECOND SCHEDULE (Finance Act 2018-19 update) NEW / inserted Omitted and deleted Substituted
----------------	--------	------------	--

	60B		The provisions of section 148 shall not apply on import of thirty-five armoured and security vehicles imported by or for Ministry of Foreign Affairs, Government of Pakistan meant for security of visiting foreign dignitaries, subject to the following conditions, namely: -
		(a)	that the vehicles imported under this clause shall only be used for the security purpose of foreign dignitaries and will be parked in Central Pool of Cars (CPC) in the Cabinet Division for further use as and when needed; and
		(b)	that the importing Ministry at the time of import shall furnish an undertaking to the concerned Collector of Customs to the extent of customs-dues exempted under this clause on consignment to consignment basis binding themselves that the vehicles imported under this clause shall not be re-exported, sold or otherwise disposed of without prior approval of the Board and in the manner prescribed therefor.
	60C		The provision of section 148 shall not apply on import of equipment to be furnished or installed for Rail Based Mass Transit Projects in Lahore, Karachi, Peshawar and Quetta under CPEC.”;
	63		M/s Dawat-e-Hadiya, Karachi and Lahore University of Management Sciences, Lahore shall be deemed to have been approved by the Commissioner for the purpose of sub-section (36) of section 2 notwithstanding the provisions of clause (c) of sub-section (36) of section 2.
	86 ⁱ	(a)	The provisions of section 111 shall not apply to-
		(i)	investment made by an individual in a greenfield industrial undertaking directly or as an original allottee in the purchase of shares of a company establishing an industrial undertaking or capital contribution in an association of persons establishing an industrial undertaking;
		(ii)	investment made by an association of persons in an industrial undertaking; and
		(iii)	investment made by a company in an industrial undertaking; If the said investment is made on or after the 1st day of January, 2014, and commercial production commences on or before the 30th day of June, 2019.
		(b)	The concessions given in this clause shall also apply to investment made in-
			(i) Construction industry in corporate sector.
			(ii) Low cost housing construction in the corporate sector.
			(iii) Livestock development projects in the corporate sector.
			(iv) New captive power plants.
			(v) Mining and quarrying in Thar coal, Balochistan and Khyber Pakhtunkhawa.
		(c)	The concessions given in sub-clause (a) shall not apply to investment made in-
			i. Arms and ammunitions
			ii. Explosives
			iii. Fertilizers
			iv. Sugar
			v. Cigarettes
			vi. Aerated beverages

Chapter / Part	Clause	Sub-Clause	THE SECOND SCHEDULE (Finance Act 2018-19 update) NEW / inserted Omitted and deleted Substituted
----------------	--------	------------	--

			<ul style="list-style-type: none"> vii. Cement viii. Textile spinning units ix. Flour mills x. Vegetable ghee and xi. Cooking oil manufacturing
		(d)	The term Green filed industrial undertaking shall include expansion projects for the purposes of this clause.
		(e)	Immunity under this clause shall not be available to proceeds of crime relating to offences under the following laws:
			<ul style="list-style-type: none"> (i) Control of Narcotics Substances Act, 1997; (ii) Anti Terrorism Act, 1997; and (iii) Anti-Money Laundering Act, 2010.
	94		<p>The provisions of clause (b) of the proviso to sub-section (3) of section 153 shall not apply for the period beginning on the first day of July, 2015 and ending on the thirtieth day of June, 2018 2019 to a company being a filer and engaged in providing or rendering freight forwarding services, air cargo services, courier services, manpower outsourcing services, hotel services, security guard services, software development services, IT services and IT enabled services as defined in clause (133) of Part I of this Schedule] tracking services, advertising services (other than by print or electronic media), share registrar services, engineering services, car rental services, building maintenance services, services rendered by Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited inspection, certification, testing and training services:</p> <p>Provided that the tax payable or paid on the income from providing or rendering aforesaid services shall not be less than two percent of the gross amount of turnover from all sources and that the company furnishes in writing an irrevocable undertaking by the fifteenth day of November, 2015 to present its accounts to the Commissioner within thirty days of filing of return, for audit of its income tax affairs for any of the tax years 2016 to 2018 2019:</p> <p>Provided further that for tax year 2018 2019, the company shall furnish irrevocable undertaking by November, 2017 2018, to present its accounts to the Commissioner.</p>
	95		the provisions of sections 147, 150A, 151, 152, 231A, 231AA, 236A and 236K shall not apply to "The second Pakistan international Sukuk Company Limited" and the "Third Pakistan International Sukuk Company Limited, as a payer."
	96		the provisions of sections 147, 150A, 151, 155 and 236K shall not apply to "The second Pakistan international Sukuk Company Limited" and the "Third Pakistan International Sukuk Company Limited, as a recipient."

Chapter / Part	Clause	Sub-Clause	THE SECOND SCHEDULE (Finance Act 2018-19 update) NEW / inserted Omitted and deleted Substituted
	100		The provisions of section 236U shall not apply to an insurance company collecting premium under- (a) Crop Loan Insurance Scheme (CLIS); and (b) Livestock Insurance Scheme (LIS).";
	103		The provisions of section 7B shall not apply to yield or profit on investment in Bahbood Savings Certificate or Pensioner's Benefit Account, provided that tax on the said yield or profit on debt is paid at the rates specified in Division I of Part I of the First Schedule subject to clause (6) of Part III.
	104		The provisions of section 5A shall not apply to a company where a restriction has been imposed on distribution of dividend on account of an agreement with the Government of Pakistan.
	105		The provisions of section 177 and 214C shall not apply to a person whose income tax affairs have been audited in any of the preceding three tax years: Provided that the Commissioner may select a person under section 177 for audit, with approval of the Board.";

ⁱ S.R.O 1065(1)/2013 dated 20.12.2013 part of law

ⁱⁱ S.R.O 924(1)/2016 dated 30.09.2016 part of law

ⁱⁱⁱ S.R.O 924(1)/2016 dated 30.09.2016 part of law