ELEVENTH SCHEDULE – FINANCE ACT 2025

[See sub-section (7) and (7A) of section 3]

NEW / inserted Deletion or Omitted Substituted

TABLE

The rates for withholding or deduction by the withholding agent are specified as below provided that withholding tax shall not be applicable to the goods and supplies specified vide clauses after the Table

S.No	Withholding agent	Supplier category	Rate or extent of deduction
(1)	(2)	(3)	(4)
1	(a) Federal and provincial government departments; autonomous bodies; and public sector organizations (b) Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001)	Active Taxpayers	1/5th of Sales Tax as shown on invoice
2	(a) Federal and provincial government departments; autonomous bodies; and public sector organizations (b) Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001)	Active Taxpayers registered as a wholesaler, dealer or distributor	1/10th of Sales Tax as shown on invoice
3	Federal and provincial government departments; autonomous bodies; and public sector organizations	persons other than Active Taxpayers	Whole of the tax involved or as applicable to supplies on the basis of gross value of supplies
4	Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001) excluding companies exporting surgical instruments	persons other than Active Taxpayers	5% of gross value of supplies
5	Registered persons as recipient of advertisement services	Person Providing advertisement services	Whole of sales tax applicable
6	Registered persons purchasing cane molasses	persons other than Active Taxpayers	Whole of sales tax applicable

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[See sub-section (7) and (7A) of section 3]

NEW / inserted Deletion or Omitted Substituted

S.No	Withholding agent	Supplier category	Rate or extent of deduction
(1)	(2)	(3)	(4)
7	Registered persons manufacturing lead batteries	Persons supplying any kind of lead under chapter 78 (PCT Headings: 7801.1000, 7801.9100, 7801.9900, 7802.0000, 78.03, 7804.1100, 7804.1900, 7804.2000, 78.05, 7806.0010, 806.0020, 7806.0090) or scrap batteries under chapter 85 (PCT Headings: Respective headings)	80% of the sales tax applicable
8	Online market place Payment intermediaries and couriers in respect of digitally ordered goods from within Pakistan.	Person other than ATL Persons supplying digitally ordered goods from within Pakistan through online market place, website, software applications	[1]2% of gross value of supplies: Provided that the provisions of this entry shall be effective from the date as notified by the Board."
9	Registered persons manufacturing cement	Persons supplying any kind of gypsum under chapter 25 (PCT headings 2520.1010, 2520.1020, 2521.0000) or limestone flux under chapter 25 (PCT headings 2520.1010, 2520.1020, 2521.0000)	80% of the sales tax applicable
10	Registered persons	Persons supplying any kind of coal under chapter 27 (PCT headings 2701.1100, 2701.1200, 2701.1900, 2701.2000, 2704.0010, 2704.0020, 2704.0090) or	80% of the sales tax applicable
11	Registered persons	Persons supplying any kind of waste of paper and paper board (Respective headings)	80% of the sales tax applicable

[1] With effect from 1st Sep 2021 (SRO 984(1)/2021)

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[See sub-section (7) and (7A) of section 3]

NEW / inserted Deletion or Omitted Substituted

S.No	Withholding agent	Supplier category	Rate or extent of deduction
(1)	(2)	(3)	(4)
12	Registered persons	Persons supplying any kind of plastic waste (Respective headings)	80% of the sales tax applicable
13	Registered persons	Persons supplying crush stone and silica	80% of the sales tax applicable
[i]	i. Electrical energy, ii. Natural gas; iii. Petroleum products as supplied by petroleum production and exploration companies, oil refineries, oil marketing companies and dealers of motor spirit and high speed diesel; iv. Vegetable ghee and cooking oil; v. Telecommunication services; vi. Goods specified in the Third Schedule to the Sales Tax Act, 1990'; vii. Supplies made by importers who paid value addition tax on such goods at the time of import; and viii. Supplies made by an Active Taxpayer as defined in the Sales Tax Act, 1990 to another registered person with the exception of supplies referred to in S. Nos. 5, 7, 9, 10, 11, 12 and 13 of the Table. ix. Supply of sand, stone, gravel/crush and clay to low cost housing schemes sponsored or approved by Naya Pakistan Housing and Development Authority. ; and		

[i] The categories of withholding agents include Federal and Provincial Government departments, companies, public sector organizations and autonomous bodies. However, it has been noticed that most of the registered suppliers whose tax has been withheld do not usually file their sales tax returns and resultantly, fail to pay their remaining amount of 4/5th tax in case 1/5th of the tax involved is withheld by the purchaser as aforementioned. To enforce returns by the such suppliers and payment of remaining tax involved, the whole concept of withholding has now been linked to the supplier (withholdee) being on the ATL list of the FBR or otherwise. The persons other than Active Taxpayers shall be given the same treatment as was previously accorded to unregistered persons i.e. government and public sector enterprises shall deduct whole of the tax involved in case of supplies made by persons other than those on ATL and the companies shall deduct 5% of gross value of supplies on supplies by such persons. This aims at promoting return filing and documentation culture in the country.