

Chapter / Part	Division	Clause	THE FIRST SCHEDULE Gazette Finance Act 2021 New / inserted Omitted and deleted Substituted
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DIVISION IIA
Rate of super tax
TABLE

S.No.	Person	Rate of super tax			
		Rate(percentage of income)			
		Tax Year 2018	Tax Year 2019	Tax Year 2020	Tax Year 2021 and onward
(1)	(2)	(3)	(4)	(5)	(6)
1.	Banking company	4%	4%	4%	4%
2.	Person other than a banking company, having income equal to or exceeding Rs. 500 million	3%	2%	0%	0%

DIVISION III
Rate of Dividend Tax

The rate of tax imposed under section 5 on dividend received from a company shall be-

- (a) 7.5% in the case of dividends paid by Independent Power Producers where such dividend is a pass through item under an Implementation Agreement or Power Purchase Agreement or Energy Purchase Agreement and is required to be re-imbursed by Central Power Purchasing (CPPA-G) or its predecessor or successor entity.
- (b) 15% in mutual funds, Real Estate Investment Trust and cases other than those mentioned in clauses (a) and (c).
- (c) 25% in case of a person receiving dividend from a company where no tax payable by such company, due to exemption of income or carry forward of business losses under Part VIII of Chapter III or claim of tax credits under Part X of Chapter III.

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DIVISION IIIA
Rate for Profit on Debt

The rate of tax for profit on debt imposed under section 7B shall be **15%**—

TABLE

<u>S.NO</u>	<u>Profit on Debt</u>	<u>Rate of tax</u>
<u>(1)</u>	<u>(2)</u>	<u>(3)</u>
<u>1.</u>	<u>Where profit on debt does not exceed Rs.5,000,000</u>	<u>15%</u>
<u>2.</u>	<u>Where profit on debt exceeds Rs.5,000,000 but does not exceed Rs.25,000,000</u>	<u>17.5%</u>
<u>3.</u>	<u>Where profit on debt exceeds Rs.25,000,000 but does not exceed Rs. 36,000,000</u>	<u>20%</u>

Division VIA
INCOME FROM PROPERTY

The rate of tax to be paid under section 15, in the case of individual and association of persons, shall be as follows:-

<u>S.No.</u>	<u>Gross amount of rent</u>	<u>Rate of tax</u>
<u>(1)</u>	<u>(2)</u>	<u>(3)</u>
<u>1.</u>	<u>Where the gross amount of rent does not exceed Rs.200,000.</u>	<u>Nil</u>
<u>2.</u>	<u>Where the gross amount of rent exceeds Rs.200,000 but does not exceed Rs.600,000.</u>	<u>5 per cent of the gross amount exceeding Rs.200,000.</u>
<u>3.</u>	<u>Where the gross amount of rent exceeds Rs.600,000 but does not exceed Rs.1,000,000.</u>	<u>Rs.20,000 plus 10 per cent of the gross amount exceeding Rs.600,000.</u>
<u>4.</u>	<u>Where the gross amount of rent exceeds Rs.1,000,000 but does not exceed</u>	<u>Rs.60,000 plus 15 per cent of the gross amount</u>

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I	VII		CAPITAL GAINS ON DISPOSAL OF SECURITIES
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The rate of tax to be paid under section 37A shall be as follows. –

TABLE

S.No	Period	Tax Year 2015	Tax Year 2016	Tax Year 2017	Tax Year 2018, 2019, 2020, 2021 and onwards		Tax Year 2022 and onwards
					Securities acquired before 01.07.2016	Securities acquired after 01.07.2016	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Where holding period of a security is less than twelve months	12.5%	15%	15%	15%	15%	12.5%
2	Where holding period of a security is twelve months or more but less than twenty-four Months	10%	12.5%	12.5%	12.50%	15%	12.5%
3	Where holding period of a security is twenty-four months or more but the security was acquired on or after 1st July, 2013	0%	7.5%	7.5%	7.5%	15%	12.5%
4	Where the security was acquired before 1st July, 2013	0%	0%	0%	0%	0%	0%
5	Future commodity contracts entered into by members of Pakistan Mercantile Exchange.	0%	0%	5%	5%	5%; and	5%; and

I	VIII		CAPITAL GAINS ON DISPOSAL OF IMMOVABLE PROPERTY
			The rate of tax to be paid under sub-section (1A) of section 37 shall be ¹ five percent as follows:-

S.No	Period	Rate of Tax
(1)	(2)	(3)
1	Where the gain does not exceed Rs. 5 million	3.5% <u>2.5%</u>
2	Where the gain exceeds Rs. 5 million but does not exceed Rs. 10 million	7.5% <u>5%</u>
3	Where the gain exceeds Rs. 10 million but does not exceed Rs. 15 million	10% <u>7.5%</u>
4	Where the gain exceeds Rs. 15 million	15% <u>10%; and</u>

¹ Table restore omitted in Finance bill 2021-22 and increase in tax rate

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Division IX
Minimum tax under section 113

S.No	Person(s)	Minimum Tax as percentage of the person's turnover for the year
(1)	(2)	(3)
1.	(a) Oil marketing companies, Oil refineries, Sui Southern Gas Company Limited and Sui Northern Gas Pipelines Limited (for the cases where annual turnover exceeds rupees one billion.) (b) Pakistani Airlines Pakistan International Airlines Corporation ; and (c) Poultry industry including poultry breeding, broiler production, egg production and poultry feed production. (d) Dealers or distributors of fertilizer and (e) person running an online marketplace as defined in clause (38B) of section 2.	0.75%
2.	(a) Oil refineries (b) Motorcycle dealers registered under the Sales Tax Act, 1990	0.5%
2. 3	(a) Distributors of pharmaceutical products, fast moving consumer goods and cigarettes; (b) Petroleum agents and distributors who are registered under the Sales Tax Act, 1990; (c) Rice mills and dealers; (d) Tier-1 retailers of fast moving consumer goods who are integrated with Board or its computerized system for real time reporting of sales and receipts; (e) Person's turnover from supplies through e-commerce including from running an online marketplace as defined in clause (38B) of section 2. (f) Persons engaged in the sale and purchase of used vehicles and (g) Flour mills.	0.25%
3.	Motorcycle dealers registered under the Sales Tax Act, 1990.	0.3%
4.	In all other cases.	1.5% 1.25%

II			RATES OF ADVANCE TAX [See Division II of Part V of Chapter X]
			The rate of advance tax to be collected by the Collector of Customs under section 148 shall be-
			Provided that the rate specified in column (3),—
			(c) in case of importers of CKD kits of electric vehicles for small cars or SUVs with 50 kwh battery or below and LCVs with 150 kwh battery or below shall be one percent;;

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III			DEDUCTION OF TAX AT SOURCE (See Division III of Part V of Chapter X)
	I		Advance Tax on Dividend
			The rate of tax to be deducted under section 150 and 236S shall be— (b) 15% in mutual funds, Real Estate Investment Trusts and cases other than those mentioned in clauses (a) and (ba); and
	IA		Profit on Debt
			The rate of tax to be deducted under section 151 shall be 15% of the yield or profit: Provided that the rate shall be 10% in cases where the taxpayer furnishes a certificate to the payer of profit that during the tax year yield or profit paid is rupees five hundred thousand rupees or less.
	IB		Return on Investment in Sukuks
			The rate of tax to be deducted under section 150A on return on investment in sukuku from a sukuku holder shall be— (a) 25% in case the sukuku-holder is a company; (b) 12.5% in case the sukuku-holder is an individual or an association of person, if the return on investment is more than one million; (c) 10% in case the sukuku-holder is an individual and an association of person, if the return on investment is less than one million; and
	II		Payments to non-residents
		(3A)	The rate of tax to be deducted under sub-section (1D) and (1DA) of section 152 shall be 10% of the amount of capital gain.
		(5)	The rate of tax to be deducted from a payment referred to in clause (b) of sub-section (2A) of section 152 shall be— (i) 3% of the gross amount payable, in the cases of transport services, 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 the Second Schedule section 2 , tracking services, advertising services (other than by print or electronic media), share registrar services, engineering services, car rental services, building maintenance services, services rendered of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited inspection and certification, testing and training services oilfields services ;

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III	III		Payments for Goods or Services
		(1)	<p>The rate of tax to be deducted from a payment referred to in clause (a) of sub-section (1) of section 153 shall be -</p> <p>(a) in the case of the sale of rice, cotton seed or edible oils, 1.5% of the gross amount payable; or:</p> <p>Explanation.— For removal of doubt, it is clarified that "cotton seed and edible oils" means cotton seed oil and edible oils;</p> <p>(ab) in the case of supplies made by the distributor of fast moving consumer goods,— (i) in case of a company, 2% of the gross amount payable; and (ii) in any other case, 2.5% of the gross amount payable.</p> <p>(b) in the case of sale of goods 6[including toll manufacturing,— (i) in case of a company, 4% of the gross amount payable,; and (ii) in any other case, 4.5% of the gross amount payable,</p>
		(2)	<p>The rate of tax to be deducted from a payment referred to in clause (b) of sub-section (1) of section 153 shall be</p> <p>(i) 3% of the gross amount payable, in the cases of transport services, 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 the Second Schedule, section 2 65F tracking services, advertising services (other than by print or electronic media), share registrar services, engineering services including architectural services, warehousing services, services rendered by asset management companies, data services provided under licence issued by the Pakistan Telecommunication Authority, telecommunication infrastructure (tower) 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 , oilfield services, telecommunication services, warehousing services, collateral management services, travel and tour services;</p> <p>Explanation:-- The tax rate under this sub-paragraph shall be applicable only to a service provider whose services are subjected to withholding tax on gross receipts and the service provider has not agitated taxation of gross receipts before any court of law.;</p>

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		(3)	The rate of tax to be deducted from a payment referred to in clause (c) of sub-section (1) of section 153 shall be (i) 10% of the gross amount payable in case of sportspersons; (ii) in case of a company, 7% 6.5% of the gross amount payable ; and (iii) in any other case, 7.5% 7% of the gross amount payable.
	IIIB		Royalty paid to resident persons
			The rate of tax to be deducted under section 153B shall be 15% of the gross amount payable.
	IVA		Exports of Services
			The rate of tax to be deducted under section 154A shall be one percent of the proceeds of the export.;

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DIVISION V

Income from Property

		(a)	The rate of tax to be deducted under section 155, in the case of individual and association of persons, shall be
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Sr. No	Gross amount of rent	Rate of tax
(1)	(2)	(3)
1	Where the gross amount of rent does not exceed Rs. 300,000	Nil
2	Where the gross amount of rent exceeds Rs. 300,000 but does not exceed Rs. 600,000	5 per cent of the gross amount exceeding Rs. 300, 000
3	Where the gross amount of rent exceeds Rs. 600,000 but does not exceed Rs. 2,000,000	Rs. 15,000 plus 10 per cent of the gross amount exceeding Rs. 600, 000
4	Where the gross amount of rent exceed Rs. 2,000,000	Rs. 155,000 plus 25 per cent of the gross amount exceeding Rs. 2,000, 000”;

		(b)	The rate of tax to be deducted under section 155, in the case of company shall be 15% of the gross amount of rent
	<u>VIB</u>		<u>CNG STATIONS</u>
			<u>The rate of tax to be collected under section 234A in the case of a Compressed Natural Gas station shall be four per cent of the gas consumption charges.</u>

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PART IV			DEDUCTION OR COLLECTION OF ADVANCE TAX (See Chapter XII)
	IIA		RATES FOR COLLECTION OF TAX BY A STOCK EXCHANGE REGISTERED IN PAKISTAN

S.No.	Description	Rate
(1)	(2)	(3)
1.	in case of purchase of shares as per clause (a) of sub-section (1) of section 233A.	0.02% of purchase value
2.	in case of sale of shares as per clause (b) of sub-section (1) of section 233A.	0.02% of sale value

	IIB		Rates for collection of tax by NCCPL
			The rate of deduction under section 233AA shall be 10% of profit or mark-up or interest earned by the member, margin financier or securities lender.
	IV		Electricity Consumption
		(1)	Rate of collection of tax under section 235 where the gross amount of electricity bill- The rate of collection of tax from commercial and industrial consumers from gross amount of bills shall be as set out in the following Table, namely :-

TABLE

S.No	Gross amount of Bill	Tax
1	upto Rs. 500	Rs. 0
2	exceeds Rs. 500 but does not exceed Rs. 20,000	10% of the amount
3	exceeds Rs.20,000	Rs.1950 plus 12% of the amount exceeding Rs. 20,000 for commercial consumers Rs.1950 plus 5% of the amount exceeding Rs. 20,000 for industrial consumers

		(2)	The rate of tax to be collected on domestic electricity consumption shall be-- (i) zero percent the amount of monthly bill is less than Rs.25,000; and (ii) 7.5% if the amount of monthly bill is Rs. 25,000 or more;
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	V		Telephone users
			Rates of collection of tax under section 236, —
		(a) in the case of a telephone subscriber (other than mobile phone subscriber) where the amount of monthly bill exceeds Rs.1000.	10% of the exceeding amount of bill.
		(b) in the case of subscriber of internet, mobile telephone and pre-paid internet or telephone card	12.5% 10% for the tax year 2022 and 8% onwards of the amount of bill or sales price of internet pre-paid card or prepaid telephone card or sale of units through any electronic medium or whatever form
	VI		Cash withdrawal from a bank
			The Rate of tax to be deducted under section 231A shall be 0.6 % of the cash amount withdrawn, for the person whose name is not appearing in the active taxpayers' list.
	VIA		Advance tax on Transactions in Bank
			The rate of tax to be deducted under section 231AA shall be at the rate of 0.6% of the transactions for the person whose name is not appearing in the active taxpayers' list.
	VII		Advance Tax on Purchase, Registration and Transfer of Motor Vehicles
		(3)	The rate of tax under sub-section (2A) of section 231B shall be as follows:—

TABLE

S.No	Engine capacity	Tax
(1)	(2)	(3)
1	Upto 1000cc	Rs. 50,000
2	1001 cc to 2000cc	Rs. 100,000
3	2001cc and above	Rs. 200,000 ; and

	IX		Advance tax on Purchase of Air Ticket
			The rate of tax to be deducted under section 236B shall be 5% of the gross amount of air ticket.

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	XIV		Advance tax on sale to distributors, dealers or wholesalers.
			The rate of collection of tax under section 236G shall be as set out in the following table namely:-

TABLE

S.No.	Category of Sale	Rate of Tax
(1)	(2)	(3)
1.	Fertilizers	0.7%
2.	Other than Fertilizers	0.1%

			Provided that the rate of advance tax on sale to distributors, dealers or wholesalers of fertilizer shall be 0.25%, if they are already appearing on both the Active Taxpayers' Lists issued under the provisions of the Sales Tax Act, 1990 and the Income Tax Ordinance, 2001 (XLIX of 2001):.
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	XV		Advance tax on sale to retailers
			The rate of collection of tax under section 236H on the gross amount of sales shall be 0.5% ; and as set out in the following table namely:-

TABLE

<u>S.No</u>	<u>Category of sale</u>	<u>Rate of tax</u>
<u>(1)</u>	<u>(2)</u>	<u>(3)</u>
<u>1.</u>	<u>Electronics</u>	<u>1%</u>
<u>2.</u>	<u>Others</u>	<u>0.5%</u>

			Omitted Divisions
	XVA		Advance tax on sale of certain petroleum products
	XIX		Advance tax on Domestic Electricity Consumption
	XX		Advance tax on international air ticket
	XXI		Advance Tax on Banking Transactions Otherwise Than Through Cash
	XXVI		Advance Tax on Extraction of Minerals
	XXVII		Advance tax on amount remitted abroad through credit, debit or prepaid cards