

10. Substitution of FIRST and SECOND SCHEDULE of the Act XLII of 2012- In the Act, for the **FIRST SCHEDULE** and **SECOND SCHEDULE**, the following shall be substituted:

“FIRST SCHEDULE
Tax Free Services
(see section 3A)

Sr. No.	Description	Conditions
(1)	(2)	(3)
1	Services related to healthcare provided by the Federal or Provincial Governments or local governments including consultation or visit fee of doctors, medical practitioners and medical specialists, bed or room charges, in public sector hospitals.	None
2	Services provided by skin and laser clinics, cosmetic and plastic surgeons and hair transplant services including consultation services.	Only to the extent of services provided to acid or burn victims.
3	(i) General education services; and (ii) Education provided by the Federal, or Provincial Governments or local governments in public sector educational institutions.	None
4	Public transport service provided by the Federal or Provincial Governments or local Governments.	None
5	Postal and courier services provided by the Federal or Provincial Governments or local governments.	Only to the extent of services provided to the Federal, Provincial Government Departments or local governments.
6	Registration services provided by Federal or Provincial Governments or local governments including passport and identity cards services	None
7	Services relating to religion, art, culture and sports provided by the Federal or Provincial Governments or local governments	None
8	Services relating to physical fitness, entertainment, amusement and learning provided by the Federal or Provincial Governments or local governments, such as gymnasiums, sports clubs, playgrounds, zoological and botanical gardens, museums, libraries, parks, etc.	None
9	Services provided by property developers, builders and promoters, including their allied services.	Only to the extent of affordable housing services provided under Government sponsored housing programs or any area notified for an Affordable Private Housing Scheme by the Punjab Housing and Town-Planning Agency (PHATA) covered under Rule 2(1)(k), Rule 35 and

		Rule 36 of the Punjab Housing and Town-Planning Agency (Affordable Private Housing Schemes Rules), 2020.
10	Services provided by: (i) a religious or charitable institution for the benefit of public registered under any law for the time being in force; (ii) international non-governmental organizations (INGOs) approved by the Federal Government; and (iii) international agencies.	Subject to exemption from federal taxes by the Federal Board of Revenue.
11	Services provided in respect of insurance.	Only to the extent of: (a) marine insurance for export; and (b) crop insurance.
12	Construction services and services provided by contractors of building (including water supply, gas supply and sanitary works), roads and bridges, electrical and mechanical works (including air conditioning), horticultural works, multi-discipline works (including turn-key projects) and similar other works.	Only to the extent: (i) where the tax is otherwise paid by registered persons as property developers, builders or promoters for building construction; or (ii) where the construction work is funded under an agreement of foreign grant-in-aid or involves construction of consular buildings; or (iii) residential construction projects where the covered area does not exceed 10,000 square feet for a house and 20,000 square feet for an apartment except where construction services are provided to construct more than one house or more than one apartment building; or (iv) where the construction services are provided to any registered person who is otherwise liable to pay sales tax as a property developer, builder and promoter.
13	Services provided for personal care by beauty parlors, salons, clinics, sliming clinics, spas (including saunas, Turkish baths and Jacuzzi) and similar other services.	Only to the extent of services provided in a parlour, salon or clinic where the facility of air-conditioning is not installed or is not available in the premises on any day of the financial year.
14	Services provided by tour operators and travel agents including all their allied services or facilities.	Only to the extent of Hajj and Umrah purposes including 'Ziyarat'.
15	Facilities for travel originating from Punjab by Air for domestic and international travel.	Only to the extent of Air travel services provided to Hajj or Umrah passengers, diplomats and supernumerary crew.

16	Services provided by warehouses or depots for storage or cold storages including letting of space for storages.	Only to the extent of storage of agriculture produce for the person's own consumption.
17	Services provided by photography studios and event or occasion photographers or film-makers.	Only to the extent of non-corporate (individual) photographers operating from small road-side shops declared as such by the Authority.
18	Services provided by diplomatic missions.	None
19	Renting of personal dwellings for residential use.	None
20	Services provided by persons engaged in contractual execution of works or furnishing supplies.	Only to the extent of services related to the contracts involving supplies or printing of books
21	Advertisement on television and radio or advertisement services showcasing of any product or service in video programmes, television programmes or motion pictures or music albums.	Only to the extent of: (a) sponsored by an agency of the Federal or Provincial Government for health education; or (b) financed out of funds provided by a Government under an agreement of foreign grant-in-aid; or (c) conveying public service message, if telecast on television by the World Wide Fund for Nature (WWF) or United Nations Children's Fund (UNICEF).
22	Services relating to pathological or diagnostic tests exclusively for medical treatment purposes.	None
23	Services provided in respect of manufacturing or processing on toll or job basis (against processing on conversion charges) [including industrial and commercial packaging services and similar outsourcing of industrial or commercial processes].	None
24	Advertisement including classified ads in newspapers, magazines, journals and periodicals.	None
25	Services provided by a foreign exchange dealer or exchange company or money changer or money exchanger.	None
26	Services provided by port operators (including airports and dry-ports) and allied services provided at ports and services provided by terminal operators including services in respect of public bonded warehouses.	Only to the extent of the amounts received by way of fee under any law or bye-law.