

Rules	Sub-rule	Clause	THE TENTH SCHEDULE (See section 100BA) NEW / inserted Omitted or deleted Substituted Gazette Finance Act 2020
			RULES FOR PERSONS NOT APPEARING IN THE ACTIVE TAXPAYERS' LIST

1			Rate of deduction or collection of tax—
			Where tax is required to be deducted or collected under any provision of this Ordinance from persons not appearing in the active taxpayers' list, the rate of tax required to be deducted or collected, as the case may be, shall be increased by hundred percent of the rate specified in the First Schedule to this Ordinance.
2			Persons not required to file return or statement.—
	(1)		Where the withholding agent is satisfied that a person not appearing in the active taxpayers' list was not required to file a return of income under section 114, or a statement under sub-section (4) of section 115, as the case may be, he shall before collecting or deducting tax under this Ordinance, furnish to the Commissioner a notice in writing electronically setting out—
		(a)	the name, CNIC or NTN and address of the person not appearing in the active taxpayers' list;
		(b)	the nature and amount of the transaction on which tax is required to be collected or deducted; and
		(c)	reason on the basis of which it is considered that the person was not required to file return or statement, as the case may be.
	(2)		The Commissioner, on receipt of a notice under sub-rule (1), shall within thirty days pass an order accepting the contention or making the order under sub-rule (3).
	(3)		Where the withholding agent has notified the Commissioner under sub-rule (1) and the Commissioner has reasonable grounds to believe that the person not appearing in the active taxpayers' list was required to file return or statement, as the case may be, the Commissioner may, by an order in writing, direct the withholding agent to deduct or collect tax under rule 1: Provided that in case the Commissioner does not pass any order within thirty days of receipt of notice under sub-rule (1), the Commissioner shall be deemed to have accepted the contention under sub-rule (2) and approval shall be treated to have been granted.

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3			Provisional assessment.—
	(1)		Where for a tax year a person's tax has been collected or deducted in accordance with rule 1 and the person fails to file return of income or statement, as the case may be, for that tax year within the due date provided in section 118 or as extended by the Board, the Commissioner shall notwithstanding anything contained in sub-sections (3) and (4) of section 114 or sub-section (5) of section 115, within sixty days of the due date provided in section 118 or as extended by the Board make a provisional assessment of the taxable income of the person and issue a provisional assessment order specifying the taxable income assessed and tax due thereon.
	(2)		In making the provisional assessment under sub-rule (1), the Commissioner shall impute taxable income on the amount of tax deducted or collected under rule 1 by treating the imputed income as concealed income for the purposes of clause (d) of sub-section (1) of section 111. Provided that the provision of section 111 shall be applicable on unexplained income, asset or expenditure in excess of imputed income treated as concealed income under this rule; Explanation. - For the removal of doubt it is clarified that the imputable income so calculated or concealed income so determined shall not absolve the person so assessed, from requirement of filing of wealth statement under sub-section (1) of section 116, the nature and source of amounts subject to deduction or collection of tax under section 111, section of audit under section 177 or 214C or subsequent amendment of assessment as provided in rule 8 and all the provisions of the Ordinance shall apply.:
4			Finalization or abatement of provisional assessment.—
	(1)		The provisional assessment under rule 3, shall be treated as the final assessment order after the expiry of forty-five days from the date of service of order of provisional assessment and the provisions of this Ordinance shall apply accordingly.
	(2)		The provisional assessment shall stand abated and shall be taken to be assessment finalized under sub-section (1) of section 120 where the returns of income for the relevant tax year and the preceding tax year along with prescribed forms, statements or documents are filed by the person within a period of forty-five days of receipt of provisional assessment order.
	(3)		Where returns have been filed before provisional assessment or under sub-rule (2), the tax deducted or collected under rule 1 shall be adjustable against the tax payable in the return filed for the relevant tax year.

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5			Where the provisional assessment has been treated as final assessment under sub-rule (1) of rule 4, the Commissioner may within thirty days of the final assessment initiate proceedings for imposition of penalties under section 182 on account of non-furnishing of return and concealment of income.
6			For the purposes of this Schedule, imputed income means—
	(a)		income for individuals and association of persons which would have resulted in the amount of tax given in paragraph (1) of Division I of the First Schedule equal to the tax collected or deducted under rule 1 for not appearing in the active taxpayers' list; or
	(b)		income for companies which would have resulted in the amount of tax given in Division II of the First Schedule equal to the tax collected or deducted at the higher rate under rule 1 for not appearing in the active taxpayers' list.
7			Where the withholding agent fails to furnish in the withholding statement complete or accurate particulars of persons not appearing on active taxpayers' list, the Commissioner shall initiate proceedings under sections 182 and 191 against the withholding agent within thirty days of filing of withholding statement under section 165.
8			Amendment of assessment.—
	(1)		The Commissioner may amend an assessment order where on the basis of definite information acquired from an audit or otherwise, the Commissioner is satisfied that—
		(a)	any income chargeable to tax has escaped assessment; or
		(b)	total income has been under-assessed, or assessed at too low a rate, or has been the subject of excessive relief or refund; or
		(c)	any amount under a head of income has been misclassified.
	(2)		Notwithstanding the provisions of sub-rule (1), where a provisional assessment has been treated as final assessment or where in response to the provisional assessment, return has been filed within forty five days or where assessment has been amended under sub-rule (1) and the assessment order is considered erroneous in so far it is prejudicial to the interest of revenue, the Commissioner may, after making or causing to be made, such enquiries as he deems necessary, amend the assessment order.
	(3)		For the purposes of sub-rule (1), "definite information" shall have the same meaning as defined in sub-section (8) of section 122.
9			Provisions of Ordinance to apply—
			The provisions of this Ordinance not specifically dealt with in the aforesaid rules shall apply, mutatis mutandis, in the case of proceedings against the persons not appearing on active taxpayers' list.

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10			The provisions of this Schedule shall not apply on tax collectible or deductible in case of the following sections:-
		(a)	tax deducted under section 149; (Salary)
		(b)	tax deducted under section 152 other than sub-section (1), (1AA), (2), (2A)(a) (2A)(b) and (2A)(c) of section 152
		(ba)	
		(bb)	tax deducted under sub-section (2) of section 152 to the extent of clause (5AA) of Part II."; and
		(c)	tax collected or deducted under section 154; (Exports)
		(d)	tax deducted under section 155; (Income from property)
		(e)	tax deducted under section 156B. (Withdrawal of balance under Pension Fund.)
		(f)	tax deducted under section 231A; (Cash withdrawal from a bank)
		(g)	tax deducted under section 231AA; (Advance tax on transactions in bank)
		(h)	tax collected under section 233AA; (Collection of tax by NCCPL)
		(i)	tax deducted under section 235; (Electricity consumption.)
		(j)	tax deducted under section 235A; (Domestic electricity consumption)
		(k)	tax collected under section 235B; (Tax on steel melters and composite units)
		(l)	tax collected under section 236;
		(m)	tax collected under section 236B; (Advance tax on purchase of air ticket)
		(n)	tax collected under section 236D; (Advance tax on functions and gatherings)
		(o)	tax collected under section 236F; (Advance tax on cable operators and other electronic media)
		(p)	tax collected under section 236I; (Collection of advance tax by educational institutions.)
		(q)	tax collected under section 236J ; (Advance tax on dealers, commission agents and arhatis etc.)
		(r)	tax collected under section 236L; (Advance tax on purchase of international air ticket)
		(s)	tax collected under section 236P; (Advance tax on banking transactions otherwise than through cash.)
		(t)	tax collected under section 236Q; (Payment to residents for use of machinery and equipment.)
		(u)	tax collected under section 236R; (Collection of advance tax on education related expenses remitted abroad)
		(v)	tax collected under section 236U; (Advance tax on insurance premium)
		(w)	tax collected under section 236V; (Advance tax on extraction of minerals)
		(x)	tax collected under section 236X. (Advance tax on tobacco)