

A

BILL

to give effect to the financial proposals of the Federal Government for the year beginning on the first day of July, 2021, and to amend certain laws

WHEREAS it is expedient to make provisions to give effect to the financial proposals of the Federal Government for the year beginning on the first day of July, 2021, and to amend certain laws for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. Short title and commencement. — (1) This Bill shall be called the Finance Bill, 2021.

(2) It shall, unless specified otherwise, come into force on the first day of July, 2021.

2. Amendments of Customs Act, 1969 (IV of 1969). — In the Customs Act, 1969 (IV of 1969), the following further amendments shall be made, namely:-

(1) in section 2,-

(a) in clause (kka), for the expression “bill of lading, airway bill”, the expression “master bill of lading, bill of lading, airway bill, certificate of origin” shall be substituted;

(b) after clause (kkb), the following new clause shall be added, namely:-

“(kkc) “Electronic assessment” means assessment of a goods declaration in Customs Computerized System by an officer of Customs or by the computerized system according to the selectivity criteria;”;

(c) after clause (lc), the following new clause shall be added, namely:-

“(ld) “Vessel Intimation Report (VIR)” means an intimation regarding impending arrival of a vessel at a customs sea port, where the customs computerized system is operational, to the customs authorities in the form and manner, by the carrier or his agent, as may be prescribed by rules;”;

(d) after clause (o), the following new clause shall be inserted, namely:-

“(oo) “owner” of goods includes any person who is for the time being entitled, either as owner or agent for the owner, to the possession of the goods;”;

(e) in clause (s), after the word “concealing”, the expression “, retailing” shall be inserted;

(2) after section 3CCA, the following new section shall be added, namely:-

“3CCB. Directorate General of National Nuclear Detection Architecture.- The Directorate General of National Nuclear Detection Architecture shall consist of a Director General and as many Deputy Director Generals, Directors, Additional Directors, Deputy Directors, Assistant Directors and such other officers as the Board may, by notification in the official Gazette, appoint.”;

(3) after section 3CCB, the following new section shall be added, namely:-

“3CCC. Directorate General of Marine.- The Directorate General of Marine shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors, Assistant Directors and such other officers as the Board may, by notification in the official Gazette, appoint.”;

(4) for section 12, the following shall be substituted, namely:-

“12. Power to appoint or licence public warehouses.”-(1) At any warehousing station, the respective Collector of Customs in his own jurisdiction may, from time to time, appoint or licence public warehouses wherein dutiable goods may be deposited without payment of customs-duty.

(2) Every application for a licence for a public warehouse shall be made in such form as may be prescribed by the respective Collector of Customs in his own jurisdiction:

Provided that where the Customs Computerized System is operational, the application shall be filed to the respective Collector of Customs through the system in the manner as may be prescribed by rules.

(3) A licence granted under this section may be cancelled by the respective Collector of Customs in his own jurisdiction for infringement of any condition laid down in the licence or for any violation of any of the provisions of this Act or any rules made thereunder, after the licensee has been given proper opportunity of showing cause against the proposed cancellation.

(4) Pending consideration whether a licence be cancelled under sub-section (3), the respective Collector of Customs in his own jurisdiction may suspend the licence.”;

(5) after section 12, the following new section shall be added, namely:-

“12A. Power to appoint or licence common warehouses.- (1) At any warehousing station, the respective Collector of Customs in his own jurisdiction may, from time to time, appoint or licence common warehouses wherein dutiable goods may be deposited without payment of customs-duty on owner or licensee own account.

(2) Every application for a licence for a common warehouse shall be made in such form as may be prescribed by the respective Collector of Customs in his own jurisdiction:

Provided that where the Customs Computerized System is operational, the application shall be filed to the respective Collector of Customs through the system in the manner as may be prescribed by rules.

(3) A licence granted under this section may be cancelled by the respective Collector of Customs in his own jurisdiction for infringement of any condition laid down in the licence or for any violation of any of the provisions of this Act or any rules made thereunder, after the licensee has been given proper opportunity of showing cause against the proposed cancellation.

(4) Pending consideration whether a licence be cancelled under sub-section (3), the respective Collector of Customs in his own jurisdiction may suspend the licence.”;

(6) for section 13, the following shall be substituted, namely:-

“13. Power to licence private warehouses.-(1) At any warehousing station, the respective Collector of Customs in his own

jurisdiction may, from time to time, licence private warehouses wherein dutiable goods may be deposited without payment of customs-duty.

(2) Every application for a licence for a private warehouse shall be made in such form as may be prescribed by the respective Collector of Customs in his own jurisdiction:

Provided that where the Customs Computerized System is operational, the application shall be filed to the respective Collector of Customs through the system in the manner as may be prescribed by rules.

(3) A licence granted under this section may be cancelled by the Collector of Customs in his own jurisdiction for infringement of any condition laid down in the licence or for any violation of any of the provisions of this Act or any rules made thereunder, after the licensee has been given proper opportunity of showing cause against the proposed cancellation.

(4) Pending consideration whether a licence may be cancelled under sub-section (3), the respective Collector of Customs in his own jurisdiction may suspend that licence.”;

(7) in section 18E, for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided further that the Board may constitute a committee or a centre for the purpose of settlement of disputes regarding classification of goods and may prescribe rules or procedure for carrying out the purpose of this section.”;

- (8) in section 19, in sub-section (5), in the second proviso, for the figure “2021”, the figure "2022" shall be substituted;
- (9) in section 25, in sub-section (9), after the word “determined” occurring for the second time, the words “using reasonable means” shall be inserted.
- (10) in section 25A,
- (a) in sub-section (1),-
- (i) after the word “section”, the expression “the Collector of Customs on his own motion or” shall be inserted; and
- (ii) for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-
- “Provided that notwithstanding anything contained in any provision of this Act and any decision or judgment of any forum, authority or court, while determining the customs value under this section, the Director may incorporate values from internationally acclaimed publications, periodicals, bulletins or official websites of manufacturers or indenters of such goods.”;
- (b) after sub-section (2), the following new sub-section shall be added, namely:-
- “(2A) In case of any conflict in the customs value determined under sub-section (1), the Director General of Valuation shall determine the applicable customs value.”; and

- (c) in sub-section (4), after the expression “(1)”, the expression “, or the case may be under sub-section (2A)” shall be inserted;
- (11) in section 25C, for the word “Board”, the words “respective Chief Collector” shall be substituted;
- (12) for section 25D, the following shall be substituted, namely:-

“25D. Review of the value determined.– Notwithstanding the provision contained in section 25A, the Director General Valuation may on his own motion or in pursuance to a review petition made to him within thirty days from the date of determination by any person or an officer of Customs may rescind or determine the value afresh:

Provided that the proceedings so initiated shall be completed within sixty days of the filing of the review petition or initiation of proceedings as the case may be.”;

- (13) in section 27A, after the word “owner”, the expression “,to be made before the filing of goods declaration,” shall be inserted;
- (14) in section 30, for the first proviso, the following shall be substituted, namely:-

“Provided that, where a goods declaration has been manifested in advance of the arrival of the conveyance by which the goods have been imported, the relevant date for the purposes of this section shall be the date on which the goods declaration is manifested under section 79 or section 104, as the case may be, except for those goods declaration in respect of which the rate of duty change after the submission of the goods declaration and before the berthing or cross-over event of the vessel or the vehicle

respectively, as the case may be, the relevant date in which case, for the purposes of this section, shall be the date on which the vessel has berthed or the vehicle has crossed-over the border, as the case may be.”;

(15) in section-32, in sub-section (3A), in first proviso, for the words “one hundred”, the words “twenty thousand” shall be substituted.

(16) in section 32C, in sub-section (1), for the second proviso, the following shall be substituted, namely:-

“Provided further that Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.”;

(17) for section 44, the following shall be substituted, namely:-

“44. Delivery of import manifest in respect of a conveyance other than a vessel.-The person-in-charge of a conveyance other than a vessel shall before arrival or as per following timelines, after arrival thereof at a land customs-station or customs-airport, as the case may be, deliver or file electronically an import manifest to appropriate officer of Customs:

(a) for customs airport: within three hours of landing; and

(b) for land Customs-station: at the time of entry into the country as prescribed under the rules.”;

(18) in section 45,-

(a) in sub-section (2), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that before the berthing of the vessel or the cross-over of the vehicle, as the case may be, the person incharge of a conveyance or his duly authorized agent may amend the import manifest subject to the rules notified by the Board.”; and

(b) sub-section (3) shall be omitted;

(19) in section 79, in clause (a), the word “and” at the end, shall be omitted and thereafter, the following new clause shall be added, namely:-

“(aa) the documents mandatory for assessment of the goods, shall be uploaded by the importer or his agent with the goods declaration, as may be prescribed by the Board; and”;

(20) in section 80, in sub-section (4), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided further that in case of clearance of goods declaration through green channel, the goods may be examined with the prior approval of the Collector of Customs.”;

(21) in section 82, in clause (c), after colon at the end, the following new proviso shall be added, namely:-

“Provided that Collector of Customs may direct the importer or in case importer is not traceable, the shipping line to re-export out of Pakistan any goods, banned or restricted through a notification issue by the Federal Government, if the same are not cleared or auctioned within sixty days of the date of their arrival.”;

(22) in section 83B, after the word “to”, the word “outright” shall be inserted;

- (23) in section 88, for sub-section (5), the following shall be substituted, namely:-
- “(5) If the quantity or value of any goods has been incorrectly stated in the goods declaration, due to inadvertence or bona fide error, the Collector of Customs may, for reasons to be recorded in writing, direct the correction of the said error.”;
- (24) in section 98, in sub-section (1), for clause (a), the following shall be substituted, namely:-
- “(a) by the Collector of Customs, for a period not exceeding six months; and”;
- (25) in section 131, in sub-section (2), in the second proviso, the expression “, where Customs Computerized System has not been introduced” shall be omitted;
- (26) in section 155F, in clause (c), in the first proviso, for the words “after recording reasons in writing”, the expression “after giving notice and affording reasonable opportunity of being heard,” shall be substituted;
- (27) in section 155R, for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-
- “Provided that in case where any clerical or typographical error is noted in goods declaration except as provided in section 29 of this Act, the exporter or importer may apply to the concerned officer not below the rank of Assistant Collector for issuance of correction or corrigendum certificate and the concerned officer upon his satisfaction may issue such certificate for subsequent correction in the computerized goods declaration.”;

(28) in section 156, in sub-section (1), in the Table, in column zero,-

(a) against S.No.1,-

(i) in sub-serial No.(ii), for entry in column (2), the following shall be substituted, namely:-

“such person shall be liable to a penalty as under:-

1 st time	Rs 100,000/-
2 nd time	Rs 500,000/-
3 rd time	Rs1,000,000/-
4 th time	outright confiscation of goods and blockage of WeBOC user ID for one year,”;

(ii) after sub-serial number (ii), amended as aforesaid, the following new serial number and entries thereto in column (1), (2) and (3), shall be inserted, namely:-

“(ii)	If any person fails to attach or electronically upload mandatory documents required	such person shall be liable to a penalty as under:- 1 st time Rs.50,000/- General”; 2 nd time Rs.100,000/- 3 rd time Rs.150,000/- 4 th time Rs.200,000/-
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	under section 79 or 131 of the Customs Act, 1969-,	5 th time Rs.250,000/-, and onwards,
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- (b) S.No. 47A, and entries related thereto in column (1), (2) and (3) shall be omitted;
- (c) against S.No.89, in the sub-serial number (i), in column (1), after the word “concealing”, the expression “, retailing” shall be inserted;
- (d) against S.No.90, in column (1), after the word concealing, the expression “, retailing” shall be inserted;
- (29) in section 157, in sub-section (2), in the proviso, for the full stop a colon shall be substituted and thereafter the following new proviso shall be added, namely:-
- “Provided further that where a conveyance liable to confiscation has been seized for the third time, no option to pay fine in lieu of the confiscation shall be given.”;
- (30) in section 179, in sub-section (3), in the second proviso, for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-
- “Provided further that in cases where in goods are lying at sea-port, airport or dryport, these shall be decided within thirty days of the issuance

of show cause notice which can be extended by another fifteen days by Collector of Customs, if required so.”.

- (31) in section 195, for marginal note and for sub-section (1), the following shall be substituted, namely:-

“195. Powers of Board or Chief Collector or Collector to pass certain orders.- (1) The Board or the Chief Collector or the Collector of Customs may, within his jurisdiction, call for and examine the records of any proceedings under this Act for the purpose of satisfying itself or, as the case may be, himself as to the legality or propriety of any decision or order passed by a subordinate officer.”;

- (32) in section 196, in sub-section (1), for the word “Additional”, wherever occurring, the word “Deputy” shall be substituted;

- (33) in section 202B, for title and for sub-section (1), the following shall be substituted, namely:-

“202B. Reward to officers and officials of Customs and Law Enforcement Agencies.-(1) In cases involving evasion of customs-duty and other taxes and confiscation of goods, cash reward shall be sanctioned to the officers of Customs Service of Pakistan, as defined under the Occupational Groups and Services (Probation, Training and Seniority) Rules, 1990 and officials including officers and officials of other law enforcement agencies, who assist Customs officers and officials or are actually instrumental in seizure of smuggled goods and vehicles as confirmed by the respective Collectorate of Customs, for their meritorious

conduct in such cases, and to the informer providing credible information leading to such confiscation or detection, as may be prescribed by rules by the Board, only after realization of part or whole of the duty and taxes involved in such cases.”;

(34) in section 212B, in sub-section (5), for the words “one year” , the words “three years” shall be substituted;

(35) in the First Schedule, -

(i) in Sub-Chapter-V, in the title, after the word “AREA”, the expression “OR SPECIAL TECHNOLOGY ZONES (STZ) OR AUTHORIZED UNDER EXPORT FACILITATION SCHEMES,” shall be added; and

(ii) the amendments set out in the First Schedule to this Act shall be made in the First Schedule to the Customs Act, 1969 (IV of 1969);
and

(36) the Fifth Schedule to the Customs Act, 1969 (IV of 1969), shall be substituted in the manner provided for in the Second Schedule to this Act.

3. Amendments of the Sales Tax Act, 1990.— In the Sales Tax Act, 1990, the following further amendments shall be made, namely:-

(1) in section 2,—

(a) after clause (4A), the following new clause shall be inserted, namely:—

“(4AA) “Commissioner (Appeals)” means Commissioner of Inland Revenue (Appeals) appointed under section 30;”;

- (b) in clause (5AB), in sub-clause (d), for the word “three”, the word “ten” shall be substituted;
- (c) after clause (18), the following new clause (18A) shall be inserted, namely:–
 - “(18A) “**online market place**” includes an electronic interface such as a market place, e-commerce platform, portal or similar means which facilitate sale of goods, including third party sale, in any of the following manner, namely:–
 - (a) by controlling the terms and conditions of the sale;
 - (b) authorizing the charge to the customers in respect of the payment for the supply; or
 - (c) ordering or delivering the goods.”;
- (d) in clause (37), in sub-clause (iii), after the word “falsification”, the word “of” shall be inserted;
- (e) in clause (43A),
 - (i) in sub-clause (e), after the word “more”, the words “or two thousand square feet in area or more in the case of retailer of furniture” shall be inserted;
 - (ii) after sub-clause (e), the word “and” shall be omitted and thereafter following new clauses (f) and (g) shall be inserted, namely:–

- “(f) a retailer operating an online market place supplying goods through e-commerce platform, whether or not the goods are owned by him;
 - (g) a retailer who has acquired point of sale for accepting payment through debit or credit cards from banking companies or any other digital payment service provider authorized by State Bank of Pakistan; and”
 - (iii) existing sub-clause (f) shall be renumbered as (h); and
 - (f) in clause (44), in sub-clause (a), the words “or the time when any payment is received by the supplier in respect of that supply, whichever is earlier” shall be omitted;
- (2) in section 3,—
 - (a) in sub-section (1B), in clause (a), for the word “on”, occurring for the second time, the word “or” shall be substituted;
 - (b) in sub-section (3),—
 - (i) after clause (a), the word “and” shall be omitted;
 - (ii) after clause (b), full stop at the end shall be omitted and the expression “; and” shall be inserted and thereafter the following new clause shall be inserted, namely:—
 - “(c) in the case of supply of goods through online market place, of the person running online market place, whether or not the goods are owned by him.”;
 - (c) in sub-section (9A), first proviso shall be omitted;

- (3) in section 8B, in sub-section (1), after the word “person”, the words “other than public limited companies listed on Pakistan Stock Exchange” shall be inserted.
- (4) in section 11, in sub-section (5), for the words “relevant date”, the words “end of the financial year in which the relevant date falls” shall be substituted;
- (5) after section 21A, the following new section shall be inserted,—
- “21B. Common Identifier Number.—** (1) From the tax period July 2021 and onward, in the case of individual, having Computerized National Identity Card (CNIC) issued by the National Database and Registration Authority (NADRA), registered or liable to be registered under the provisions of section 14, CNIC shall be common identifier number in addition to sales tax registration number (STRN).
- (2) From the tax period July 2021 and onward, in the case of association of persons or company, having National Tax Number (NTN), registered or liable to be registered under the provisions of section 14, NTN shall be common identifier number in addition to sales tax registration number (STRN).”;
- (6) in section 22, in sub-section (1),—
- (a) in clause (e), after the word “bills” occurring for second time, the expression “cash book,” shall be inserted; and
- (b) after clause (ea), the following new clause (eb) shall be inserted, namely:—

“(eb) Electronic version of records mentioned in clauses (a) to (ea) of this sub-section.”.

- (7) in section 25AA, the existing sub-section shall be renumbered as sub-section (1) and thereafter the following new sub-section (2) shall be added, namely:–

“(2) The Board may, by notification in official gazette, prescribe rules for carrying out the purpose of sub-section (1).”;

- (8) after omitted section 26A, the following new section 26AB shall be inserted, namely:–

“26AB. Extension of time for furnishing returns. (1) A registered person required to furnish a return under section 26 may apply, in writing, to the Commissioner for an extension of time to furnish the return.

(2) An application under sub-section (1) shall be made by the due date for furnishing the return in terms of section 2(9) for the period to which the application relates.

(3) Where an application has been made under sub-section (1) and the Commissioner is satisfied that the applicant is unable to furnish the return to which the application relates by the due date because of–

- (a) absence from Pakistan;
- (b) sickness or other misadventure; or
- (c) any other reasonable cause,

the Commissioner may, by order in writing, grant the applicant an extension of time for furnishing the return.

(4) An extension of time under sub-section (3) shall not exceed fifteen days from the due date for furnishing the return, unless there are exceptional circumstances justifying a longer extension of time:

Provided that where the Commissioner has not granted extension for furnishing the return under sub-sections (3) or (4), the Chief Commissioner may on an application made by the registered person for extension or further extension, as the case may be, grant extension or further extension for a period not exceeding fifteen days, unless there are exceptional circumstances justifying a longer extension of time.

(5) An extension or further extension of time granted under sub-sections (3) or (4), as the case may be, shall not, for the purpose of charge of default surcharge under section 34, change the due date for payment of sales tax under section 6.”;

(9) In section 40D, in sub-section (5), after the expression “Gilgit-Baltistan,”, the words “Border Sustenance Markets and” shall be inserted;

(10) after section 40D, the following new section 40E shall be inserted, namely:–

“40E. Licensing of brand name.- (1) Manufacturers of the specified goods shall be required to obtain brand licence for each brand or stock keeping unit (SKU) in such manner as may be prescribed by the Board.

(2) Any specified brand and SKU found to be sold without obtaining a licence from the Board shall be deemed counterfeit goods and liable to outright confiscation and destruction in the prescribed manner and

such destruction and confiscation shall be without prejudice to any other penal action which may be taken under this Act.”;

- (11) in section 48, after sub-section (2), the following new sub-section (3) shall be added, namely:–

“(3) The provision of sub-sections (1) and (2) shall *mutatis mutandis* apply regarding assistance in collection and recovery of taxes in pursuance of a request from a foreign jurisdiction under a tax treaty, bilateral or a multilateral convention, and inter-governmental agreement or similar agreement or mechanism.”;

- (12) in section 50, in sub-section (2), after the word ”price”, the words “or may be placed regularly on the official website maintained by the Board” shall be inserted;

- (13) in section 56A,–

- (i) in the title, after the word “information”, the words “or assistance in recovery of taxes” shall be inserted;
- (ii) after sub-section (1), the following new sub-section (1A) shall be inserted, namely:–

“(1A) Notwithstanding anything contained in this Act, the Board shall have power to share data or information including real time data videos, images received under the provisions of this Act with any other Ministry or Division of the Federal Government or Provincial Government, subject to such limitations and conditions as may be specified by

the Board."; and

- (iii) after sub-section (2), the following new sub-section (3) shall be added, namely:–

“(3) The Federal Government may enter into bilateral or multilateral convention, and inter-governmental agreement or similar agreement or mechanism for assistance in the recovery of taxes.”;

- (14) in section 56C, the existing sub-section shall be renumbered as sub-section (1) and thereafter the following new sub-section shall be added, namely:–

“(2) The Board may prescribe procedure for “mystery shopping” in respect of invoices issued by tier-1 retailers integrated with FBR online system randomly and in case of any discrepancy, all the relevant provisions of this Act shall apply accordingly.”;

- (15) in section 67, in first proviso at the end for full stop at the end a colon shall be substituted and thereafter the following new proviso shall be added, namely:–

“Provided further that where a refund due in the consequence of any order passed under section 66 is not made within forty five days of date of such order, there shall be paid to the claimant in addition to the amount of the refund due to him, a further sum equal to KIBOR per annum of the amount of refund, due from the date of the refund order.”;

- (16) in section 73, in sub-section (1), after the first proviso, the following new proviso shall be added, namely:–

“Provided further that adjustments made by a registered person in respect of amounts payable and receivable to and from the same party shall be treated as payments satisfying the provisions of this sub-section subject to following conditions, namely:—

- (a) sales tax has been charged and paid by both parties under the relevant provisions of this Act and rules prescribed thereunder, wherever applicable; and
- (b) the registered person has sought prior approval of the Commissioner before making such adjustments.”;

(17) in section 76, the existing sub-section shall be renumbered as sub-section (1) and thereafter the following new sub-section (2) shall be added, namely:—

“(2) The Board may authorize and prescribe the manner in which fee and service charges collected under sub-section (1) shall be expended.”;

(18) in the Third Schedule, in column (1), after serial number 49, the following new serial number 50 and entries relating thereto in columns (2) and (3) shall be added, namely:—

“50.	Sugar except where it is supplied as an industrial raw material to pharmaceutical, beverage and confectionery industries	Respective heading”;
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(19) in the Fifth Schedule, in the Table, in column (1), —

- (a) Serial No. 1, 6, 10 and 11 and entries relating thereto in column (2) shall be omitted; and
- (b) in the Fifth Schedule, after S. No. 14, in column (1) and entries relating thereto in column (2), the following new S. No. 15 shall be added, namely:—

“15.	Local supplies of raw materials, components, parts and plant and machinery to registered exporters authorized under Export Facilitation Scheme, 2021 notified by the Board with such conditions, limitations and restrictions.”;
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(20) in the Sixth Schedule,—

- (a) in Table-1, in column (1),—
- (i) Serial No. 11, 19, 22, 24, 26, 27, 29, 29C, 73A, 74, 75, 76, 77, 78, 79, 80, 82, 83, 84, 85, 91, 93, 101, 103, 106, 108, 115, 123, 124, 125, 128 and 153 and entries relating thereto in columns (2) and (3) shall be omitted;
- (ii) in serial No. 137,—
- (a) in column (2), after expression “g/m²”, the words “art paper and printing paper” shall be inserted; and
- (b) in column (3), after the figure “4802.5510”, the expression “,4810.1990, 4810.1910 and 4802.6990” shall be inserted;

(iii) after serial No. 156 and entries relating thereto in columns (2) and (3), the following new serial Nos. shall be added, namely:—

"157.	Import of CKD (in kit form) of following electric vehicles (4 wheelers) by local manufacturers till 30 th June, 2026: (i) Small cars/SUVs with 50 Kwh battery or below; and (ii) Light commercial vehicles (LCVs) with 150 kwh battery or below	Respective headings
158.	Goods temporarily imported into Pakistan by International Athletes which shall be subsequently taken by them within 120 days of temporary import	Respective headings
159.	Import of auto disable Syringes till 30 th June, 2021	

	(i) with needles	9018.3110
	(ii) without needles	9018.3120
160.	Import of following raw materials for the manufacturers of auto disable syringes till 30th June, 2021 (i) Tubular metal needles (ii) Rubber Gaskets	9018.3200 4016.9310
161.	Import of plant, machinery, equipment and raw materials for consumption of these items within Special Technology Zone by the Special Technology Zone Authority, zone developers and zone enterprises	Respective headings
162.	Import of raw materials, components, parts and plant and machinery by registered persons authorized under Export Facilitation Scheme, 2021 notified by the Board	Respective headings

	with such conditions, limitations and restrictions.”;	
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(b) in Table-2, in column (1),—

- (i) serial Nos. 17, 19, 24 and 25 and entries relating thereto in columns (2) and (3) shall be omitted;
- (ii) after serial number 25, the following new serial number 26 and entries relating thereto in columns (2) and (3) shall be added, namely:—

“26.	Supply of locally produced silos till 30.06.2026	Respective heading
27	Eggs including eggs for hatching	0407.1100, 0407.1900 0407.2100 and 0407.2900
28	Cereals and products of milling industry excluding the products of milling industry, other than wheat and meslin flour, as sold in retail packing bearing brand name or a trademark	1001.1000, 1001.9000, 1002.0000, 1003.0000, 1004.0000, 1005.1000, 1005.9000, 1006.1090, 1006.2000, 1006.3010, 1006.3090, 1006.4000, 1007.0000, 1008.1000, 1008.2000, 1008.3000, 1008.9000, 1101.0010,

		1101.0020, 1102.2000, 1102.9000, 1103.1100, 1103.1300, 1103.1900, 1104.2200, 1104.2300, 1104.2900 and 1104.3000
29	Sugar beet	1212.9100
30	Fruit juices, whether fresh, frozen or otherwise preserved but excluding those bottled, canned or packaged.	2009.1100, 2009.1200, 2009.1900, 2009.2100, 2009.2900, 2009.3100, 2009.3900, 2009.4100, 2009.4900, 2009.5000, 2009.6100, 2009.6900, 2009.7100, 2009.7900, and 2009.9000
31	Milk and cream, concentrated or containing added sugar or other sweetening matter, excluding that sold in retail packing under a brand name	04.02

32	Flavored milk, excluding that sold in retail packing under a brand name	0402.9900
33	Yogurt, excluding that sold in retail packing under a brand name	0403.1000
34	Whey, excluding that sold in retail packing under a brand name	04.04
35	Butter, excluding that sold in retail packing under a brand name	0405.1000
36	Desi ghee, excluding that sold in retail packing under a brand name	0405.9000
37	Cheese, excluding that sold in retail packing under a brand name	0406.1010
38	Processed cheese not grated or powdered, excluding that sold in retail packing under a brand name	0406.3000

39	Sausages and similar products of poultry meat or meat offal excluding sold in retail packing under a brand name or trademark	1601.0000
40	Products of meat or meat offal excluding sold in retail packing under a brand name or trademark	1602.3200, 1602.3900, 1602.5000, 1604.1100, 1604.1200, 1604.1300, 1604.1400, 1604.1500, 1604.1600, 1604.1900, 1604.2010, 1604.2020 and 1604.2090
41	Preparations suitable for infants, put up for retail sale	1901.1000
42	Fat filled milk excluding that sold in retail packing under a brand name or a trademark	1901.9090”;

(c) after Table-3, the following new Table shall be added, namely:–

“Table-4

The goods specified in column (2) of the Annexure below falling under the PCT codes specified in column (3) of the said Annexure, when supplied within the limits of the Border Sustenance Markets, established in cooperation with Iran and Afghanistan, shall be exempted from the whole of the sales tax, subject to the following conditions, namely:—

- (i) Such goods shall be supplied only within the limits of Border Sustenance Markets established in cooperation with Iran and Afghanistan;
- (ii) If the goods, on which exemption under this Table has been availed, are brought outside the limits of such markets, sales tax shall be charged on the value assessed on the goods declaration import or the fair market value, whichever is higher;
- (iii) Such items in case of import, shall be allowed clearance by the Customs Authorities subject to furnishing of bank guarantee equal to the amount of sales tax involved and the same shall be released after presentation of consumption certificate issued by the Commissioner Inland Revenue having jurisdiction;
- (iv) The said exemption shall only be available to a person upon furnishing proof of having a functional business premises located within limits of the Border Sustenance Markets; and

- (v) Breach of any of the conditions specified herein shall attract relevant legal provisions of this Act, besides recovery of the amount of sales tax alongwith default surcharge and penalties involved.

Annexure

S.No	Description	Heading Nos of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
1	Seed (Potatoes)	0701.1000
2	Tomatoes, fresh or chilled	0702.0000
3	Onions and shallots	0703.1000
4	Garlic	0703.2000
5	Cauliflowers cabbage	0704.9000
6	Carrots and turnips	0706.1000
7	Cucumbers and gherkins fresh or chilled	0707.0000
8	Peas (pisum sativum)	0708.1000
9	Beans (vigna spp., phaseolus spp.)	0708.2000

10	other leguminous vegetables	0708.9000
11	Peas (<i>Pisum sativum</i>)	0713.1000
12	Grams (Dry/Whole)	0713.2010
13	Dried leguminous vegetables	0713.2090, 0713.9090
14	Beans of the species <i>Vigna mungo</i> (L.) Hepper or <i>Vigna radiata</i> (L.) Wilczek	0713.3100
15	Small red (Adzuki) beans (<i>Phaseolus</i> or <i>Vigna angularis</i>)	0713.3200
16	Kidney beans including white beans	0713.3300
17	Bambara – <i>vigna subteranea</i> or <i>vaahdzeia subterrea</i>	0713.3400
18	Beans <i>vigna unguiculata</i>	0713.3500
19	Other	0713.3990
20	Lentils (Dry/Whole)	0713.4010
21	Broad beans (<i>Vicia faba</i> var. <i>major</i>) and horse beans (<i>Vicia faba</i> var. <i>equina</i> , <i>Vicia faba</i> var. <i>minor</i>)	0713.5000
22	Pigeon peas (<i>cajanus cajan</i>)	0713.6000

23	Vanilla (Neither crushed nor ground)	0905.1000
24	Cinnamon	0906.1100
25	Other (Cinnamon And Cinnamon Tree Flowers)	0906.1900
26	Neither crushed nor ground (Cloves)	0907.1000
27	Crushed or ground (Cloves)	0907.2000
28	Neither Crushed nor ground (Nutmeg)	0908.1100
29	Crushed or ground (Nutmeg)	0908.1200
30	Neither crushed nor ground (Maze)	0908.2100
31	Crushed or ground (Maze)	0908.2200
32	Large (Cardammoms)	0908.3110
33	Small (Cardammoms)	0908.3120
34	Crushed or ground (Cardammoms)	0908.3200
35	Neither crushed nor ground (Coriander)	0909.2100
36	Crushed or ground (Coriander)	0909.2200
37	Neither crushed nor ground (Seeds of Cumins)	0909.3100

38	Crushed or ground (Seeds of Cumins)	0909.3200
39	Neither crushed nor ground (Seeds of Anise, Badian, Caraway, Fennel etc)	0909.6100
40	Crushed or ground (Seeds of Anise, Badian, Caraway, Fennel etc)	0909.6200
41	Thyme; bay leaves	0910.9910
42	Barley (Seeds)	1003.1000, 1003.9000
43	Sunflower seeds ,whether or not broken	1206.0000
44	Locust beans	1212.9200
45	Cereal straws and husks	1213.0000
46	Knives and cutting blades for paper and paper board	8208.9010
47	Of a fat content, by weight, not exceeding 1 % (milk and cream)	0401.1000
48	Of a fat content, by weight, exceeding 1 % but not exceeding 6 % (milk and cream)	0401.2000

49	Of a fat content, by weight, exceeding 6 % but not exceeding 10% (Milk and Cream)	0401.4000
50	Of a fat content, by weight, exceeding 10 % (Milk and Cream)	0401.5000
51	Leeks and other alliaceous vegetables	0703.9000
52	Cauliflowers and headed broccoli	0704.1000
53	Brussels sprouts	0704.2000
54	Cabbage lettuce (head lettuce)	0705.1100
55	Lettuce	0705.1900
56	Chicory	0705.2100, 0705.2900
57	Fruits of the genus Capsicum or of the genus Pimenta	0709.6000
58	Figs	0804.2000
59	Fresh (grapes)	0806.1000
60	Dried (Grapes)	0806.2000
61	Melons	0807.1100, 0807.1900
62	Apples	0808.1000

63	Green Tea	0902.1000
64	Other Green Tea	0902.2000
65	Crushed or ground (Ginger)	0910.1200
66	Turmeric (curcuma)	0910.3000
67	Other (spice)	0910.9990
68	Lactose (Sugar)	1702.1110
69	Sugar Syrup	1702.1120
70	Sugar Other	1702.1900
71	Caramel	1702.9020
72	Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya bean oil.	2304.0000
73	Other (animal feed)	2309.9000
74	For Sewing (Thread)	5204.2010
75	For embroidery (Thread)	5204.2020
76	Spades and shovels	8201.1000
77	Tools for masons, watchmakers, miners and hand tools nes	8205.5900
78	For kitchen appliances or for machines used by the food industry	8208.3000

79	Other kitchen appliances	8208.9090
80	Yogurt	0403.1000
81	Other (Potatoes)	0701.9000
82	Sweet corn	0710.4000
83	Mixtures of vegetables	0710.9000
84	Fresh (Dates)	0804.1010
85	Dried (Dates)	0804.1020
86	Apricots	0809.1000
87	Sour cherries (Prunus cerasus)	0809.2100
88	Other (Apricots)	0809.2900
89	Peaches, including nectarines	0809.3000
90	Plums and sloes	0809.4000
91	Strawberries	0810.1000
92	Kiwi Fruit	0810.5000
93	Neither crushed nor ground (Ginger)	0910.1100
94	Wheat and Meslin(Other)	1001.1900
95	Wheat and Meslin (Other)	1001.9900
96	Of Wheat (Flour)	1101.0010
97	Of Meslin	1101.0020
98	Vermacelli	1902.1920
99	Other (Packed Cake)	1905.9000

100	Homogenised preparations	2007.1000
101	Citrus Fruit	2007.9100
102	Other (jams)	2007.9900
103	Organic surface-active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap	3401.3000
104	Preparations put up for retail sale	3402.2000
105	Other (washing preparations)	3402.2000
106	Tableware and kitchenware of porcelain or china	6911.1090
107	Household articles nes & toilet articles of porcelain or china	6911.9000
108	Glassware for table or kitchen purposes (excl. glass having a linear c	7013.4900
109	Glassware nes (other than that of 70.10 or 70.18)	7013.9900
110	Spoons	8215.9910
111	Tableware articles not in sets and not plated with precious metal	8215.9990

112	Bicycles and other cycles (including delivery tricycles), not motorised	8712.0000
113	Vacuum flasks	9617.0010
114	Vacuum flasks/vacuum vessels complete w/cases; parts o/t glass inners (others)	9617.0020.”;

(21) in the Eighth Schedule, in Table-1, in column (1),—

- (a) Serial No. 1, 5, 6, 7, 8, 9, 10, 11, 14, 15, 19, 20, 22, 29, 45, 50, 51, 60, 61, 62, 63, 65 and 67 and entries relating thereto in columns (2), (3), (4) and (5) shall be omitted;
- (b) against serial number 56,—
 - (i) in column (4), for the figure “80”, the figure “90” shall be substituted; and
 - (ii) in column (5), for the figure “70”, the figure “90” shall be substituted;
- (c) after serial number 70, the following new Serial Nos. and entries relating thereto in columns (2), (3), (4) and (5) shall be added, namely:—

“71.	Following manufactured assembled	locally or electric	Respective heading	1%	If supplied locally
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	vehicles (4 wheelers) till 30 th June, 2026: (i) Small cars/ SUVs with 50 Kwh battery or below; and (ii) Light commercial vehicles (LCVs) with 150 kwh battery or below			
72.	Motorcars	87.03	12.5%	Locally manufactur ed or assembled motorcars of cylinder capacity upto 850cc
73.	Import and local supply of Hybrid Electric Vehicles: (a) Upto 1800 cc (b) From 1801 cc to 2500 cc	87.03 87.03	8.5%". 12.75% ;	

(22) in the Ninth Schedule, after Table-I, the following proviso and explanation shall be added, namely:–

“Provided that the provisions of Table-I shall not be applicable from 1st July, 2020 onwards.

Explanation.– For removal of doubt, it is clarified that the above amendment in law shall not prejudicially affect, the Board’s stance or position in pending cases on the issue of chargeability of sales tax on SIM cards before any court of law.”;

(23) in the Eleventh Schedule, in the Table, after S. No. 6, in column (1), the following new S. No. 7 and entries relating thereto in columns (2), (3) and (4) shall be inserted, namely:–

“7.	Registered persons manufacturing lead batteries	Persons supplying reclaimed lead or used lead batteries	Whole of the sales tax applicable”.
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(24) in the Twelfth Schedule, in clause (2), after sub-clause (x), under Procedure and conditions, the following new clauses shall be added, namely:–

“(xi) Electric vehicles (4 wheelers) CKD kits for small cars/SUVs, with 50 kwh battery or below and LCVs with 150 kwh battery of below till 30th June, 2026;

(xii) Electric vehicles (4 wheelers) small cars/SUVs, with 50 kwh battery or below and LCVs with 150 kwh battery of below in CBU condition till 30th June, 2026”;

(xiii) Electric vehicles (2-3 wheelers and heavy commercial vehicles) in CBU condition till 30th June, 2025; and

(xiv) motor cars of cylinder capacity upto 850cc

4. Islamabad Capital Territory (Tax on Services) Ordinance, 2001

(1) in section 3, after sub-section (1), the following new sub –section (1A) shall be inserted, namely:–

“(1A) Notwithstanding the provision of sub-section (1), the export of services shall be charged at the rate of zero per cent.”

5. Amendments of Income Tax Ordinance, 2001 (XLIX of 2001). — In the Income Tax Ordinance, 2001 (XLIX of 2001), the following further amendments shall be made, namely:—

(1) in section 2,—

(A) in clause (1B), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;

(B) after clause (10), the following new clause shall be inserted, namely:–

“(10A) “business bank account” means a bank account utilized by the taxpayer for business transaction declared to the Commissioner through original or modified registration form prescribed under section 181;”;

(C) clause (13AA) shall be re-numbered as clause (13AB) and after clause (13A), the following new clause shall be inserted, namely :-

“(13AA) concealment of income includes -

- (a) the suppression of any item of receipt liable to tax in whole or in part, or failure to disclose income chargeable to tax;
- (b) claiming any deduction or any expenditure not actually incurred; and
- (c) any act referred to in sub-section (1) of section 111.

Explanation.- For the removal of doubt, it is clarified that where any item of receipt declared by the taxpayer is claimed as exempt from tax, or where any deduction in respect of any expenditure is claimed, mere disallowance of such claim shall not constitute concealment of income or the furnishing of inaccurate particulars of income, unless it is proved that the taxpayer deliberately claimed exemption from tax in respect of the aforesaid item of receipt or claimed deduction in respect of such expenditure not actually incurred by him.”

- (D) in clause (19), in sub-clause (e), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (E) in clause (24), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;

- (F) in clause (29), the expression “233A,” shall be omitted;
- (G) in clause (29C),—
- (a) in sub-clause (ab), after semi colon at the end, the word “and” shall be added;
 - (b) sub-clause (b) shall be omitted; and
 - (c) after sub-clause (b), omitted as aforesaid, the following new sub-clause shall be added, namely:—
 - “(c) telecommunication companies operating under the license of Pakistan Telecommunication Authority (PTA).”;
- (H) after clause (30AC), the following new clauses shall be inserted, namely:-
- “(30AD) Information Technology (IT) services include software development, software maintenance, system integration, web design, web development, web hosting and network design; and
 - (30AE) IT enabled services include inbound or outbound call centres, medical transcription, remote monitoring, graphics design, accounting services, Human Resource (HR) services, telemedicine centers, data entry operations, cloud computing services, data storage services, locally produced television programs and insurance claims processing;”;

- (I) in clause (35AA), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (J) in clause (42A), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (K) in clause (59A), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (L) clause (59A) shall be re-numbered as clause (59AB) and after clause (59), the following new clause (59A) shall be inserted, namely:-

“(59A) “small and medium enterprise” means a person who is engaged in manufacturing as defined in clause (iv) of sub-section (7) of section 153 of the Ordinance and his business turnover in a tax year does not exceed two hundred and fifty million rupees:

Provided that if annual business turnover of a small and medium enterprise exceeds two hundred and fifty million rupees, it shall not qualify as small and medium enterprise in the tax year in which annual turnover exceeds that turnover or any subsequent tax year.
- (M) in clause (59AB), re-numbered as aforesaid, -

- (i) in sub-clause (ii), the word “and”, at the end shall be substituted:
- (ii) in clause (iii), after the semi colon, the word “and” shall be added;
- (iii) after sub-clause (iii), amended as aforesaid, the following new clause shall be added, namely:-
 - “(iv) is not a small and medium enterprise as defined in clause (59A).;
- (N) in clause (62A), in sub-clause (ii), for the words “Federal Government”, the expression “Board with the approval of Federal Minister-in-charge” shall be substituted;
- (2) in section 7B, in sub-section (3), in clause (b), for the words “thirty six”, the word “five” shall be substituted;
- (3) in section 8, in the marginal note, for the expression “5, 6 and 7”, the expression “5, 5AA, 6, 7, 7A and 7B ” shall be substituted;
- (4) in section 12, in sub-section (2), after clause (c), the following explanation shall be added, namely:-
 - “*Explanation.*– For removal of doubt, it is clarified that the allowance solely expended in the performance of employee’s duty does not include –
 - (i) allowance which is paid in monthly salary on fixed basis or percentage of salary; or

- (ii) allowance which is not wholly, exclusively, necessarily or actually spent on behalf of the employer;”;
- (5) in section 15, sub-sections (6) and (7) shall be omitted;
- (6) in section 15A,—
 - (a) in sub section (1), for the word “company”, wherever occurring, the word “person” shall be substituted; and
 - (b) sub-section (7) shall be omitted;
- (7) in section 18, in sub-section (1), in clause (b), for the semi colon at the end, the full stop shall be substituted and thereafter the following explanation shall be added, namely:—

“Explanation.— For the removal of doubt it is clarified that income derived by co-operative societies from the sale of goods, immoveable property or provision of services to its members is and has always been chargeable to tax under the provisions of this Ordinance;”;
- (8) in section 20, in sub-section (1A), after the expression “purposes,”, occurring for the second time, the words “a deduction shall be allowed equal to”, shall be inserted;
- (9) in section 22, in sub-section (13), in clause (d), for the words “the consideration received shall be treated as the cost of the property”, the expression “the excess amount shall be taxable under section 37” shall be substituted;
- (10) section 23A shall be omitted;

(11) in section 31, in sub-section (1), for the expression “section 120 of the Companies Ordinance, 1984 (XLVII of 1984)”, the expression “section 66 of the Companies Act, 2017 (XIX of 2017)” shall be substituted;

(12) in section 37,—

(a) in sub-section (1A),—

(i) the expression “and 3B” shall be omitted; and

(ii) for the full stop at the end, a colon shall be substituted and thereafter the following shall be added, namely:-

“Provided that where the taxable gain on disposal of immoveable property exceeds five million rupees, it shall be chargeable to tax under sub-section (1) of this section and provisions of sub-section (3) shall not apply. However, the taxable gain shall be calculated while taking into consideration the benefit of holding period as provided in sub-section (3A).

Explanation.- For removal of doubt, it is clarified that where a person is habitually engaged in transactions of sale and purchase of immoveable property or such sale and purchase is adventure in the nature of trade and business, the provisions of this sub-section shall not apply and the income from such transactions shall be chargeable under the head Income from Business.”;

- (b) in sub-section (3), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted; and
- (c) in sub-section (4A), in clause (d), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

“Provided that, if the capital asset acquired through gift is disposed of within two years of acquisition and the Commissioner is satisfied that such gift arrangement is a part of tax avoidance scheme, then the provisions of sub-section (3) of section 79 shall apply for the purpose of determining the cost of asset in the hands of recipient of the gift.”;

(13) in section 39,—

- (a) in sub-section (1), in clause (1a), for the expression “ grandparents, parents, spouse, brother, sister, son or a daughter” , the expression “relative as defined in sub-section (5) of section 85” shall be substituted.”; and
- (b) in sub-section (5), for the expression “5, 6 or 7”, the expression “5, 5AA, 6, 7 or 7B”, shall be substituted;

(14) in section 53, in sub-section (2), for the words “Federal Government may”, the words “Board with the approval of the Federal Minister-in-charge may, from time to time, pursuant to the approval of the Economic Coordination Committee of the Cabinet” shall be substituted.

- (15) in section 56, in sub-section (1), after the word “salary”, the words “or income from property” shall be omitted;
- (16) in section 57,—
- (a) in sub-section (4), the expression "23A" shall be omitted; and
 - (b) in sub-section (5), the expression "23A" shall be omitted;
- (17) in section 59AA,-
- (i) in sub-section (1) for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
 - (ii) in sub-section (3), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (18) in section 59B,—
- (a) in sub-section (1), for the word “of” occurring for the first time , the word “or” shall be substituted; and
 - (b) in sub-section (2), in clause (d), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (19) in section 60A,
- (a) after the expression “(XXXVI of 1971)”, the expression “or under any law relating to the Workers’ Welfare Fund enacted by Provinces after the eighteenth Constitutional amendment Act, 2010” shall be added; and

- (b) for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

“Provided that this section shall not apply in respect of any amount of Workers’ Welfare Fund paid to the Provinces by a trans-provincial establishment.”;

- (20) in section 60B,

- (a) after the expression “(XII of 1968)”, the expression “or under any law relating to the Workers’ Profit Participation Fund enacted by Provinces after the eighteenth Constitutional amendment Act, 2010” shall be added; and

- (b) for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

“Provided that this section shall not apply in respect of any amount of Workers’ Profit Participation Fund paid to the province by a trans-provincial establishment.”;

- (21) in section 61,—

- (a) in sub-section (1),—

(i) after the word "donation", the expression ", voluntary contribution or subscription" shall be inserted;

(ii) in clause (c), for the full stop at the end, the expression "or any person eligible for tax credit under section 100C of this Ordinance; or" shall be substituted; and

(iii) after clause (c), amended as aforesaid, the following new clause shall be added, namely:-

"(d) entities, organizations and funds mentioned in the Thirteenth Schedule to this Ordinance."

(22) in section 64B, in sub-section (3), in clause (c), for the expression "Companies Ordinance, 1984 (XLVII of 1984)", the expression "Companies Act, 2017 (XIX of 2017)" shall be substituted;

(23) section 64C shall be omitted;

(24) after section 64C, omitted as aforesaid, the following new section shall be inserted, namely:-

"64D. Tax credit for point of sale machine.– (1) Any person who is required to integrate with Board's computerized system for real time reporting of sale or receipt, shall be entitled to tax credit in respect of the amount invested in purchase of point of sale machine.

(2) The amount of tax credit allowed under sub-section (1) for a tax year in which point of sale machine is installed, integrated and configured with the Board's computerized system shall be lesser of –

(a) amount actually invested in purchase of point of sale machine;
or

(b) rupees one hundred and fifty thousand per machine.

(3) For the purpose of this section, the term point of sale machine means a machine meant for processing and recording the sale transactions

for goods or services, either in cash or through credit and debit cards or online payments in an internet enabled environment.”;

(25) sections 65C and 65D shall be omitted;

(26) after section 65E, the following new sections shall be inserted, namely:-

"65F. Tax credit for certain persons.– (1) Following persons or incomes shall be allowed a tax credit equal to one hundred per cent of the tax payable under any provisions of this Ordinance including minimum, alternate corporate tax and final taxes for the period, to the extent, upon fulfillment of conditions and subject to limitations detailed as under:-

- (a) persons engaged in coal mining projects in Sindh supplying coal exclusively to power generation projects;
- (b) a startup as defined in clause (62A) of section 2 for the tax year in which the startup is certified by the Pakistan Software Export Board and the next following two tax years; and
- (c) Income from exports of computer software or IT services or IT enabled services upto the period ending on the 30th day of June, 2025:

Provided that eighty percent of the export proceeds is brought into Pakistan in foreign exchange remitted from outside Pakistan through normal banking channels.

(2) The tax credit under sub-section (1) shall be available subject to fulfillment of the following conditions, where applicable, namely:-

- (a) return has been filed ;
- (b) withholding tax statements for the relevant tax year have been filed in respect of those provisions of the Ordinance, where the person is a withholding agent; and
- (c) sales tax returns for the tax periods corresponding to relevant tax year have been filed if the person is required to file Sales Tax Return under any of the Federal or Provincial sales tax laws.

“65G. Tax credit for specified industrial undertakings.- (1) When making certain eligible capital investments as specified in sub-section (2), the eligible taxpayers defined in sub-section (3) shall be allowed to take an investment tax credit of twenty five percent of the eligible investment amount, against tax payable under the provisions of this Ordinance including minimum and final taxes. The tax credit not fully adjusted during the year of investment shall be carried forward to the subsequent tax year subject to the condition that it may be carried forward for a period not exceeding two years.

(2) For the purposes of this section, the eligible investment means investment made in purchase and installation of new machinery, buildings, equipment, hardware and software, except self-created software and used capital goods.

(3) For the purpose of this section, eligible person means —

(a) green field industrial undertaking as defined in clause (27A) of section 2 engaged in —

(i) the manufacture of goods or materials or the subjection of goods or materials to any process which substantially changes their original condition; or

(ii) ship building:

Provided that the person incorporated between the 30th day of June, 2019 and the 30th day of June, 2024 and the person is not formed by the splitting up or reconstitution of an undertaking already in existence or by transfer of machinery, plant or building from an undertaking established in Pakistan prior to commencement of the new business and is not part of an expansion project; and

(b) industrial undertaking set up by the 30th day of June 2023 and engaged in the manufacture of plant, machinery, equipment and items with dedicated use (no multiple uses) for generation of renewable energy from sources like solar and wind, for a period of five years beginning from the date such industrial undertaking is set up.

- (27) in section 79, in sub-section (2), after the word “acquisition”, the expression “in respect of disposal of an asset as mentioned in clauses (d), (e) and (f)” shall be inserted;
- (28) in section 80, in sub-section (2), in clause (b), in para (i), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (29) in section 99B, for the words “Federal Government”, the expression “Board with the approval of the Minister-in-charge” shall be substituted;
- (30) in section 99C, for the words “Federal Government”, wherever occurring, the expression “Board with the approval of the Minister-in-charge” shall be substituted;
- (31) in section 100, in sub-section (3), for the words “Federal Government”, the expression “Board with the approval of the Minister-in-charge shall be substituted;
- (32) for section 100C, the following shall be substituted, namely:—

"100C. Tax credit for charitable organizations.— (1) The persons mentioned in sub-section (2) shall be allowed a tax credit equal to one hundred percent of tax payable under any of the provisions of this Ordinance including minimum and final taxes in respect of incomes mentioned in sub-section (3) subject to the conditions and limitations laid down in sub-section (4).

(2) The provisions of this section shall apply to the following persons, namely:—

- (a) persons specified in Table - II of clause (66) of Part I of the Second Schedule to this Ordinance;
- (b) a trust administered under a scheme approved by the Federal Government and established in Pakistan exclusively for the purposes of carrying out such activities as are for the welfare of ex-employees and serving personnel of the Federal Government or a Provincial Government or armed forces including civilian employees of armed forces and their dependents where the said trust is administered by a committee nominated by the Federal Government or a Provincial Government;
- (c) a trust;
- (d) a welfare institution registered with Provincial or Islamabad Capital Territory (ICT) social welfare department;
- (e) a not for profit company registered with the Securities and Exchange Commission of Pakistan under section 42 of the Companies Act, 2017;
- (f) a welfare society registered under the provincial or Islamabad Capital Territory (ICT) laws related to registration of co-operative societies;
- (g) a waqf registered under Mussalman Waqf Validating Act, 1913 (VI of 1913) or any other law for the time being in force or in the instrument relating to the trust or the institution;

- (h) a university or education institutions being run by non-profit organization existing solely for educational purposes and not for the purposes of profit;
 - (i) a religious or charitable institution for the benefit of public registered under any law for the time being in force; and
 - (j) international non-governmental organizations (INGOs) approved by the Federal Government.
- (3) The following income is eligible for tax credit, namely:—
- (a) income from donations, voluntary contributions and subscriptions;
 - (b) income from house property;
 - (c) income from investments in the securities of the Federal Government;
 - (d) profit on debt from scheduled banks and microfinance banks;
 - (e) grant received from Federal, Provincial, Local or foreign Government;
 - (f) so much of the income chargeable under the head "income from business" as is expended in Pakistan for the purposes of carrying out welfare activities:

Provided that in the case of income under the head "income from business", only so much of such

income shall be eligible for tax credit under this section that bears the same proportion as the said amount of business income bears to the aggregate of income from all sources; and

- (g) any income of the persons mentioned in clauses (a), (b) and (h) of sub-section (2) of this section.

(4) Eligibility for tax credit shall be subject to the following conditions, namely:-

- (a) return has been filed;
- (b) tax required to be deducted or collected has been deducted or collected and paid;
- (c) withholding tax statements for the relevant tax year have been filed;
- (d) the administrative and management expenditure does not exceed 15% of the total receipts:

Provided that clause (d) shall not apply to a non-profit organization, if-

- (i) charitable and welfare activities of the non-profit organization have commenced for the first time within last three years; or
- (ii) total receipts of the non-profit organization during the tax year are less than one hundred million Rupees;

- (e) approval of Commissioner has been obtained as per requirement of clause (36) of section 2:

Provided that the condition of approval in respect of persons mentioned in Table – II of clause (66) of Part I of the Second Schedule to this Ordinance, shall take effect from the first day of July, 2022 and the requirements of clause (36) of section 2, shall not be applicable for earlier years;

- (f) none of the assets of trusts or welfare institutions confers, or may confer, a private benefit to the donors or family, children or author of the trust or his descendants or the maker of the institution or to any other person:

Provided that where such private benefit is conferred, the amount of such benefit shall be added to the income of the donor; and

- (g) a statement of voluntary contributions and donations received in the immediately preceding tax year has been filed in the prescribed form and manner.

(5) Notwithstanding anything contained in sub-section (1), surplus funds of organizations to which this section applies shall be taxed at a rate of ten percent.

(6) For the purpose of sub-section (5), surplus funds mean funds or monies —

- (a) not spent on charitable and welfare activities during the tax year;
- (b) received during the tax year as donations, voluntary contributions, subscriptions and other incomes;
- (c) which are more than twenty-five percent of the total receipts of the non-profit organization received during the tax year; and
- (d) are not part of restricted funds.

Explanation.- For the purpose of this clause, "restricted funds" mean any fund received by the organization but could not be spent and treated as revenue during the year due to any obligation placed by the donor or funds received in kind.";

(33) in section 100D,—

- (a) for the expression "30th day of September, 2022", wherever occurring except for clause (a) of sub-section (4), the expression "30th day of September, 2023" shall be substituted;
- (b) in sub-section (1), in clause (b), in the proviso, after the figure "2019", the expression "or tax year 2020, as the case may be" shall be inserted;
- (c) in sub-section (3),—
 - (i) for the expression "31st day of December, 2020", wherever occurring, the expression "30th day of June, 2021" shall be substituted; and
 - (ii) in clause (c), after the word "portal", the expression "by 30th

day of June, 2021" shall be added;

(d) in sub-section (4),—

(i) in clause (a), for the expression "30th day of September, 2022", wherever occurring, the expression "31st day of March, 2023" shall be substituted;

(ii) in clause (b),—

(I) in sub-clauses (i) and (ii), for the expression "31st day of December, 2020", wherever occurring, the expression "30th day of June, 2021" shall be substituted respectively; and

(II) in sub-clause (iii), for the expression "31st day of December, 2020", the expression "31st day of December, 2021" shall be substituted; and

(e) in sub-section (9),—

(i) for the expression "31st day of December, 2020", wherever occurring, the expression "31st day of December, 2021" shall be substituted; and

(ii) in clause (d), in sub-clause (iv), after the figure "2019", the expression "or tax year 2020 at the option of the taxpayer" shall be added;

(34) after section 100D, the following new section shall be inserted, namely._

“100E. Special provisions relating to small and medium enterprises.- (1) For tax year 2021 and onwards, the tax payable by a small

and medium enterprise as defined in clause (59A) of section 2 shall be computed and paid in accordance with rules made under the Fourteenth Schedule.

(2) The Board may prescribe a simplified return for a small and medium enterprise.”;

(35) in section 107, in sub-section (1), after the words “avoidance of taxes”, the words “or assistance in the recovery of taxes” shall be inserted;

(36) in section 111,—

(a) in sub-section (2), in clause (ii), for the word “and” occurring for the second time, the word “or” shall be substituted;

(b) for sub-section (4), the following shall be substituted, namely:-

“(4) Sub-section (1) does not apply to any amount of foreign exchange remitted from outside Pakistan through normal banking channels not exceeding five million Rupees in a tax year that is encashed into rupees by a scheduled bank and a certificate from such bank is produced to that effect.”;

(c) in sub-section (5), the following new explanation shall be added, namely:—

“*Explanation.*— For the removal of doubt, a separate notice under this section is not required to be issued if the explanation regarding nature and sources of amount credited or the investment of money, valuable article, or the funds from which expenditure was made has

been confronted to the taxpayer through a notice under sub-section (9) of section 122 of this Ordinance.”.

(37) in section 113,—

(a) in sub-section (1), for the word “ten” wherever occurring, the word “hundred” shall be substituted;

(b) in sub-section (2),—

(i) in clause (a), for the semi colon at the end a full stop shall be substituted and thereafter the following explanation shall be added, namely:-

“Explanation.- For the removal of doubt, it is clarified that the definition of turnover covers receipts from all business activities in line with expression “ turnover from all sources” used in sub-section (1) including but not limited to receipts from sale of immoveable property where such receipt is taxable under the head Income from Business;”;

(ii) in clause (c), for the proviso, the following shall be substituted, namely:-

“Provided that if tax is paid under sub-section (1) due to the fact that no tax is payable or paid for the year, the entire amount of tax paid under sub-section (1) shall be carried forward for adjustment in the manner stated aforesaid:

Provided further that the amount under this clause shall be carried forward and adjusted against tax liability for five

tax years immediately succeeding the tax year for which the amount was paid.”;

(38) in section 114,—

- (a) in sub-section (1), clause (ad) shall be omitted;
- (b) in sub-section (5), in the proviso, for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

“Provided further that the time-limitation provided under this sub-section shall not apply if the Commissioner is satisfied on the basis of reasons to be recorded in writing that a person who failed to furnish his return has foreign income or owns foreign assets.”; and

- (c) in sub-section (6), in clause (a), for the semi colon, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

“Provided that Commissioner may waive this condition if Commissioner is satisfied that filing of revised accounts or audited accounts is not necessary;”;

(39) section 114A shall be omitted;

(40) in section 120,—

- (a) in sub-section (1),—
 - (i) in clause (a), the expression ", equal to the respective amounts adjusted under sub-section (2A)" shall be omitted;

(ii) in clause (b),—

(I) for the expression "adjustments were made under sub-section (2A)", the expression "return was furnished" shall be substituted; and

(II) for the full stop at the end a colon shall be substituted and thereafter the following new provisos shall be added, namely:—

"Provided that until the date specified under the fourth proviso to sub-section (2A) is notified, this subsection shall be in force as if sub-section (2A) is not in operation:

Provided further that once the date under the fourth proviso to sub-section (2A) is notified, clauses (a) and (b) shall only apply when the provisions of sub-section (2A), if invoked, are first complied with:

Provided further once compliance is made under the second proviso,—

(i) the adjusted amount under sub-section (2A) shall be construed to be the tax payable and due under clause (a);and

(ii) the date of the compliance under sub-section (2A) shall be the date for the purposes of clause (b).";

- (b) in sub-section (2A), in clause (iv), in the third proviso, for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

"Provided also that the provisions of this sub-section shall apply from the date notified by the Federal Board of Revenue in the official Gazette.";

- (41) in section 122,—

- (a) in sub-section (5A), the expression “ after making, or causing to be made, such inquiries as he deems necessary,” shall be omitted; and
- (b) in sub-section (9), for the full stop at the end, a colon shall be substituted and thereafter the following new provisos shall be added, namely:—

“Provided that order under this section shall be made within one hundred and twenty days of issuance of show cause notice or within such extended period as the Commissioner may, for reasons to be recorded in writing, so however, such extended period shall in no case exceed ninety days. This proviso shall be applicable to a show cause notice issued on or after the first day of July, 2021.

Provided further that any period during which the proceedings are adjourned on account of a stay order or Alternative Dispute Resolution proceedings or agreed assessment proceedings under

section 122D or the time taken through adjournment by the taxpayer not exceeding sixty days shall be excluded from the computation of the period specified in the first proviso.”;

- (42) in section 122A, after sub-section (4), the following new sub-section shall be added, namely:–

“(5) If any order is remanded back to any lower authority by the Commissioner for modification , alteration, implementation of directions or de novo proceedings, the order giving effect to the directions of the Commissioner shall be issued within one hundred and twenty days.”;

- (43) in section 127,–

- (a) for sub-section (2), the following new sub-section shall be substituted, namely:–

“(2) No appeal under sub-section (1), shall be made by a taxpayer against an order of assessment unless the taxpayer has paid the amount of tax due under sub section (1) of section 137.”;
and

- (b) after sub-section (3), the following new sub-section shall be inserted, namely:–

“(3A) The Board may prescribe mechanism for electronic filing of the appeals.”;

- (44) in section 130, in sub-section (4),–

- (a) in clause (a), for the words “Regional Commissioner”, the words “Chief Commissioner Inland Revenue”, shall be substituted; and

- (b) in clause (b), the words “ or Collector”, shall be omitted;
- (45) in section 134A,—
- (a) in sub-section (1),
- (i) the expression “where criminal proceedings have been initiated or” shall be omitted;
- (ii) for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-
- “Provided that if the issue involves a mixed question of fact and law, the Board, while taking into consideration all relevant facts and circumstances, shall decide whether or not ADRC may be constituted.”
- (b) after sub-section (1), amended as aforesaid, the following new sub-section shall be inserted, namely:—
- “(1A) The application for dispute resolution shall be accompanied by an initial proposition for resolution of the dispute, from which proposition, the taxpayer would not be entitled to retract.”;
- (c) in sub-section (2), for the words “sixty”, the figure “thirty” shall be substituted;
- (d) in sub-section (4), for the expression, “ one hundred and twenty days of its appointment”, the words “sixty days of its appointment extendable by another thirty days for the reasons to be recorded in writing” shall be substituted;
- (e) for sub-section (5), the following shall be substituted, namely:—

“(5) The recovery of tax shall be stayed on the constitution of committee till the final decision or dissolution of the committee, whichever is earlier”;

- (f) after sub-section (6), the following new sub-section shall be inserted, namely:—

“(6A) If the committee fails to decide within the period mentioned in sub section (4), the Board shall dissolve the committee by an order in writing and may re-constitute another committee and the provisions of sub-sections (2), (3), (4), (5) and (6) shall apply mutatis mutandis to the second committee”; and

- (g) in sub-section (7), for the words “the Committee fails to decide within the period of one hundred and twenty days”, the words “the Second Committee fails to decide within time limit prescribed” shall be substituted;

- (46) in section 137,—

- (a) in sub-section (2), in the first proviso, for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

“Provided further that due date for payment of tax payable specified in sub-section (2) of this section shall not apply in case of an assessment order passed under sub-section (1) or sub-section (4) of section 124 of this Ordinance and that tax payable as a result

- of order passed under sub-section (1) or sub-section (4) of section 124 shall be payable immediately.”; and
- (b) in section 139, in sub-section (1), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (47) after section 146B, the following new section shall be inserted, namely:–
- “146C. Assistance in the recovery and collection of taxes.–** The provisions of sections 138, 138A, 138B, 139, 140, 141, 142, 143, 144, 145, 146, 146A, and 146B shall *mutatis mutandis* apply in respect of assistance in collection and recovery of taxes in pursuance of a request from a foreign jurisdiction under a tax treaty, a multilateral convention, an inter-governmental agreement or similar arrangement or mechanism.”;
- (48) in section 147, in sub-section (6), in the first proviso, for the colon at the end, a full stop shall be substituted and thereafter the second proviso shall be omitted;
- (49) in section 150, after the word “paid”, the words “collect tax from the amount of dividend in specie” shall be inserted;
- (50) section 150A shall be omitted;
- (51) in section 151, after sub-section (1), following new sub-section shall be inserted, namely:-
- “(1A) Every special purpose vehicle or a company, at the time of making payment of a return on investment in sukuks to a sukuk holder shall

deduct tax from the gross amount of return on investment at the rate specified in Division IB of Part III of the First Schedule.”;

(52) in section 152,—

(a) for the sub-sections (1B), (1BB) and (1BBB), following shall be substituted, namely :-

“(1B) The tax deductible under sub-sections (1A), (1AA) and (1AAA) shall be a minimum tax on the income of the non-resident persons in respect of payments mentioned therein.

(1BA) Every person responsible for making payment directly or through an agent or intermediary to a non-resident person for foreign produced commercial for advertisement on any television channel or any other media, shall deduct tax at the rate of twenty percent from the gross amount paid. The tax deducted under this sub-section shall be final tax on the income of non-resident person arising out of such payment.
and

(b) after sub-section (1D), the following new sub-sections shall be inserted, namely: -

“(1DA) Every banking company maintaining a Foreign Currency Value Account (FCVA) or a non-resident Pakistani Rupee Value Account (NRVA) of a non-resident individual holding Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC)

shall deduct tax from capital gain arising on the disposal of debt instruments and government securities and certificates (including *Shariah* compliant variant) invested through aforesaid accounts at the rate specified in Division II of Part III of the First Schedule.", and

“(1DB) Every special purpose vehicle or a company, at the time of making payment of a return on investment in sukuk to a non-resident sukuk holder shall deduct tax from the gross amount of return on investment at the rate specified in Division IB of Part III of the First Schedule.”; and

(c) for sub-section (1E), the following shall be substituted, namely:-

"(1E) The tax deductible under sub-sections (1D), (1DA) and (1DB) shall be a final tax in respect of persons and income mentioned therein.”;

(53) section 152A shall be omitted;

(54) in section 153,—

(a) in sub-section (4),—

(i) in the first proviso, for the words, “public company listed on registered stock exchange in Pakistan”, the word “company” shall be substituted; and

(ii) in the second proviso, the words, “public listed” shall be omitted; and

(b) in sub-section (5), clause (b) shall be omitted;

- (55) section 153B shall be omitted;
- (56) after section 154, the following new section shall be inserted, namely:–

“154A. Export of Services.– (1) Every authorized dealer in foreign exchange shall, at the time of realization of foreign exchange proceeds on account of the following, deduct tax from the proceeds at the rates specified in Division IVA of Part III of the First Schedule –

- (a) exports of computer software or IT services or IT enabled services in case tax credit under section 65F is not available;
- (b) services or technical services rendered outside Pakistan or exported from Pakistan;
- (c) royalty, commission or fees derived by a resident company from a foreign enterprise in consideration for the use outside Pakistan of any patent, invention, model, design, secret process or formula or similar property right, or information concerning industrial, commercial or scientific knowledge, experience or skill made available or provided to such enterprise;
- (d) construction contracts executed outside Pakistan; and
- (e) other services rendered outside Pakistan as notified by the Board from time to time;

(2) The tax deductible under this section shall be a final tax on the income arising from the transactions referred to in this section, upon fulfilment of the following conditions –

- (a) return has been filed;
 - (b) withholding tax statements for the relevant tax year have been filed; and
 - (c) sales tax returns under Federal or Provincial laws have been filed, if required under the law;
 - (d) no credit for foreign taxes paid shall be allowed.
- (3) The provisions of sub-section (2) shall not apply to a person

who does not fulfill the specified conditions or who opts not to be subject to final taxation:

Provided that the option shall be exercised every year at the time of filing of return under section 114.

(4) Where a taxpayer, while explaining the nature and source of any amount, investment, money, valuable article, expenditure, referred to in section 111, takes into account any source of income which is subject to final tax in accordance with the provisions of this section, he shall not be entitled to take credit of a sum that can be reasonably attributed to the business activity or activities mentioned in sub-section (1).

(5) The Board in consultation with State Bank of Pakistan shall prescribe mode, manner and procedure of payment of tax under this section.

(6) The Board shall have power to include or exclude certain services for applicability of provisions of this section.”;

(57) in section 155,—

(a) in the marginal note for the words “ income from”, the words “**Rent of immoveable**” shall be substituted; and

(b) in sub-section (1), after the explanation, the following explanation shall be added, namely:-

“*Explanation.*– For removal of doubt, it is clarified that the sub section (1) shall apply when a payment is made on account of rent of immoveable property irrespective of head of income”;

(58) in section 159, in sub-section (1),–

(a) in clause (c), for the expression “section 100C”, the words “under this Ordinance” shall be substituted; and

(b) for the full stop at the end, a colon shall be substituted and thereafter the following new provisos shall be added, namely :-

“Provided that in case of a company, the Commissioner shall issue exemption or lower rate certificate under this section within fifteen days of filing of application by the company:

Provided further that the Commissioner shall be deemed to have issued the exemption certificate upon the expiry of fifteen days from filing of application by the aforesaid company and the certificate shall be automatically processed and issued by Iris:

Provided also that the Commissioner may modify or cancel the certificate issued automatically by Iris on the basis of reasons to be recorded in writing after providing an opportunity of being heard.”;

(59) in section 165, after sub-section (6), the following new sub-sections shall be added, namely:–

“(7) Every prescribed person collecting tax under Division II of this Part, Chapter XII or the Tenth Schedule or deducting tax from a payment under Division III of this Part, Chapter XII or the Tenth Schedule shall, e-file to the Commissioner an annual statement for the relevant tax year within thirty days of the end of tax year in addition to statement to be filed under sub-section (6) of this section.

(8) Every prescribed person collecting tax under Division II of this Part or Chapter XII, the Tenth Schedule or deducting tax from a payment under Division III of this Part, Chapter XII or the Tenth Schedule shall also e-file to the Commissioner a statement in the prescribed form reconciling the amounts mentioned in annual statement filed under sub-section (7) with the amounts declared in the return, audited accounts or financial statements by the due date of filing of return of income as provided under section 118 of the Ordinance.”;

(60) in section 168, in sub-section (3), after clause (e), the following new clause shall be inserted, namely:-

"(ea) sub-section (2) of section 154A;”;

(61) in section 169, in sub-section (1), in clause (b), after the expression “section 154,” the expression “sub-section (2) of section 154A,” shall be inserted;

(62) after section 170, the following new section shall be inserted, namely:–

“170A. Electronic processing and electronic issuance of Refunds by the Board.— Notwithstanding anything contained in section 170 of this Ordinance, commencing from tax year 2021, the Board may process and issue refund to the taxpayer who has filed the return of income without requiring refund application by the taxpayer to the extent of tax credit verified by the Board’s computerized system as may be prescribed. The refund amount sanctioned under this section shall be electronically transferred in the taxpayer’s notified bank account.”;

(63) in section 182,—

(a) in sub-section (1), in the Table, in column (1), –

(i) against S. No. 1, in column (3), in the proviso and before the explanation, for the full stop at the end, a colon shall be substituted and thereafter the following new provisos shall be added, namely:—

"Provided further that if taxable income is up-to eight hundred thousand Rupees, the minimum amount of penalty shall be five thousand Rupees:

Provided also that the amount of penalty shall be reduced by 75%, 50% and 25% if the return is filed within one, two and three months respectively after the due date or extended due date of filing of return as prescribed under the law.";

- (ii) against S. No. 1A, in column (3), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely: -

"Provided that where it stands established that no tax was required to be deducted or collected during the relevant period, minimum amount of penalty shall be ten thousand Rupees.";

- (iii) S. No. 4A and entries relating thereto in column (2), (3) and (4) shall be omitted;

- (iv) against S. No. 4B, in column (3), for the figure " 10,000", the figure "100,000" shall be substituted;

- (v) against S. No. 6,—

- (i) in column (2),—

- (I) after the word "tax", occurring for the first time, the expression "paid is" shall be inserted; and
(II) the expression "is paid" shall be omitted; and

- (ii) in column (3), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

"Provided that no penalty shall be imposed to the extent of the tax shortfall occurring as a result of the taxpayer taking a reasonably arguable position on

the application of this Ordinance to the taxpayer's position.";

- (vi) against S. No. 10,—
 - (i) in column (3), for the figure "100%", the figure "50%" shall be substituted; and
 - (ii) in column (4), for the expression "and general", the figure "118" shall be substituted;
- (vii) against S. No. 11, in column (3), for the words "one hundred" the word "fifty" shall be substituted;
- (viii) against S. No. 15, for the entries in column (4), the expression "Division II or Division III of Part V of Chapter X or Chapter XII" shall be substituted;
- (ix) against S. No. 16,—
 - (i) in column (2), after the letters "NTN", the expression "or business licence" shall be inserted; and
 - (ii) in column (4), after the figure "181C", the expression "and 181D" shall be added;
- (x) S. No. 19 and entries relating thereto shall be omitted;
- (xi) S. No. 20 and entries relating thereto shall be omitted;
- (xii) after S. No. 28, the following new S .No. and entries relating thereto in columns (2), (3), and (4) shall be added, namely:—

“29	Where any person fails to declare business bank	Such person shall pay a penalty of Rs. 10,000	181”;
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	<p>account(s), in his registration application or fails to amend his registration profile to declare existing business bank account(s).</p>	<p>for each day of default since the date of submission of application for registration or date of opening of undeclared business bank account whichever is later:</p> <p>Provided that if penalty worked out as aforesaid is less than Rs.100,000 for each undeclared bank account, such person shall pay a penalty of Rs.100,000 for each undeclared business bank account:</p> <p>Provided further that this provision shall be applicable from the first day of October, 2021 during which</p>	
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		period the taxpayer may update their registration forms.	
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(b) in sub-section (2), after the proviso, the following explanation shall be added, namely:—

“*Explanation.*— For the removal of doubt, it is clarified that establishing *mens rea* is not necessary for levying of penalty under this section.”;

(64) in section 182A, sub-section (2) shall be omitted;

(65) in section 191, in sub-section (1), -

(i) in clause (e), the word “ or” at the end shall be omitted;

(ii) in clause (f), for the comma, at the end, a semi colon and the word “or” shall be inserted and thereafter the following new clause shall be added, namely:—

“(g) declare business bank account(s) in the registration form or updated registration form or return of income or wealth statement,”;

(66) sections 202 and 203 shall be omitted;

(67) for section 203A, the following shall be substituted, namely:—

“203A. Power to arrest and prosecute.— (1) An officer of Inland Revenue not below the rank of an Assistant Commissioner of Inland Revenue or any other officer of equal rank authorised by the Board in this behalf, who on the basis of material evidence has reason to believe that

any person has committed offence of concealment of income or any offence warranting prosecution under this Ordinance, may cause arrest of such person.

(2) All arrests made under this Ordinance shall be carried out in accordance with the relevant provisions of the Code of Criminal Procedure, 1898 (Act V of 1898).

(3) Notwithstanding anything contained in sub-sections (1) and (2) or any other provision of this Ordinance, where any person has committed offence of concealment of income or any offence warranting prosecution under this Ordinance, the Chief Commissioner with the prior approval of the Board may, either before or after the institution of any proceedings for recovery of tax, compound the offence if such person pays the amount of tax due along with such default surcharge and penalty as is determined under the provisions of this Ordinance.

(4) Where the person suspected of offence of concealment of income or any offence warranting prosecution under this Ordinance is a company, every director or officer of that company whom the authorised officer has reason to believe is personally responsible for actions of the company contributing to offence of concealment of income or any offence warranting prosecution under this Ordinance shall be liable to arrest:

Provided that any arrest under this sub-section shall not absolve the company from the liabilities of payment of tax, default surcharge and penalty imposed under this Ordinance.

203B. Procedure to be followed on arrest of a person.— (1) When an officer of Inland Revenue authorized in this behalf arrests a person under section 203A, he shall immediately intimate the fact of the arrest of that person to the Special Judge who may direct such officer to produce that person at such time and place and on such date as the Special Judge considers expedient and such Officer shall act accordingly.

(2) Notwithstanding anything contained in the sub-section (1), any person arrested under this Ordinance shall be produced before the Special Judge or, if there is no Special Judge within a reasonable distance, to the nearest Judicial Magistrate, within twenty-four hours of such arrest, excluding the time necessary for the journey from the place of arrest to the Court of the Special Judge or, as the case may be, of such Magistrate.

(3) When any person is produced under sub-section (2) before the Special Judge, he may, on the request of such person, after perusing the record, if any and after giving the prosecution an opportunity of being heard, admit him to bail on his executing a bond, with or without sureties, or refuse to admit him to bail and direct his detention at such place as he deems fit:

Provided that nothing herein contained shall preclude the Special Judge from cancelling the bail of any such person at a subsequent stage if, for any reason, he considers such cancellation necessary, but before passing such order he shall afford such person an opportunity of being heard, unless for reasons to be recorded he considers that the affording of such opportunity shall defeat the purposes of this Ordinance.

(4) When such person is produced under sub-section (2) before a Judicial Magistrate, such Magistrate may, after authorising his detention in such custody at such place and for such period as he considers necessary or proper for facilitating his earliest production before the Special Judge, direct his production before the Special Judge on a date and time to be fixed by him or direct such person to be forthwith taken to, and produced before, the Special Judge and he shall be so taken.

(5) Nothing in sub-section (3) or sub-section (4) shall preclude the Special Judge or the Judicial Magistrate from remanding any such person to the custody of an officer of Inland Revenue holding inquiry against that person if such officer makes a request in writing to that effect, and the Special Judge or the Judicial Magistrate, after perusing the record, if any, and hearing such person, is of the opinion that for the completion of inquiry or investigation it is necessary to make such order:

Provided that the period of such custody shall not exceed more than fourteen days.

(6) When any person is arrested under this Ordinance, an officer of Inland Revenue shall record the fact of arrest and other relevant particulars in the register specified in sub-section (10) and shall immediately proceed to inquire into the charge against such person and if he completes the inquiry within twentyfour hours of his arrest, excluding the time necessary for journey as aforesaid, he may, after producing such person before the

Special Judge or the nearest Judicial Magistrate, make a request for his further detention in his custody.

(7) While holding an inquiry under sub-section (6), an officer of Inland Revenue shall exercise the same powers as are exercisable by an officer in charge of a police station under the Code of Criminal Procedure, 1898 (Act V of 1898), but such officer shall exercise such powers subject to the foregoing provisions of this section while holding an inquiry under this Ordinance.

(8) If an officer of Inland Revenue, after holding an inquiry as aforesaid, is of the opinion that there is no sufficient evidence or reasonable ground for suspicion against such person, he shall release him on his executing a bond, with or without sureties, and shall direct such person to appear, as and when required, before the Special Judge, and make a report to the Special Judge for the discharge of such person and shall make a full report of the case to his immediate superior.

(9) The Special Judge to whom a report has been made under sub-section, (8) may, after the perusal of record of the inquiry, and hearing the prosecution, agree with such report and discharge the accused or, if he is of the opinion that there is sufficient ground for proceedings against such person, proceed with his trial and direct the prosecution to produce evidence.

(10) An officer of Inland Revenue empowered to hold inquiry under this section shall maintain a register to be called "Register of Arrests and

Detentions" in the prescribed form in which he shall enter the name and other particulars of every person arrested under this Ordinance, together with the time and date of arrest, the details of the information received, the details of things, goods or documents, recovered from his custody, the name of the witnesses and the explanation, if any, given by him and the manner in which the inquiry has been conducted from day to day and, such register or authenticated copies of its aforesaid entries shall be produced before the Special Judge, whenever such Officer is so directed by him.

(11) After completing the inquiry, an officer of Inland Revenue shall, as early as possible, submit to Special Judge a complaint in the same form and manner in which the officer in-charge of a police station submits a report, before a court.

(12) Magistrate of the first class may record any statement or confession during inquiry under this Ordinance, in accordance with the provisions of section 164 of the Code of Criminal Procedure, 1898 (Act V of 1898).

(13) Without prejudice to the foregoing provisions of this section, Board, with the approval of the Federal Minister-in-charge, may, by notification in the official Gazette, authorize any other officer working under the Board to exercise the powers and perform the functions of an officer of Inland Revenue under this section, subject to such conditions, if any, that it may deem fit to impose.

203C. Special Judges.— (1) The Federal Government shall by notification in the official Gazette, appoint as many Special Judges as it

considers necessary and, where it appoints more than one Special Judge, it shall specify in the notification the headquarter of each Special Judge and the territorial limits within which he shall exercise jurisdiction under this Ordinance.

(2) No person shall be appointed as a Special Judge unless he is or has been a Sessions Judge.

203D. Cognizance of Offences by Special Judges.– (1)

Notwithstanding anything contained in this Ordinance or any other law for the time being in force, a Special Judge may, within the limits of his jurisdiction, take cognizance of any offence punishable under this Ordinance upon-

- (a) a report in writing made by an officer of Inland Revenue or by any other officer especially authorized in this behalf by the Federal Government; or
- (b) receiving a complaint or information of facts constituting such offence made or communicated by any person; or
- (c) his own knowledge acquired during any proceeding before him under this Ordinance or under any other law for the time being in force.

(2) Upon the receipt of report under clause (a) of sub-section (1), the Special Judge shall proceed with the trial of the accused.

(3) Upon the receipt of a complaint or information under clause (b), or acquired in the manner referred to in clause (c) of sub-section (1), the

Special Judge may, before issuing a summon or warrant for appearance of the person complained against, hold a preliminary inquiry for the purpose of ascertaining the truth or falsehood of the complaint, or direct any magistrate or any officer of Inland Revenue or any police officer to hold such inquiry and submit a report, and such Magistrate or officer shall conduct such inquiry and make report accordingly.

(4) If, after conducting such inquiry or after considering the report of such Magistrate or officer, the Special Judge is of the opinion that there is –

(a) no sufficient ground for proceeding, he may dismiss the complaint, or

(b) sufficient ground for proceeding, he may proceed against the person complained against in accordance with law.

(5) A special Judge or a Magistrate or an officer holding inquiry under sub-section (3) may hold such inquiry, as early as possible, in accordance with the provision of section 202 of the Code of Criminal Procedure, 1898 (Act V of 1898).

203E. Special Judge, etc. to have exclusive jurisdiction.–

Notwithstanding anything contained in this Ordinance or in any other law for the time being in force no,–

(a) court other than the Special Judge having jurisdiction, shall try an offence punishable under this Ordinance;

- (b) other court or officer, except in the manner and to the extent specifically provided for in this Ordinance, shall exercise any power, or perform any function under this Ordinance;
- (c) court, other than the High Court, shall entertain, hear or decide any application, petition or appeal under chapters XXXI and XXXII of the Code of Criminal Procedure, 1898 (Act V of 1898), against or in respect of any order or direction made under this Ordinance; and
- (d) no court, other than the Special Judge or the High Court, shall entertain any application or petition or pass any order or give any direction under chapters XXXVII, XXXIX, XLIV or XLV of the aforesaid Code.

203F. Provisions of Code of Criminal Procedure, 1898, to apply.– (1) The provision of the Code of Criminal procedure, 1898 (Act V of 1898), so far as they are not inconsistent with the provisions of this Ordinance, shall apply to the proceedings of the court of a Special Judge and such court shall be deemed to be a court of Sessions for the purpose of the said Code and the provisions of Chapter XXIIA of the foresaid Code, so far as applicable and with the necessary modifications, shall apply to the trial of cases by the Special Judge under this Ordinance.

(2) For the purposes of sub-section (1), the Code of Criminal Procedure, 1898 (Act V of 1898), shall have effect as if an offence

punishable under this Ordinance were one of the offences referred to in sub-section (1) of section 337 of the said Code.

203G. Transfer of cases.— (1) Where more than one Special Judge are appointed within the territorial jurisdiction of a High Court, the High Court, and where not more than one Special Judge is so appointed, the Federal Government, may by order in writing direct the transfer, at any stage of the trial, of any case from the court of one Special Judge to the Court of another Special Judge for disposal, whenever it appears to the High Court or, as the case may be, the Federal Government, that such transfer may promote the ends of justice or tend to the general convenience of the parties or witnesses.

(2) In respect of a case transferred to a Special Judge under sub-section (1), such Special Judge shall not by reason of the said transfer, be bound to recall and rehear any witness whose evidence has been recorded in the case before the transfer and may act upon the evidence already recorded or produced before the court which tried the case before the transfer.

203H. Place of Sittings.— A Special Judge shall ordinarily hold sittings at his headquarters but, keeping in view the general convenience of the parties or the witnesses, he may hold sittings at any other place.”;

(68) in section 204, for the words “Federal Government” wherever occurring, the expression “Board with the approval of the Minister-in-charge” shall be substituted;

- (69) in section 212, for the words “Regional Commissioner”, the words “Chief Commissioner Inland Revenue”, shall be substituted;
- (70) in section 216, in sub-section (3), in clause (k), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (71) section 222A shall be renumbered as sub-section (1) of that section and thereafter the following new sub-section shall be added, namely :-
- “(2) The Board may authorize and prescribe the manner in which fee and service charges collected including by ventures of public-private partnership under this section are expended.”;
- (72) in section 225, for the expression “section 316 of the Companies Ordinance, 1984 (XLVII of 1984)”, the expression “section 310 of the Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (73) after section 227D, the following new section shall be added, namely:–
- “**227E. E-hearing.**– (1) The Board may design and prescribe e-hearing module for the purpose of conducting hearings, granting opportunity of being heard and electronically receiving any information for the purpose of this Ordinance.
- (2) The recording of e-hearing proceedings shall be admissible as evidence before any forum or court of law for the purpose of this Ordinance.
- (3) The Board may make rules for the purpose of this section.”;

(74) after section 230H, the following new sub-section shall be inserted, namely:—

“230I. Directorate General of Compliance Risk Management.—

(1) The Directorate General of Compliance Risk Management shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors, Assistant Directors and such other officers as the Board may, by notification in the official Gazette, appoint.

(2) The Board may, by notification in the official Gazette –

(a) specify the functions, jurisdiction and powers of the Directorate General of Compliance Risk Management and its officers; and

(b) confer the powers of authorities specified in section 207 upon the Directorate General and its officers.”;

(75) sections 231A, 231AA shall be omitted;

(76) in section 231B, after sub-section (2), the following new sub-section shall be inserted, namely:—

“(2A) Every motor vehicle registration authority of Excise and Taxation Department shall, at the time of registration, collect tax at the rates specified in Division VII of Part IV of the First Schedule, if the locally manufactured motor vehicle has been sold prior to registration by the person who originally purchased it from the local manufacturer.” ;

(77) in section 233, in sub-section (1), for the expression “ association of persons constituted by, or under any law”, the expression “association of person or

individual having turnover of hundred million rupees or more” shall be substituted;

(78) sections 233A and 233AA shall be omitted;

(79) section 234A shall be omitted;

(80) in section 235,

(a) in sub-section (1),

(i) after the word “ industrial” the words “ or domestic” shall be inserted;

(ii) for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

“Provided that the provisions of sub-section (1) shall not apply to a domestic consumer of electricity if his name appears on the Active Taxpayers’ List.”; and

(b) in sub-section (3) for the words “for the tax year” occurring for the second time, the expression “under section 147 or whose entire income is subject to final tax regime or minimum tax regime under any provisions of this Ordinance other than this section” shall be substituted;

(81) section 235A shall be omitted;

(82) in section 236, in sub-section (1), after the words “specified in”, the words “Division V” shall be inserted;

(83) section 236B shall be omitted;

(84) in section 236C, in sub-section (1),—

- (a) in the explanation, after the words “co-operative society”, the expression “, public and private real estate projects registered/governed under any law, joint ventures, private commercial concerns” shall be inserted;
- (b) in the proviso, for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:–

"Provided further that if the seller or transferor is a non-resident individual holding Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC) who had acquired the said immovable property through a Foreign Currency Value Account (FCVA) or NRP Rupee Value Account (NRVA) maintained with authorized banks in Pakistan under the foreign exchange regulations issued by the State Bank of Pakistan, the tax collected under this section from such persons shall be final discharge of tax liability in lieu of capital gains taxable under section 37 earned by the seller or transferor from the property so disposed of.";

- (85) in section 236G, in sub-section (1), after the word “of” occurring for the first time, the expression “pharmaceuticals, poultry and animal feed, edible oil and ghee, battery, tyers, varnishes, chemicals, cosmetics, IT equipment,” shall be inserted;
- (86) in section 236H, in sub-section (1), after the word “of” occurring for the first time, the expression “pharmaceuticals, poultry and animal feed, edible oil

and ghee, battery, tyers, varnishes, chemicals, cosmetics, IT equipment,” shall be inserted;

(87) section 236HA shall be omitted;

(88) in section 236K,—

(a) in sub-section (1), in the explanation, after the expression “co-operative society”, the expression “, public and private real estate projects registered/governed under any law, joint ventures, private commercial concerns” shall be inserted;

(b) in sub-section (2), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

"Provided that if the buyer or transferee is a non-resident individual holding a Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC) who has acquired the said immovable property through a Foreign Currency Value Account (FCVA) or NRP Rupee Value Account (NRVA) maintained with authorized banks in Pakistan under the foreign exchange regulations issued by the State Bank of Pakistan, the tax collected under this section from such persons shall be final discharge of tax liability for such buyer or transferee."; and

(c) in sub section (3), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

“Provided that where tax has been collected along with installments, no further tax under this section shall be collected at the time of transfer of property in the name of buyer from whom tax has been collected in installments which is equal to the amount payable in this section.”;

- (89) sections 236L shall be omitted;
- (90) section 236P shall be omitted;
- (91) section 236S shall be omitted;
- (92) section 236V shall be omitted;
- (93) section 236Y shall be omitted;
- (94) after section 241, the following new section shall be added, namely:—

“242. Benefits of repealed provisions.— The existing beneficiaries of exemptions or concessionary provisions of the Ordinance, already expired or expiring, on thirtieth day of June, 2021 or repealed by Tax Laws (Second Amendment) Ordinance, 2021 shall continue to enjoy benefits of the repealed provisions for the periods prescribed therein and subject to conditions and limitations specified therein.

- (95) in the First Schedule,—
 - (A) in Part I,—
 - (a) in Division IIA, in the Table, in column (1), against serial No. 1, in heading of column (6), after the expression "Tax Year 2021", the words "and onwards" shall be inserted;

- (b) in Division IIIA, after the expression “shall be –” the expression “15%.” shall be added and thereafter TABLE shall be omitted;
- (c) Division VIA shall be omitted;
- (d) in Division VII, in the TABLE,–
 - (i) for the expression, "and 2020 and onwards" appearing in heading of column (6) and (7), the expression “, 2020 and 2021” shall be substituted; and
 - (ii) in the Table, following new column (8), shall be added, namely:–

“Tax year 2022 and onwards
(8)
12.5%
0%
5%”;

- (e) for Division VIII, the following shall be substituted, namely:-

“Division VIII

The rate of tax to be paid under sub-section (1A) of section 37 shall be five percent.”

- (f) in Division IX, for the Table, the following shall be substituted :-

S.No	Person(s)	Minimum Tax as percentage of the

		person's turnover for the year
(1)	(2)	(3)
1.	<p>(a) Oil marketing companies, Sui Southern Gas Company Limited and Sui Northern Gas Pipelines Limited (for the cases where annual turnover exceeds rupees one billion.)</p> <p>(b) Pakistan International Airlines Corporation; and</p> <p>(c) Poultry industry including poultry breeding, broiler production, egg production and poultry feed production;</p>	0.75%
2.	<p>(a) Oil refineries</p> <p>(b) Motorcycle dealers registered under the Sales Tax Act, 1990</p>	0.5%

3.	<p>(a) Distributors of pharmaceutical products, fast moving consumer goods and cigarettes;</p> <p>(b) Petroleum agents and distributors who are registered under the Sales Tax Act, 1990;</p> <p>(c) Rice mills and dealers;</p> <p>(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;</p> <p>(e) Person's turnover from supplies through e-commerce including from running an online marketplace as defined in clause (38B) of section 2.</p>	0.25%
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	(f) Persons engaged in the sale and purchase of used vehicles	
4.	In all other cases	1.25%

(B) in Part II, in the first proviso, in clause (b), for the colon a semi-colon shall be substituted and thereafter the following new clause shall be added, namely:—

"(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:";

(C) in Part III,—

- (a) in Division I, the expression “and 236S” shall be omitted;
- (b) in Division IA, for the colon at the end, a full stop shall be substituted and thereafter the proviso shall be omitted;
- (c) in Division IB, for the expression “under section 150A,” the expression, “ on return on investment in sukuks from a sukuk holder” shall be substituted;
- (d) in Division II, in clause (3A), for the expression "sub-section (1D)", the expression "sub-sections (1D) and (1DA)" shall be substituted;
- (e) in Division III,—
 - (i) in paragraph (1), sub-paragraph (ab) shall be omitted;
 - (ii) in paragraph (2), in sub-paragraph (i),—

- (I) for the expression “clause (133) of Part I of the Second Schedule”, the expression “section 65F” shall be substituted;
- (II) after the words “training services”, the expression “,oilfield services, telecommunication services, warehousing services, collateral management services, travel and tour services” shall be inserted;
- (III) at the end following explanation shall be added, namely:-

“Explanation:-- The tax rate under this subparagraph 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.”;

- (f) Division IIIB shall be omitted;
- (g) after Division IV, the following new Division shall be added, namely:-

“Division IVA

Exports of Services

The rate of tax to be deducted under section 154A shall be one percent of the proceeds of the export.”;

(h) in Division V, for the TABLE, the following shall be substituted, namely:—

“TABLE

“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”;

(i) Division VIB shall be omitted;

(D) in Part IV,—

(a) Divisions IIA and IIB shall be omitted;

(b) for Division IV, the following shall be substituted, namely :-

“DIVISION IV

Electricity Consumption

“(1) 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
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(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;"

(c) in Division V, in the Table, in the first column, against Serial Number (b), in the third column, for the expression "12.5%", the expression "10% for tax year 2022 and 8% onwards" shall be substituted;

(d) Division VI and VIA shall be omitted;

(e) in Division VII, after clause (2), the following new clause shall be added, namely:-

"(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.	Up to 1000cc	Rs.50,000
2.	1001cc to 2000cc	Rs.100,000
3.	2001cc and above	Rs.200,000"; and

- (f) Division IX shall be omitted;
- (g) in Division XIV, after the Table, following new proviso shall be added, namely:—

"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).";

- (h) for Division XV, the following shall be substituted, namely:—

“DIVISION 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

- (i) Divisions XVA, XIX, XX, XXI, XXVI and XXVII shall be omitted;

(96) in the Second Schedule,—

(A) in Part I,—

- (i) clause (4) shall be omitted;
- (ii) in clause (22), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

“Provided that exemption under this clause shall not be available to the payments representing profit on debt earned

on provident fund contributions exceeding rupees five hundred thousand. The profit on debt exceeding rupees five hundred thousand shall be chargeable to tax @ 10% as separate block of income and the person making payment shall deduct tax at the said rate.”

- (iii) in clause (23), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:–

“Provided that exemption under this clause shall not be available to the payments representing profit on debt earned on provident fund contributions exceeding rupees five hundred thousand. The profit on debt exceeding rupees five hundred thousand shall be chargeable to tax @ 10% as separate block of income and the person making payment shall deduct tax at the said rate.”;

- (iv) in clause (23C), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:–

“Provided that exemption under this clause shall not be available to the payments representing profit on debt earned on accumulated balance in an approved pension fund. This profit on debt shall be chargeable to tax @ 10% as separate block of income.”;

- (v) clauses (39), (40) and (53A) shall be omitted;
- (vi) in clause (57),–
 - (a) in sub-clause (1), paragraph (iii) shall be omitted; and
 - (b) in sub-clause (2), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (vii) clauses (61), (64A), (64B), (64C) and (65) shall be omitted;
- (viii) in clause (66),–
 - (a) in sub-clause (1), in the Table 1, in column (1), after S. No. (xxxvi) and entries relating thereto in column (2), the following new entries shall be added, namely:—

"(xxxvii)	Islamic Naya Pakistan Certificates Company Limited (INPCCL).
(xxxviii)	Abdul Sattar Edhi Foundation.
(xxxix)	Patient’s Aid Foundation.
(xl)	Indus Hospital and Health Network.
(xli)	Securities and Exchange Commission of Pakistan.
(xlii)	Dawat-e-Hadiya, Karachi.
(xliii)	Privatisation Commission of Pakistan.
(xliv)	The Citizens Foundation.
(xlv)	Sundus Foundation.

(xlvi)	Ali Zaib Foundation
(xlvii)	Fauji Foundation.
(xlviii)	Make a Wish Foundation
(xlix)	Audit Oversight Board.
(xlx)	Supreme Court Water Conservation Account.
(xli)	Political Parties registered with Election Commission of Pakistan.”;

(b) in sub-clause (2), in the Table 2, in column (1), serial numbers (i), (viii), (x), (xxx), (xxxi) and (xxxvi) and entries relating thereto in column (2) shall be omitted;

(ix) clauses (72), (72A) and (74) shall be omitted;

(x) for clause (75), the following shall be substituted, namely:-

"(75) Any profit on debt and capital gains derived by any agency of foreign Government or any non-resident person approved by the Federal Government for the purpose of this clause from debt and debt instruments approved by the Federal Government.";

(xi) in clause (78), for the expression "citizens of Pakistan and foreign nationals residing abroad, foreign association of persons, companies registered and operating abroad and foreign nationals residing in Pakistan", the expression "non-

resident individuals, non-resident association of persons and non-resident companies" shall be substituted;

(xii) in clause (79), for the expression "citizen of Pakistan residing abroad", the expression "non-resident individual holding a Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC)" shall be substituted;

(xiii) clauses (80), (90), (90A), (91) and (98) shall be omitted;

(xiv) in clause (99A), for the figure "2015", the figure "2023" shall be substituted;

(xv) clauses (100), (101), (103) and (103C) shall be omitted;

(xvi) after clause (103C), omitted as aforesaid, the following new clause shall be added, namely:—

"(103D) Dividend income and long term capital gains of any venture capital fund from investments in zone enterprises as defined in clause (p) of section 2 of the Special Technology Zones Authority Ordinance, 2020 for a period of ten years commencing from issuance of licence by the Authority to the zone enterprise.";

(xvii) clauses (104), (105), (105A), (110B), (110C), (114), (114AA) and (117) shall be omitted;

(xviii) for clause (126B), the following shall be substituted, namely:-
"(126B) Profits and gains derived by a refinery -

- (a) from new deep conversion refinery of at least 100,000 barrels per day for which approval is given by the Federal Government before the 31st day of December, 2021; or
- (b) for the purpose of upgradation, modernization or expansion project of deep conversion refinery of at least 100,000 barrels per day of any existing refinery which makes undertaking to the Federal Government in writing before the 31st day of December, 2021 in this regard:

Provided that this exemption shall be available for a period of ten years beginning from the date of commencement of commercial production in the case of new refinery and from the date of completion of upgradation, modernization or expansion project of existing refinery.";

- (xix) clauses (126BA) and (126C) shall be omitted;
- (xx) after clause (126E), the following new clause shall be inserted, namely:–

“(126EA) Profits and gains derived by –

- (a) zone developer as defined in section 2 of the Special Technology Zones Authority Ordinance, 2020 from development and operations of the zones for a period

- of ten years starting from the date of signing of the development agreement;
- (b) profits and gains of Zone Enterprises as defined in section 2 of the Special Technology Zones Authority Ordinance, 2020 for a period of ten years from the date of issuance of license by the Special Technology Zone Authority; and
 - (c) Special Technology Zones Authority established under the Special Technology Zones Ordinance 2020.”;
- (xxi) clauses (126G), (126H), (126I) , (126J), (126K) and (126L) shall be omitted;
- (xxii) in clause (126M),–
- (i) in para (a), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
 - (ii) in the proviso, for the figure "2018", the figure "2022" shall be substituted;
- (xxiii) clauses (126N), (126O) and (131) shall be omitted;
- (xxiv) in clause (132),–
- (a) in sub-clause (a), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted; and

(b) in sub-clause (c), in the fifth proviso, for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

"Provided further that no exemption under this clause shall be available to persons, who enter into agreement or to whom letter of intent is issued by Federal or Provincial Government for setting up an electric power generation project in Pakistan after the 30th day of June, 2021.";

(xxv) clause (132A) shall be omitted;

(xxvi) after omitted clause (132A), the following new clause shall be inserted, namely:-

“(132AA) Profits and gains derived from sale of electricity by National Power Parks Management Company Limited commencing from the date of change of ownership as a result of privatization by the Privatization Commission of Pakistan.”;

(xxvii) clause (132B) shall be omitted;

(xxviii) after clause (132B), omitted as aforesaid, the following new clause shall be inserted, namely:-

“(132C) Profits and gains derived by a taxpayer from a bagasse/biomass based cogeneration power project having one or more boilers of not less than 60 bar (kg/CM³)

pressure each, commissioned after the first day of January 2013.”;

(xxix) clauses (133), (135A), (136), (139), (141), (143), (146) and (148) shall be omitted;

(B) in Part II,—

(a) clauses (2), (3) and (3B) shall be omitted;

(b) in clause (5A), after the expression "Pakistan," the expression "other than those covered under clauses (78) and (79) of Part I of the Second Schedule," shall be inserted;

(c) after clause (5AA), the following new clauses shall be inserted, namely: -

"(5AB) The rate of tax to be deducted under section 151 shall be ten percent from the profit on debt from a debt instrument, whether conventional or Shariah compliant, issued by the Federal Government under the Public Debt Act, 1944 (XVIII of 1944) or its wholly owned special purpose company, purchased by a resident citizen of Pakistan who has already declared foreign assets to the Board through a Foreign Currency Value Account (FCVA) maintained with authorized banks in Pakistan under the foreign exchange regulation issued by the State Bank of Pakistan:

Provided that the tax so deducted shall be the final tax.

(5AC) The rate of tax to be deducted under sub-section (2) of section 152 or under section 151, as the case may be, shall be zero percent of the gross amount of profit on debt paid, covered under clauses (78) and (79) of Part I of the Second Schedule.";

- (d) clause (5B) shall be omitted;
- (e) after the omitted clause (9A), the following new clauses shall be inserted, namely:—

“(9AA) In respect of import of white sugar from the 25th day of August, 2020 to the 15th day of November, 2020 both days inclusive, tax under section 148 shall be collected at the rate of 0.25% as per quantity, quality, mode and manner prescribed by Ministry of Commerce during the said period.

(9AB) Tax under section 148 on commercial import of the white sugar shall be collected at the rate of 0.25% from the 26th day of January 2021 till the 30th day of June, 2021.

(9AC) Subject to quota allotment by Commerce Division, tax under section 148 shall be collected at the rate of 0.25% on import of raw sugar imported by sugar mills from the 26th day of January, 2021 to the 30th day of June, 2021 both days inclusive provided that such imports shall not exceed fifty thousand metric tons per sugar mill and three

hundred thousand metric tons in aggregate by the sugar industry.”;

- (f) clauses (18), (18A) and (18B) shall be omitted;
- (g) after clause (18B), omitted as aforesaid, the following new clause shall be added, namely:–

”(18C) The rate of tax as specified in Division-III of Part-I of First Schedule shall be reduced to 7.5% in case of dividends declared by a company as are “attributable” to profits and gains derived from a bagasse and biomass based co-generation power project qualifying for exemption under clause (132C) of Part-I of this Schedule:

Provided that the amount of “attributable” dividends shall be computed in accordance with the following formula, namely:-

AXB/C

Where-

- A is the total amount of dividend for the year;
- B is the accounting profit for the year attributable to the bagasse and biomass based cogeneration power project qualifying for exemption under clause (132C) of Part-I of this Schedule; and
- C is the total accounting profit before tax for the year.

Explanation.— For the removal of doubt, it is clarified that accounting profit attributable to the bagasse/biomass based cogeneration power project would be determined by the external auditor of the company and the external auditor shall issue a certificate to this effect.”;

- (i) in clause (24A), the expression “and for large distribution houses who fulfill all the conditions for a large import house as laid down under clause (d) of sub-section (7) of section 148, for large import houses,” shall be omitted;
- (j) clause (24AA) shall be omitted;
- (k) for clause (24C), the following shall be substituted, namely:-
“(24C) The rate of tax under clause (a) of sub-section (1) of section 153 in the case of distributors, dealers, sub-dealers, wholesalers and retailers of fast moving consumer goods, fertilizer, electronics excluding mobile phones, sugar, cement, and edible oil as recipient of payment shall be 0.25% of gross amount of payments subject to the condition that beneficiaries of reduced rate are appearing on the Active Taxpayers’ Lists issued under the provisions of the Sales Tax Act, 1990 and the Income Tax Ordinance, 2001 (XLIX of 2001):

Provided that the benefit under this clause shall only be available to those Tier-1 retailers as defined under Sales

Tax Act, 1990 who are integrated and configured with Board or its computerized system for real time reporting of sales or receipts.”;

- (l) for clause (24D), the following shall be substituted, namely :—
“(24D) The rate of minimum tax under sub-section (1) of section 113 in the case of distributors, dealers, sub-dealers, wholesalers and retailers of fast moving consumer goods, fertilizer, locally manufactured mobile phones, sugar, electronics excluding imported mobile phones, cement and edible oil shall be 0.25% subject to the condition that beneficiaries of reduced rate are appearing on the Active Taxpayers’ Lists issued under the provisions of the Sales Tax Act, 1990 and the Income Tax Ordinance, 2001:

Provided that the benefit under this clause shall be available to only those Tier-1 retailers as defined under Sales Tax Act, 1990 who are integrated and configured with Board or its computerized system for real time reporting of sales or receipts.”;

- (m) clauses (28A) and (28B) shall be omitted;
 - (n) in clause (28E), the expression “for tax year 2020” shall be omitted;
- (C) in Part III,—
 - (a) clauses (2), (7) and (8) shall be omitted;

- (b) in clause (9), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

"Provided that exemption under this clause shall continue to remain available to such projects which commence on or before the 30th day of June, 2024.";

- (c) in clause (9B), for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:-

"Provided that exemption under this clause shall continue to remain available to such projects which commence on or before the 30th day of June, 2024."; and

- (d) after clause (16), omitted as aforesaid, the following new clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2019, namely:-

"(17) The tax payable by cotton ginners on their income and profits shall not be more than sum of 1% of their turnover from cotton lint, cotton seed, cotton seed oil and cotton seed cake:

Provided that the tax so payable shall be final tax in respect of their cotton ginning and oil milling activities only.";

and

- (e) after clause (17), inserted as aforesaid, the following new clauses shall be added, namely:-

“(18) The rate of withholding tax on value of offshore supply contract of an Independent Power Producer located wholly or partly in territories of AJ and K shall be 1% provided:

- (i) PPIB has issued Letter of Support for the project;
- (ii) its EPC Contract has been executed and submitted to NEPRA for EPC stage tariff determination prior to the enactment of Finance Act, 2018;
- (iii) offshore supply contract arrangement of offshore supply contractor having permanent establishment in Pakistan falls under the purview of cohesive business operation as contemplated under Income Tax Ordinance, 2001; and
- (iv) such 1% tax shall be full and final liability of the offshore contractor.

(19) The tax payable by woman enterprises on profit and gains derived from business chargeable to tax under the head “Income from Business” shall be reduced by 25%.

Explanation.- For the purpose of this clause a woman enterprise means a startup established on or after first day of July 2021 as sole proprietorship concern owned by a woman or an AOP all of whose members are women or a company whose 100% shareholding is held or owned by women:

Provided that benefit of this clause shall not be available to a business that is formed by the transfer or reconstitution or reconstruction or splitting up of an existing business. ”;

(D) in Part IV,—

(a) clause (2) shall be omitted;

(b) after the omitted clause (4), the following new clause shall be inserted, namely:—

“(4A) No provisions of law shall apply for recouping of tax credit already allowed to National Power Parks Management Company Limited for investment in plant and machinery in the eve of privatization merely for the reasons of change in its ownership pattern or debt to equity ratio.”;

(c) in clause (11A),—

(i) sub-clauses (ix), (x), (xiii), (xv), (xviii) and (xxix) shall be omitted;

(ii) after sub-clause (xxxviii), the following new sub-clauses shall be added, namely:—

“(xxxix) Islamic Naya Pakistan Certificates Company Limited (INPCCL);

(xl) receipts from sale of electricity produced from a bagasse and biomass based co-generation

- power project qualifying for exemption under clause (132C) of Part-I of this Schedule;
- (xli) new entity taking over National Power Parks Management Company Limited in the eve of privatization;
 - (xlii) Persons qualifying for exemption under clause (126E) of Part I of this Schedule for tax year 2021 and onwards
 - (xliii) Persons qualifying for exemption under clause (126EA) of Part I of this Schedule;
 - (xliv) Persons mentioned in Table I of clause (66) of Part I of Second Schedule.";
- (d) in clause (12B), for the expression "30th day of September, 2020", the expression "30th day of June, 2021" shall be substituted;
- (e) after clause (12E), the following new clauses shall be added, namely:-
- "(12F) The provision of section 148 shall not apply on import of 1.5 million tons of wheat having PCT Heading 1001.1900 and 1001.9900 in pursuance of Cabinet Decision in case No.399/23/2020 dated the 16th June, 2020;
 - (12G) The provisions of section 148 shall, in pursuance of the Cabinet Decision in case No. 541/30/2020

dated the 4th August, 2020, not apply on import by the Trading Corporation of Pakistan of 300,000 metric tons of white sugar having PCT heading 1701.9910,1701.9920, specification B;

(12H) (a) The provisions of section 148 shall not apply on import of following goods for a period of three months starting from the 23rd of June, 2020, namely:-

S.No.	Description	PCT Code
(1)	(2)	(3)
1.	Oxygen gas	2804.4000
2.	Cylinders (for oxygen gas)	7311.0090
3.	Cryogenic tanks (for oxygen gas)	7311.0030

; and

(b) the concessions given in this clause shall also apply in respect of the letters of credit opened or goods declaration forms filed on or after the 23rd June, 2020;

(12I) The provisions of section 148 shall not apply on import of 83 X Micron sprayers for Anti-Locust Operation (Respective heading) by National Disaster Management Authority (NDMA).

(12J) The provisions of section 148 shall, in pursuance of the Cabinet Decision in case No. 34/02/2021, dated the 12th January, 2021, not apply on import of three hundred thousand metric tons of wheat through tendering process by the Trading Corporation of Pakistan;

(12K) (a) The provisions of section 148 shall not apply on import of following goods by the manufacturers of oxygen for a period of three months starting from the 25th day of December, 2020, namely:-

S.No.	Description	PCT Code
(1)	(2)	(3)
1.	Cryogenic Tanks (for oxygen Gas)	7311.0030

(b) the concessions given in this clause shall also apply in respect of the letters of credit opened or goods declaration forms filed on or after the 25th day of December, 2020;

(12L) The provisions of section 148 and 153 shall not apply on import and subsequent supply of five hundred thousand metric tons of white sugar imported by the Trading Corporation of Pakistan;

(12M) The provisions of section 148 shall not apply on import of following goods for a period of one hundred and eighty days starting from the 14th day of May, 2021, namely:-

S.No.	Description	PCT Code
(1)	(2)	(3)
1.	- Oxygen	2804.4000
2.	- - - Other (Oxygen Cylinders)	7311.0090

3.	- - - For Cryogenic (Tanks/Vessels)	7311.0030
	Oxygen Concentrators/Generators/Manuf acturing Plants of all specifications and capacities.	Respective headings”;

(12N) Border sustenance markets-

- (a) The provisions of section 148 shall not apply on the import of goods which takes place within the jurisdiction of Border sustenance markets specified in

Table -I below:-

TABLE – I

	PCT Heading	
1.	07011000	-SEED (Potatoes)
2.	07020000	TOMATOES, FRESH OR CHILLED.
3.	07031000	-ONIONS AND SHALLOTS
4.	07032000	-GARLIC
5.	07049000	-OTHERS which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets

6.	07061000	-CARROTS AND TURNIPS
7.	07070000	CUCUMBERS AND GHERKINS FRESH OR CHILLED.
8.	07081000	-PEAS (PISUM SATIVUM)
9.	07082000	-BEANS (VIGNA SPP., PHASEOLUS SPP.)
10.	07089000	-OTHER LEGUMINOUS VEGETABLES
11.	07131000	- Peas (Pisum sativum)
12.	07132010	Grams (Dry/Whole)
13.	07132090	---other- which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
14.	07133100	-- Beans of the species Vigna mungo (L.) Hepper or Vigna radiata (L.) Wilczek
15.	07133200	-- small red (Adzuki) beans (Phaseolus or Vigna angularis)
16.	07133300	Kidney beans including white beans
17.	07133400	-- Bambara – vigna subteranea or vaahdzeia subterrea
18.	07133500	- - Cow peas (Vigna unguiculata)

19.	07133990	-- Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
20.	07134010	- Lentils (Dry Whole)
21.	07135000	- Broad beans (<i>Vicia faba</i> var. <i>major</i>) and horse beans (<i>Vicia faba</i> var. <i>equina</i> , <i>Vicia faba</i> var. <i>minor</i>)
22.	07136000	- Pigeon peas (<i>cajanus cajan</i>)
23.	07139090	- Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
24.	09051000	Vanilla (Neither crushed nor ground)
25.	09061100	Cinnamon
26.	09061900	Other (Cinnamon And Cinnamon Tree Flowers)
27.	09071000	- - Neither crushed nor ground (Cloves)
28.	09072000	- - Crushed or ground (Cloves)
29.	09081100	- - Neither Crushed nor ground (Nutmeg)
30.	09081200	- - Crushed or ground (Nutmeg)

31.	09082100	- - Neither crushed nor ground (Maze)
32.	09082200	- - Crushed or ground (Maze)
33.	09083110	- - - Large (Cardammoms)
34.	09083120	- - - Small (Cardammoms)
35.	09083200	- - Crushed or ground (Cardammoms)
36.	09092100	- - Neither crushed nor ground (Coriander)
37.	09092200	- - Crushed or ground (Coriander)
38.	09093100	- - Neither crushed nor ground (Seeds of Cumins)
39.	09093200	- - Crushed or ground (Seeds of Cumins)
40.	09096100	- - Neither crushed nor ground (Seeds of Anise, Badian, Caraway, Fennel etc)
41.	09096200	- - Crushed or ground (Seeds of Anise, Badian, Caraway, Fennel etc)
42.	09109910	- - - THYME; BAY LEAVES
43.	10031000	Barley (Seeds)
44.	10039000	Other (Barley)
45.	12060000	Sunflower seeds ,whether or not broken
46.	12129200	Locust beans
47.	12130000	Cereal straws and husks
48.	15161000	Animal Fats and Oil and their fractions
49.	15162010	Vegetable Fats and their fractions

50.	15162020	Vegetable Oils and their fractions
51.	82089010	- - - Knives and cutting blades for paper and paper board
52.	04011000	-OF A FAT CONTENT, BY WEIGHT, NOT EXCEEDING 1 % (Milk and Cream)
53.	04012000	-OF A FAT CONTENT, BY WEIGHT, EXCEEDING 1 % BUT NOT EXCEEDING 6 % (Milk and Cream)
54.	04014000	- Of a fat content, by weight, exceeding 6 % but not exceeding 10% (Milk and Cream)
55.	04015000	- Of a fat content, by weight, exceeding 10 % (Milk and Cream)
56.	07039000	-LEEKS AND OTHER ALLIACEOUS VEGETABLES
57.	07041000	-CAULIFLOWERS AND HEADED BROCCOLI
58.	07042000	-BRUSSELS SPROUTS
59.	07051100	- - CABBAGE LETTUCE (HEAD LETTUCE)
60.	07051900	- - OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and

		Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
61.	07052100	- - WITLOOF CHICORY (CICHORIUM INTYBUS VAR.FOLIOSUM)
62.	07052900	- - OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
63.	07069000	-OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
64.	07096000	Fruits of the genus Capsicum or of the genus Pimenta
65.	08042000	Figs
66.	08061000	-FRESH (Grapes)
67.	08062000	---DRIED (Grapes)
68.	08071100	- - WATERMELONS
69.	08071900	- - OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and

		Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
70.	08081000	-APPLES
71.	09021000	Green Tea
72.	09022000	Other Green Tea
73.	09101200	- - Crushed or ground (Ginger)
74.	09103000	-TURMERIC (CURCUMA)
75.	09109990	- - - OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
76.	17021110	Lactose (Sugar)
77.	17021120	- - - Lactose syrup
78.	17021900	- - OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
79.	17029020	- - - CAMEL
80.	23040000	OIL-CAKE AND OTHER SOLID RESIDUES, WHETHER OR NOT GROUND OR IN THE FORM OF

		PELLETS, RESULTING FROM THE EXTRACTION OF SOYA BEAN OIL.
81.	23099000	Other (animal feed)
82.	52042010	--- FOR Sewing (Thread)
83.	52042020	For embroidery (Thread)
84.	82011000	- Spades and shovels
85.	82055900	Other (Tools for masons, watchmakers, miners and hand tools nes)
86.	82083000	- For kitchen appliances or for machines used by the food industry
87.	82089090	- - - Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
88.	04031000	-YOGURT
89.	07019000	Other (Potatoes)
90.	07104000	- Sweet corn
91.	07109000	- Mixtures of vegetables
92.	08041010	Fresh (Dates)
93.	08041020	Dried (Dates)
94.	08091000	-APRICOTS
95.	08092100	- - Sour cherries (Prunus cerasus)

96.	08092900	- - Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
97.	08093000	-PEACHES, INCLUDING NECTARINES
98.	08094000	-PLUMS AND SLOES
99.	08101000	Strawberries
100.	08105000	Kiwi Fruit
101.	09101100	- - Neither crushed nor ground (Ginger)
102.	10011900	Other (Durum wheat (excl. seed for sowing))
103.	10019900	Other (Wheat and meslin (excl. seed for sowing, and durum wheat))
104.	11010010	Of Wheat (Flour)
105.	11010020	Of Meslin (Flour)
106.	19021920	- - - VERMACELLI
107.	19059000	Other (Packed Cake)
108.	20071000	Homogenised preparations
109.	20079100	Citrus Fruit
110.	20079900	Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and

		Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
111.	34013000	-ORGANIC SURFACE-ACTIVE PRODUCTS AND PREPARATIONS FOR WASHING THE SKIN, IN THE FORM OF LIQUID OR CREAM AND PUT UP FOR RETAIL SALE, WHETHER OR NOT CONTAINING SOAP
112.	34022000	- Preparations put up for retail sale
113.	34029000	---- Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
114.	69111090	Others (Tableware and kitchenware of porcelain or china)
115.	69119000	Other (Household articles nes & toilet articles of porcelain or china)
116.	70134900	Other (Glassware for table or kitchen purposes (excl. glass having a linear c)
117.	70139900	Other (Glassware nes (other than that of 70.10 or 70.18))
118.	82159910	- - - Spoons

119.	82159990	Other (Tableware articles not in sets and not plated with precious meta)l
120.	87120000	Bicycles and other cycles (including delivery tricycles), not motorised.
121.	96170010	- - - Vacuum flasks
122.	96170020	- - - OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets

- (b) The provisions of section 154 shall not apply to the export of goods which takes place within the jurisdiction of Border sustenance markets specified in Table - II below:–

TABLE – II

Sr.#	PCT Heading	Description
1.	02012000	Other cuts with bone in (Meat of bovine animals, fresh or chilled)
2.	02013000	Boneless (Meat of bovine animals, fresh or chilled)

3.	02022000	Other cuts with bone in (Meat of bovine animals, frozen)
4.	02023000	Boneless (Meat of bovine animals, frozen)
5.	03021100	Fish
6.	04090000	Honey
7.	06022000	Plants
8.	07011000	-SEED (Potatoes)
9.	07019000	Other (Potatoes)
10.	07020000	TOMATOES, FRESH OR CHILLED.
11.	07031000	-ONIONS AND SHALLOTS
12.	07032000	Garlic
13.	07061000	-CARROTS AND TURNIPS
14.	07069000	-OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
15.	07070000	Cucumbers
16.	07093000	Egg Plant
17.	07096000	Fruits of the genus Capsicum or of the genus Pimenta (pepper)
18.	07099900	Others (Lady Finger)
19.	07101000	Fresh Potato

20.	07102100	Pea
21.	07103000	Spinach
22.	08031000	- Plantains (Bananas)
23.	08039000	- Other (Bananas)
24.	08041010	Fresh (Dates)
25.	08041020	Dried (Dates)
26.	08045020	--- Mangoes
27.	08052100	-- Mandarins (including tangerines and satsumas)
28.	08052910	---Kino (fresh)
29.	08061000	Grapes (Fresh)
30.	08071100	- - WATERMELONS
31.	08071900	Melons
32.	08091000	Apricots
33.	08092900	Cherries
34.	08093000	Peaches
35.	08101000	Strawberries
36.	08109010	Pomegranates
37.	08109090	Fresh fruits nes (Other)
38.	08133000	Apple
39.	09021000	Green Tea
40.	09022000	Other green tea
41.	09030000	Mate.

42.	09042110	Red Chillies (Whole)
43.	09042190	--- Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
44.	09042210	Red Chillies (Powder)
45.	09042290	--- Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
46.	09051000	- - Neither crushed nor ground (Vanilla)
47.	09052000	- - Crushed or ground (Vanilla)
48.	10061010	- - - SEED FOR SOWING (Rice)
49.	10061090	- - - OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
50.	10062000	-HUSKED (BROWN) RICE
51.	10063010	- - - BASMATI (Rice)

52.	10063090	- - - OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
53.	10064000	-BROKEN RICE
54.	11010010	Flour (of Wheat)
55.	12074000	- Sesamum seeds
56.	12079900	Other (hemp Seeds)
57.	12119000	Ajwain
58.	15162020	Vegetable Oils and their fractions
59.	19021920	- - - VERMACELLI
60.	19041090	Papad
61.	20071000	- Homogenised preparations
62.	20081900	--Nimko
63.	21069090	- - - OTHER (Custard Powder)
64.	23099000	Other (Animal feed)
65.	25010010	Table Salt
66.	25010020	--- Rock Salt
67.	25010030	--- Sea Salt
68.	25010090	--- Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and

		Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
69.	34060000	Candles
70.	36050000	Safety Match
71.	39264090	-OTHER (Plastic Articles)
72.	53101000	Woven fabrics of jute or of other textile bast fibres, unbleached
73.	53109010	- - - Jute (hessian cloth)
74.	56074100	- - Binder or baler twine
75.	56074900	- - Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets
76.	56075000	- Of other synthetic fibres
77.	58021100	-- Unbleached (Terry toweling in similar woven terry fabrics, of cotton)
78.	58021900	-- Other (Terry toweling In similar woven Terry fabrics, OF cotton)
79.	58022000	- Terry towelling and similar woven terry fabrics, of other textile materials
80.	58023000	- Tufted textile fabrics
81.	58043000	- Hand made lace

82.	58050000	Hand-woven tapestries of the type Gobelins, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries (for example, petit point, cross stitch), whether or not made up.
83.	58064000	- Fabrics consisting of warp without weft assembled by means of an adhesive (bolducs)
84.	59011000	- Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books or the like
85.	61119000	Mix Goods/Garments (Babies garments&clothg accessories)
86.	62031990	---OTHER (Men or Boys Suits etc)
87.	62042200	- - Of cotton
88.	62042900	- - Of other textile materials
89.	62043900	- - Of other textile materials
90.	62044210	- - - Shisha embroidered dresses
91.	62129000	-OTHER which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets

92.	63021090	-OTHER (Bed linen, Toilet linen etc)
93.	63051000	Jute Bags (of jute or of other textile bast fibres of heading 53.03)
94.	63052000	Sacks and bags, for packing of goods, of cotton
95.	63090000	Worn clothing and other worn articles
96.	69111090	Other (Tableware and kitchenware of porcelain or china)
97.	69119000	Others (Household articles nes & toilet articles of porcelain or china)
98.	70133700	Drinking glasses (excl. glasses of glass ceramics or of lead crystal a
99.	73181690	Nuts, iron or steel, nes (Others)
100.	82055900	Tools for masons, watchmakers, miners and hand tools nes (Other)
101.	82059000	Hand tools (Other, including sets of articles of two or more subheadings of this heading)
102.	82119100	- - Table knives having fixed blades
103.	82119200	- - Other knives having fixed blades
104.	82159990	Tableware articles not in sets and not plated with precious metal
105.	84485100	Needle

106.	96170010	- - - Vacuum flasks
107.	96170020	- - - Other which qualifies for exemption or concession or reduced rate under the provisions of Customs Act, 1969 and Sales Tax Act, 1990 or Federal Excise Act, 2005 for Border Sustenance Markets

The exemption under this clause shall be available on the import of goods subject to following conditions, namely:-

- (i) Such goods shall be supplied only within the limits of Border Sustenance Markets established in cooperation with Iran and Afghanistan;
- (ii) If the goods, on which exemption under this table has been availed, are brought outside the limits of such markets, income tax shall be charged on the import value as per provisions of section 148 of this Ordinance;
- (iii) Such items in case of import, shall be allowed clearance by the Customs Authorities subject to furnishing of bank guarantee equal to the amount of income tax involved and the same shall be released after presentation of consumption certificate issued by the Commissioner Inland Revenue having jurisdiction;

- (iv) The said exemption shall only be available to a person upon furnishing proof of having a functional business premises located within limits of the Border Sustenance Markets; and
- (v) Breach of any of the conditions specified herein shall attract relevant legal provisions of the Ordinance, besides recovery of the amount of income tax along with default surcharge and penalties involved.
- (f) in clause (19), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
- (g) in clause (43D),—
 - (i) for the expression “clause (a)”, the expression “clauses (a) and (b)” shall be substituted;
 - (ii) for the figure “2.5%”, the figure “3.5%” shall be substituted;
 - (iii) the expression “w.e.f. tax year 2012” shall be omitted;
- (h) in clause (43E),—
 - (i) for the expression “clause (a)”, the expression “clauses (a) and (b)” shall be substituted;
 - (ii) for the figure “3%”, the figure “3.5%” shall be substituted;

- (i) after clause (43F), the following new clause shall be inserted, namely:–

“(43G)The provisions of section 153 shall not apply to commodity futures contracts listed on a Futures Exchange licensed under the Futures Market Act, 2016 (XIV of 2016).”;

- (j) in clause (45), in the proviso, in paragraph (b), for the expression “; and” at the end full stop shall be substituted and thereafter the paragraph (c) shall be omitted;

- (k) in clause (45A),–

- (i) the expression “(a)” appearing for the first time shall be omitted;

- (ii) after sub-clause (v), before the proviso, the following new explanation shall be inserted, namely:-

“Explanation.– For removal of doubt, it is clarified that the relief of reduced rate for withholding tax under clause (a) and (b) of sub-section (1) of section 153 is available only to the local sales, supplies and services made by the taxpayers of categories specified at serial no (i) to (v) of this clause.”; and

- (iii) Sub-clause (b) shall be omitted;

- (l) after clause (45A), amended as aforesaid, the following new clause shall be added, namely:–

“(45B) The provisions of section 153 shall not apply on the purchase of used motor vehicles from general public.”;

(m) in clause (46AA), for sub-clause (iv), the following shall be substituted, namely:–

“(iv) subject to fulfillment of procedure laid down in clause (12) of Part IV of Second Schedule, persons receiving payments exclusively for the supply of agriculture produce including following –

- (I) fresh milk;
- (II) fish by any person engaged in fish farming;
- (III) live chicken, birds and eggs by any person engaged in poultry farming;
- (IV) live animals by any person engaged in cattle farming;
- (V) unpackaged meat; and
- (VI) raw hides:

Provided that this clause shall not apply to the payments for agriculture produce which has been subjected to any process other than that which is ordinarily performed to render such produce to be fit to be taken to the market”;

(n) in clause (47B), the words “or a modaraba” and “or a Private Equity and Venture Capital Fund” shall be omitted;

- (o) in clause (56),—
- (i) after sub-clause (iii), the following new sub-clause shall be inserted, namely:-
- "(iiia) Goods temporarily imported into Pakistan by international athletes which would be subsequently taken back by them within one hundred and twenty days of temporary import;";
- (ii) after sub-clause (xii), the following new sub-clauses shall be added, namely:—
- “(xiii) Goods produced or manufactured and exported from Pakistan which are subsequently imported in Pakistan within one year of their exportation, provided conditions of section 22 of the Customs Act, 1969 (IV of 1969) are complied with;
- (xiv) plant and machinery imported for setting up of a bagasse/biomass based cogeneration power project qualifying for exemption under clause (132C) of Part-I of this Schedule.;
- (xv) persons authorized under Export Facilitation Scheme 2021 notified by the Board with such scope, conditions, limitation, restrictions and specification of goods.;

- (xvi) motor vehicles upto 850cc in CBU condition;
 - (xvii) Printed books excluding brochures, leaflets and similar printed matter, whether or not in single sheets.(PCT code 49.01); and
 - (xviii) Newspapers, journals and periodicals, whether or not illustrated or containing advertising material (PCT code 49.02) ”;
- (o) clause (57A) shall be omitted;
 - (p) in clause (59), in para (ii), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;
 - (q) after clause (60D), the following new clause shall be inserted, namely:–
 - “(60DA) The provisions of section 148 shall not apply to the import of the capital equipment as defined in section 2 of the Special Technology Zones Ordinance 2020 (XIII of 2020) by –
 - (a) zone developers as defined in section 2 of the Special Technology Zones Ordinance 2020 for consumption in the special technology zones for the period of 10 years commencing from the date of signing the development agreement;

- (b) zone enterprises as defined in section 2 of the Special Technology Zones Authority Ordinance, 2020 for a period of ten years from the date of issuance of license by the Special Technology Zone Authority; and
- (c) Special Technology Zones Authority established under the Special Technology Zones Ordinance 2020.”;
- (r) clauses (61) and (72A) shall be omitted;
- (s) after the omitted clause (79), the following new clause shall be inserted, namely:-

"(79A) The provisions of clause (b) of sub-section (1) of section 153 shall not apply to payments received by National Telecommunication Corporation against provision of telecommunication services including ancillary services specified in sub-section (3) of section 41 of the Pakistan Telecommunication (Re-organization) Act, 1996 (XVII of 1996).";
- (t) in clause (91), in paragraph (iv), after sub-paragraph (xvi), the following new sub-paragraphs shall be added, namely:-

“(xvii) Corn harvester/corn picker and silage maker with their respective PCT heading”;
- (u) in clause 95, the expression “ 231A, 231AA,” shall be omitted;
- (v) clauses (101), (101A) and (101AA) shall be omitted;

- (w) in clause (108), for the expression “113, 151,231A,231AA and 236P”, the expression “ 131 and 151” shall be substituted;
- (x) clause (109) shall be omitted; and
- (y) after clause (111A), the following new clause shall be inserted, namely:-

"(111AB) The provisions of section 100BA and rule 1 of the Tenth Schedule shall not apply to non-resident individual holding Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC) maintaining a Foreign Currency Value Account (FCVA) or Non-resident Pakistani Rupee Value Account (NRVA) with authorized banks in Pakistan under the foreign exchange regulations issued by the State Bank of Pakistan.";

(aa) clauses (112) and (112A) shall be omitted;

(ab) for clause (114A), the following clause shall be substituted, namely:-

"(114A) The provisions of clause (ae) of sub-section (1) of section 114 and section 181 shall not apply to a non-resident individual holding Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC) maintaining a Foreign Currency Value Account (FCVA) or a Non-resident Pakistani Rupee Value Account (NRVA) with authorized banks in

Pakistan under the foreign exchange regulations issued by the State Bank of Pakistan:

Provided that this clause shall not apply if the person referred in this clause has Pakistan-source taxable income other than the following; namely:—

- (a) profit on debt on FCVA or Non-resident Pakistani Rupee Value Account (NRVA);
 - (b) profit on debt earned on Government of Pakistan (GOP) securities either conventional or Shariah Compliant where investment has been made from proceeds of FCVA or NRVA;
 - (c) capital gain on disposal of immovable property acquired from proceeds of FCVA or NRVA;
 - (d) capital gain on disposal of securities traded on Pakistan Stock Exchange and units of mutual funds that are acquired from proceeds of FCVA or NRVA; or
 - (e) dividend income from securities traded on Pakistan Stock Exchange and mutual funds that are acquired from proceeds of FCVA or NRVA.";
- (ac) in clause (116), the expression, “ ,231A, 231AA and 236P” shall be omitted;
 - (ad) clause (117) shall be omitted;

(ae) after clause (117), omitted as aforesaid, the following new clause shall be added, namely:-

"(118) The provisions of withholding taxes contained in the Income Tax Ordinance, 2001 (XLIX of 2001) shall not apply to Islamic Naya Pakistan Certificates Company Limited (INPCCL) as a recipient.

(119) The provisions of section 153(1)(a) shall with effect from the first day of July, 2020 not apply to distributors, dealers, wholesalers and retailers of locally manufactured mobile phone devices as withholding agent.";

(97) in the Third Schedule,—

(a) in Part I, in the Table, in the first column, against S. No. IV, entry (a) in the second column shall be omitted; and

(b) in Part II,—

(I) in the heading, the expression "23A" shall be omitted; and

(II) in paragraph (2), the expression "section 23A and" shall be omitted;

(98) in the Fifth Schedule, in Part II, rule 4 shall be omitted;

(99) in the Seventh Schedule, in rule (7C), for the expression "to 2021", the expression "and onwards" shall be substituted;

(100) in the Eight Schedule, in rule (6), for the expression “Companies Ordinance, 1984 (XLVII of 1984)”, the expression “Companies Act, 2017 (XIX of 2017)” shall be substituted;

(101) in the Tenth Schedule, in rule 10, clauses (d), (f), (g), (h), (j), (m), (r) and (s) shall be omitted;

(102) in the Eleventh Schedule,—

(a) in rule 2, in sub-rule (2), in clause (b),—

(i) for the word, "two", the word "three" shall be substituted;

(ii) for the first proviso, the following shall be substituted, namely:—

"Provided that in case of existing incomplete projects, the estimated project life shall be treated as four years maximum from tax year 2020 through tax year 2023 and the tax payable shall be reduced by the percentage of completion up to the last day of accounting period pertaining to tax year 2019 or tax year 2020 as declared in the registration form.";

and

(iii) second proviso shall be omitted;

(b) in rule 3, in sub-rule (1),—

(i) for the expression "31st day of December, 2020, the expression "31st day of December, 2021" shall be substituted;

and

(ii) in clause (a), in the proviso, for the semi colon and the word "and", a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

"Provided further that where benefit of sub-section (3) of section 100D is required to be claimed by builder or developer, the project shall be registered latest by 30th day of June, 2021; and";

(c) in rule 8, in clause (c), for the expression "31st day of December, 2020", the expression "30th day of June, 2021" shall be substituted; and

(d) in rule 9, in sub-rule (1), in clause (d), in sub-clause (ii), in the proviso, for the expression "31st day of December, 2020", the expression "31st day of December, 2021" shall be substituted; and

(103) after the Twelfth Schedule, the following new Schedules shall be added, namely:—

"THE THIRTEENTH SCHEDULE

(See section 61)

S. No.	Name
(1)	(2)
1.	any Sports Board or institution recognised by the Federal Government for the purposes of promoting, controlling or regulating any sport or game.
2.	The Citizens Foundation.

3.	Fund for Promotion of Science and Technology in Pakistan.
4.	Fund for Retarded and Handicapped Children.
5.	National Trust Fund for The Disabled.
6.	Fund for Development of Mazaar of Hazarat Burn i Imam.
7.	Rabita-e-Islami's Project for printing copies of the Holy Quran.
8.	Fatimid Foundation, Karachi.
9.	Al-Shifa Trust.
10.	Society for the Promotion of Engineering Sciences and Technology in Pakistan.
11.	Citizens-Police Liaison Committee, Central Reporting Cell, Sindh Governor House, Karachi.
12.	ICIC Foundation.
13.	National Management Foundation.
14.	Endowment Fund of the institutions of the Agha Khan Development Network (Pakistan listed in Schedule 1 of the Accord and Protocol, dated November 13, 1994, executed between the Government of the Islamic Republic of Pakistan and Agha Khan Development Network.
15.	Shaheed Zulfigar Ali Bhutto Memorial Awards Society.
16.	Iqbal Memorial fund.
17.	Cancer Research Foundation of Pakistan, Lahore. ,
18.	Shaukat Khanum Memorial Trust, Lahore.
19.	Christian Memorial Hospital, Sialkot.

20.	National Museums, National Libraries and Monuments or institutions declared to be National Heritage by the Federal Government.
21.	Mumtaz Bakhtawar Memorial Trust Hospital, Lahore.
22.	Kashmir Fund for Rehabilitation of Kashmir Refugees and Freedom Fighters.
23.	Institutions of the Agha Khan Development Network (Pakistan) listed in Schedule 1 of the Accord and Protocol, dated November 13, 1994, executed between the Government of the Islamic Republic of Pakistan and Agha Khan Development Network.
24.	Azad Kashmir President's Mujahid Fund, 1972.
25.	National Institute of Cardiovascular Diseases, (Pakistan) Karachi.
26.	Businessmen Hospital Trust, Lahore.
27.	Premier Trust Hospital, Mardan.
28.	Faisal Shaheed Memorial Hospital Trust, Gujranwala.
29.	Khair-un-Nisa Hospital Foundation, Lahore.
30.	Sind and Balochistan Advocates' Benevolent Fund.
31.	Rashid Minhas Memorial Hospital Fund.
32.	Any relief or welfare fund established by the Federal Government.

33.	Mohatta Palace Gallery Trust.
34.	Bagh-e-Quaid-e-Azam project, Karachi.
35.	Any amount donated for Tameer-e-Karachi Fund.
36.	Pakistan Red Cres-cent Society.
37.	Sank of Commerce and Credit International Foundation for Advancement of Science and Technology.
38.	Federal Board of Revenue Foundation.
39.	The Indus Hospital, Karachi.
40.	Pakistan Sweet Homes Angels and Fairies Place.
41.	Al-Shifa Trust Eye Hospital.
42.	Aziz Tabba Foundation.
43.	Sindh Institute of Urology and Transplantation,SIUT Trust and Society for the Welfare of SIUT.
44.	Sharif Trust.
45.	The Kidney Centre Post Graduate Institute.
46.	Pakistan Disabled Foundation.
47.	Sardar Trust Eye Hospital, Lahore.
48.	Supreme Court of Pakistan — Diamer Bhasha & Mohmand Dams — Fund.
49.	Layton Rahmatullah Benevolent Trust (LRBT).
50.	Akhuwat.
51.	The Prime Minister's COVIE)-19 Pandemic Relief Fund-2020.

52.	Ghulam Ishaq Khan Institute of Engineering Sciences and Technology (GIKI).
53.	Lahore University of Management Sciences.
54.	Dawat-e-Hadiya, Karachi.
55.	Baitussalam Welfare Trust.
56.	Patients' Aid Foundation.
57.	Alkhidmat Foundation.
58.	Alamqir Welfare Trust International.
59.	Prime Minister's Special Fund for victims of terrorism.
60.	Chief Ministers(Punjab) Relief Fund for Internally Displaced Persons (1DPs) of KPK.
61.	Prime Ministers Flood Relief Fund 2010 and Provincial Chief Ministers Relief Funds for victims of flood 2010.
62.	Waqf for Research on Islamic History, Art and Culture, Istanbul.

Provided that the Federal Government shall have the power to add, amend or omit any entry in this Schedule.";

FOURTEENTH SCHEDULE

(See section 100E)

RULES FOR COMPUTATION OF PROFIT AND GAINS FOR SMALL AND MEDIUM ENTERPRISES

1. **Application.-** These rules shall apply to small and medium enterprises as defined in Clause (59A) of Section 2 of the Ordinance.

2. **Registration.-** Small and medium enterprise shall be required to register with FBR on its Iris web portal or Small and Medium Enterprises Development Authority on its SME registration portal (SMERP).
3. **Categories and tax rates.-** There shall be following two categories of small and medium enterprises and tax on their taxable income shall be computed at the tax rates given in the table below, namely:-

Sr. No.	Category	Turnover	Rates
(1)	(2)	(3)	(4)
1.	Category-1	Where annual business turnover does not exceed Rupees 100 million	7.5% of taxable income
2.	Category-2	Where annual turnover exceeds Rupees 100 Million but does not exceed Rupees 250 Million	15% of taxable income

4. **Option for Final Tax Regime.-**

- (1) The small and medium enterprises may opt for taxation under final tax regime at the rates given in the table below:

Sr. No.	Category	Turnover	Rates
(1)	(2)	(3)	(4)
1.	Category-1	Where annual business turnover does not exceed Rupees 100 million	0.25% of gross turnover

2.	Category-2	Where annual business turnover exceeds Rupees 100 million but does not exceed Rupees 250 million	0.5% of gross turnover
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(2) Option under sub-rule (1) of this rule shall be exercised at the time of filing of return of income and option once exercised shall be irrevocable for three tax years.

(3) The provisions of section 177 and 214C shall not apply to SME who opts for taxation under sub-rule (1) of this rule.

5. Audit.-

(1) SMEs who opt for taxation under normal law under rule 3 may be selected for tax audit through risk based parametric computer ballot under section 214C of the Ordinance if its tax to turnover ratio is below tax rates given in rule 4 of these rules.

(2) The cases selected under sub-rule (1) of this rule shall not exceed 5% of the total population of SMEs whose tax to turnover ratio is below tax rates given in rule 4 of these rules.

6. Provisions of Ordinance to apply.- The other provisions of the Ordinance shall apply mutatis mutandis to the SMEs.”.

6. Amendments of the Federal Excise Act, 2005. — In the Federal Excise Act, 2005, the following further amendments shall be made, namely:—

(1) in section 4, in sub-section (4), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely: —

“Provided that the approval under this sub-section shall not be required if revised return is filed within sixty days of filing of the original return and either the duty payable as per the revised return is more than the amount paid or the refund claimed therein is less than the amount as claimed, under the return sought to be revised.”;

(2) in section 14, after sub-section (3), the following new sub-section (4) shall be added, namely:—

“(4) The provision of sub-section (2) shall *mutatis mutandis* apply regarding assistance in collection and recovery of duties in pursuance of a request from a foreign jurisdiction under a tax treaty, a multilateral convention, and inter-governmental agreement or similar agreement or mechanism as the case may be.”;

(3) after section 45A, the following new section 45AA shall be inserted, namely:—

“45AA. Licensing of brand name.- (1) Manufacturers of the specified goods shall be required to obtain brand licence for each brand or stock keeping unit (SKU) in such manner as may be prescribed by the Board.

(2) Any specified brand and SKU found to be sold without obtaining a licence from the Board shall be deemed counterfeit goods and liable to outright confiscation and destruction in the prescribed manner and such destruction and confiscation shall be without prejudice to any other penal action which may be taken under this Act.”;

(4) in section 47A,—

(i) in the title, after the word “information”, the words “or assistance in recovery of duties” shall be inserted;

(ii) after sub-section (1), the following new sub-section (1A) shall be inserted, namely:—

“(1A) Notwithstanding anything contained in this Act, the Board shall have power to share data or information including real time data videos, images received under the provisions of this Act with any other Ministry or Division of the Federal Government or Provincial Government, subject to such limitations and conditions as may be specified by the Board.”; and

(iii) after sub-section (2), the following new sub-section (3) shall be added, namely:—

“(3) The Federal Government may enter into a bilateral or multilateral convention, and inter-governmental agreement or similar agreement or mechanism for assistance in the recovery of duties”;

- (5) in section 49, the existing sub-section shall be renumbered as sub-section (1) and thereafter the following new sub-section shall be added, namely:–

“(2) The Board may authorize and prescribe the manner in which fee and service charges collected under sub-section (1) shall be expended.”;

- (6) in the First Schedule, –

(a) in Table-1, in column (1),–

- (i) S. No. 1, 2, 57 and 58 and entries relating thereto in columns (2), (3) and (4) shall be omitted;
- (ii) after serial number 8b, the following new serial numbers and entries relating thereto in columns (2), (3) and (4) shall be inserted, namely:–

8c.	Tobacco mixture in an electrically heated tobacco product by whatever name called, intended for consumption by using a tobacco heating system without combustion	2403.9990	Rupees five thousand two hundred per kg”;
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- (iii) against S. No. 55, in column (2), after the figure "87.02", the expression "and till the 30th day of June, 2026 electric vehicles (4 wheelers)" shall be inserted;

- (iv) against serial No. 55B, in column (2),–

- (a) after the figure "87.02" the expression "and till the 30th day of June, 2026 electric vehicles (4 wheelers)" shall be inserted; and
- (b) in sub-serial (a), in column (2), for the expression "1000cc", the expression "851cc to 1000cc" shall be substituted; and
- (v) against serial number 56, in column (3), for the figure "5502.0090", the figure "5502.9090" shall be substituted;
- (b) in Table II,–
 - (i) in the heading of column (2), for the word "Goods", the word "Services" shall be substituted;
 - (ii) against serial number 6, in column (4), for the word "seventeen", the word "sixteen" shall be substituted;
 - (iii) after S. No. 6, in column (1) and entries relating thereto in columns (2), (3) and (4), the following new S. Nos. shall be added, namely:–

"6A.	Following telecommunication services: (a) Mobile phone call, if call duration exceeds three minutes;	Respective sub-heading of 98.12	One rupee per call in addition to the rates of duty specified under Serial No.6
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	(b) Internet services;	9812.6000	Five rupees per GB in addition to the rates of duty specified under Serial No.6
	(c) Sms services	9812.1710	Ten paisa per sms in addition to the rates of duty specified under serial no.6

(iv) against serial number 8, in column (2), after the word “companies” occurring for the first time, the words “excluding Merchant Discount Rate (MDR) for accepting digital payment” shall be inserted;

(7) in the Second Schedule, S. No. 1, 2 and 4 in column (1) and entries relating thereto in columns (2) and (3) shall be omitted; and

(8) in the Third Schedule, in Table-I, after S. No. 23, in column (1), the following new S. Nos. and entries relating thereto in columns (2) and (3) shall be added, namely:–

“24.	The following goods, when supplied within the limits of the Border Sustenance	
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	Markets, established in cooperation with Iran and Afghanistan:	
	(i) Animal Fats and Oil and their fractions	1516.1000
	(ii) Vegetable Fats and their fractions	1516.2010
	(iii) Vegetable Oils and their fractions	1516.2020
	<p>Provided that, such items in case of import, shall be allowed clearance by the Customs Authorities subject to furnishing of bank guarantee equal to the amount of duty involved and the same shall be released after presentation of consumption certificate issued by the Commissioner Inland Revenue having jurisdiction:</p> <p>Provided further that, the said exemption shall only be available to a person upon furnishing proof of having a functional business premises located within limits of the Border Sustenance Markets.</p>	
25.	Import and supply of raw materials, components, parts and plant and machinery by registered persons	Respective headings

	<p>authorized under Export Facilitation Scheme, 2021 notified by the Board with such conditions, limitations and restrictions.”</p>	
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STATEMENT OF OBJECTS AND REASONS

The purpose of this bill is to make financial provisions for the year beginning on the first day of July, 2021 and shall come into force on the first day of July, 2021

The Income Tax (Amendment) Ordinance, 2021 (Ordinance II of 2021), Tax laws (Amendment) Ordinance, 2021 (Ordinance VI of 2021) and Tax Laws (Second Amendment) Ordinance, 2021 (Ordinance VII of 2021) shall stand rescind on the coming into force of this act.

(Shaukat Fayaz Ahmed Tarin)

Minister for Finance & Revenue

SUMMARY OF TAX EXPENDITURE 2021

Tax Expenditure Report 2021 for federal taxes, based on data pertaining to FY 2019-20, amounted to an estimated Rs. 1,314.27 billion. Tax expenditure in sales tax amounted highest at Rs. 578.46 billion (44% of the total), while in income tax amounted to Rs. 448.05 billion (34%), and in Customs, to Rs. 287.77 billion (22%). In last fiscal year 2019-20, FBR's tax collection was Rs. 3,997.4 billion. Hence, tax expenditure to total collection ratio comes to about 33%, and tax expenditure to GDP ratio stands at around 3.2%.

The tax expenditure estimates are unadjusted amounts, meaning that elimination or repeal of a specific exemption would not necessarily produce the rupee amounts cited in this report. Actual receipts would depend on enforcement, taxpayer compliance, effective dates of legislation repealing the exemption, exact wording of any legislation, taxpayer's behavior, and some other economic factors.

This report briefly outlines federal tax exemptions and concessions. These descriptions do not grant rights or impose obligations; rather, the tax laws and rules made thereunder determine actual tax liability. Each estimate is based on the best information available from public and private sources, including FBR's database. It would be exceptionally burdensome on taxpayers to require detailed reporting of transactions corresponding to each of the exemption sections and clauses. No such detailed reporting is imposed by statute or rules. Consequently, tax returns do not contain data sufficient to estimate the value of all exemptions and exclusions.

Estimation requires identification of pertinent, useful data available from various external sources. Where exemptions identified in tables have not been estimated, it is because requisite data does not exist or have not been identified and acquired from an external source.

Income Tax Estimates		
Summary of Tax Expenditure Estimates of Income Tax – FY 2021		
	Contents	(Rs. Million)
1	Allowances	37,318
2	Tax Credits	105,342
3	Exemptions from Total Income	267,115
4	Reduction in Tax Rates	124
5	Reduction in Tax Liability	2,839
6	Exemption from Specific Provisions	2,687
7	Others / Miscellaneous	32,621
	Total	448,046

Allowances				
Sr.	Legal Reference	Description (Exemption or Concession)	Intended Beneficiary	Estimate (Rs in Mln)
1	23	New business entities		30,110.00
2	23A	Industrial undertaking set up in specified rural and		340.00

under developed areas or engaged in the manufacturing of cellular mobile phones

3	60	Persons paying Zakat	1,116.38
4	60A	Persons paying Workers' Welfare Fund	2,522.40
5	60B	Persons paying Workers' Participation Fund	2,523.51
6	60C	Individuals paying profit or share in rent and share in appreciation for value of house on loan by banks etc	646.67
7	60D	Individuals having income of less than Rs. 1.5 million, paying tuition fee	59.13
Total			37,318.09

Tax Credits				
Sr.	Legal Reference	Description (Exemption or Concession)	Intended Beneficiary	Estimate (Rs in Mln)
1	61	Tax credit for charitable donations	Persons giving charitable donations	2,869.91
2	62	Tax credit for investment in shares and life insurance	Persons (excluding companies) investing in shares, sukuks, or life	2,222.31

			insurance	
3	62A	Tax credit for investment in health insurance	Persons (excluding companies) investing in health insurance	21.72
4	63	Tax credit for contribution to an Approved Pension Fund.	Eligible persons as defined in sub-section (19A) of section 2 of Ordinance	915.68
5	64B	Tax credit for employment generation by manufacturers	Corporate manufacturing sector	57.40
6	65B	Tax credit for Non-Equity Investment in Plant & Machinery	Corporate manufacturing sector	51,408.24
7	65B	Tax credit for Equity Investment in Plant & Machinery	Corporate manufacturing sector	10,857.36
8	65C	Tax credit for enlistment in registered Stock Exchange	Companies opting for enlistment in a registered stock exchange	181.17
9	65D	Tax credit for newly established industrial undertakings	Corporate industrial units (including corporate dairy farming)	5,193.57

10	65E	Tax credit for industrial undertakings established before the first day of July, 2011	Corporate units (including corporate dairy farming)	industrial	13,131.81
11	100C	Tax credit for Non-profit organizations, trusts or welfare institutions	Non-profit organizations, trusts, welfare institutions		18,482.94

Total

105,342.11

Exemptions from Total Income				
Sr.	Legal Reference	Description (Exemption or Concession)	Intended Beneficiary	Estimate (Rs in Mln)
1	3	Salary of foreign personnel engaged by institutions of the Agha Khan Development Network	Foreign experts working with Agha Khan Development Network, (Pakistan)	119.23
2	4	Salary received by Pakistani seafarers	Employees (Pakistani seafarers)	67.68
3	5	Foreign allowances (Government of Pakistan)	Employees (diplomats)	1,001.86
4	8	Pension received by a citizen of Pakistan from a former employer	Employees (pensioners)	2,732.76
5	9	Pensions (Government)	Employees (retired government servants &	13,710.00

			military personnel)	
6	12	Commutation of Pension	Employees (pensioners)	9,642.77
7	13	Gratuities	Employees (recipients of gratuity payments)	695.47
8	17	Income derived by the families and dependents of the "Shaheeds" belonging to the Civil Armed Forces of Pakistan	Families and dependents of the "Shaheeds" belonging to the Civil Armed Forces	2.10
9	19	Encashment of leave preparatory to retirement	Employees (retiring personnel of Armed Forces or Government servant)	1,139.86
10	22	Payments from a provident fund to which the Provident Funds Act, 1925 applies.	Employees (recipient of payments from provident funds)	6,686.92
11	23	The accumulated balance due and becoming payable to an employee participating in a recognized provident fund.	Employees participating in a recognized provident fund.	246.41

12	23A	The accumulated balance up to [50]% received from a pension fund at the time of eligible person's- (a) retirement; or (b) disability rendering him unable to work; or (c) death by his nominated survivors.	Voluntary participants in pension funds	79.63
13	23B	Monthly installments from an income payment plan invested with a pension fund manager	Pensioners	25.17
14	23C	Withdrawal of accumulated balance from approved pension fund	Pensioners	147.75
15	24	Benevolent grants paid from the Benevolent Fund (under Central Employee Benevolent Fund and Group Insurance Act, 1969)	Employees (recipient of benevolent grants)	482.90
16	25	Payments from an approved superannuation fund made on the death of a beneficiary	Families of deceased enrolled in approved superannuation funds	43.97
17	26	Sums received by workers from Workers Participation	Low-income workers; recipients of payments	-

		Fund (WPF)	from WPF	
18	39	Special allowance or benefit for employees to meet expenses incurred in the performance of the duties	Employees receiving payments to meet expenses in the performance of duties	947.76
19	40	Income of a newspaper employee representing Local Travelling Allowance	Newspaper employees -	-
20	53A	Employment related perquisites (food, education, medical treatment and any other perquisites, if provided by employer for free or at subsidized rates)	Employees receiving employment-related perquisites.	134.16
21	55	House rent allowance (to judges of the Supreme Court of Pakistan or of High Courts)	Judiciary of Superior Courts	35.00
22	56	Perquisites, benefits and allowances received by a Judge of Supreme Court of Pakistan and Judge of High Court	Judiciary of Superior Courts	290.00

23	57(1)	Any income from voluntary contributions, house property and investments in securities of the Federal Government derived by the following, namely:- National Investment (Unit) Trust of Pakistan Mutual Fund set up by the Investment Corporation of Pakistan, Sheikh Sultan Trust, Karachi	*National Investment (Unit) Trust of Pakistan, Mutual Funds set up by Investment Corporation of Pakistan Sheikh Sultan Trust Karachi.	40.20
24	57(2)	Income other than capital gain on stock and shares of public company, PTC vouchers, Modaraba certificates, or any instrument of redeemable capital and derivative products held for less than 12 months derived by any Mutual Fund, investment company, or a collective investment scheme or a REIT Scheme or Private Equity and Venture Capital Fund or the National Investment (Unit) Trust	Mutual funds, investment companies, collective investment schemes, REIT schemes, Private Equity & Venture Capital Funds, and National Investment (Unit) Trust of Pakistan	-

of Pakistan, if not less than ninety per cent of its income of that year is distributed amongst the Unit-holders.

Any income of the following funds and institution

25	57(3)	(i) a provident fund to which the Provident Funds Act, 1925 applies;	Provident Funds	1,783.60
26	57(3)	(ii) trustees on behalf of a recognized provident fund or an approved superannuation fund or an approved gratuity fund;	Trustees of recognized provident funds, approved superannuation funds, and approved gratuity funds	13,120.00
27	57(3)	(iii) a benevolent fund or group insurance scheme approved by the Board for the purposes of this clause;	Benevolent funds and group insurance schemes	138.60
28	57(3)	(iv) Service Fund;	Service Funds;	-
29	57(3)	(v) Employees Old Age Benefits Institution established under the Employees Old Age Benefit Act,	Employees Old Age Benefits Institution	5,465.78

1976 (XIV of 1976);

30	57(3)	(vii) any Unit, Station or Regimental Institute; and	Units, Stations or Regimental Institutes	-
31	57(3)	(vi) any recognized Regimental Thrift and Savings Fund, the assets of which consist solely of deposits made by members and profits earned by investment thereof;	Regimental Thrift and Savings Funds	-
32	57(3)	(viii) a Pension Fund approved by the SECP	Approved Pension Funds	740.18
33	57(3)	(ix) any profit or gain or benefit derived by a pension fund manager from a pension Fund approved under the Voluntary Pension System Rules, 2005, on redemption of the seed capital invested in pension fund as specified in the Voluntary Pension System Rules, 2005;	Pension funds under the Voluntary Pension System Rules 2005	15.00
34	57(3)	(xi) International Irrigation Management Institute.	International Irrigation Management Institute	0

35	57(3)	(xii) Punjab Pension Fund established under the Punjab Pension Fund Act, 2007 (I of 2007) and the trust established thereunder.	Punjab Pension Fund	2,271.37
36	57(3)	(xiii) Sindh Province Pension Fund established under the Sindh Province Pension Fund Ordinance, 2002.	Sindh Province Pension Fund	1,162.26
37	57(3)	(xiv) Punjab General Provident Investment Fund established under the Punjab General Provident Investment Fund Act, 2009 (V of 2009) and the trust established thereunder.”	Punjab General Provident Investment Fund	161.10
38	57(3)	(xv) Khyber Pakhtunkhwa Retirement Benefits and Death Compensation Fund.	Khyber Pakhtunkhwa Retirement Benefits and Death Compensation Fund	219.18
39	57(3)	(xvi) Khyber Pakhtunkhwa General Provident Investment Fund.	Khyber Pakhtunkhwa General Provident Investment Fund	1,118.03

40	57(3)	(xvii)	Khyber Pakhtunkhwa Pension Fund ;	Khyber Pakhtunkhwa Pension Fund	1,465.68
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Any amount paid as donation to the following institution, foundations, societies, boards, trusts and funds

41	61	(i)	any Sports Board or institution recognized by the Federal Government for the purposes of promoting, controlling or regulating any sport or game	ibid	n.a.
42	61	(ia)	The Citizens Foundation	ibid	431.52
43	61	(iii)	Fund for Promotion of Science and Technology in Pakistan	ibid	-
44	61	(iv)	Fund for Retarded and Handicapped Children	ibid	-
45	61	(v)	National Trust Fund for the Disabled	ibid	n.a.
46	61	(vii)	Fund for Development of Mazaar of Hazrat Burri Imam	ibid	n.a.
47	61	(viii)	Rabita-e-Islami's Project for printing copies of the Holy Quran	ibid	n.a.

48	61	(ix) Fatimid Foundation, Karachi	ibid	15.83
49	61	(x) Al-Shifa Trust	ibid	-
50	61	(xii) Society for the Promotion of Engineering Sciences and Technology in Pakistan	ibid	-
51	61	(xxiii) Citizens-Police Liaison Committee, Central Reporting Cell, Sindh Governor House, Karachi	ibid	-
52	61	(xxiv) ICIC Foundation	ibid	-
53	61	(xxvi) National Management Foundation	ibid	-
54	61	(xxvii) Endowment Fund of the institutions of the Agha Khan Development Network	ibid	-
55	61	(xxviii) Shaheed Zulfiqar Ali Bhutto Memorial Awards Society	ibid	n.a.
56	61	(xxix) Iqbal Memorial Fund	ibid	-
57	61	(xxx) Cancer Research Foundation of Pakistan, Lahore	ibid	-
58	61	(xxxi) Shaukat Khanum Memorial Trust, Lahore	ibid	1,026.20

59	61	(xxxii) Christian Memorial Hospital, Sialkot	ibid	0.01
60	61	(xxxiii) National Museums, National Libraries and Monuments or Institutions declared to be National Heritage by the Federal Government	ibid	n.a.
61	61	(xxxiv) Mumtaz Bakhtawar Memorial Trust Hospital, Lahore	ibid	8.31
62	61	(xxxv) Kashmir Fund for Rehabilitation of Kashmir Refugees and Freedom Fighters	ibid	n.a.
63	61	(xxxvi) Institutions of the Agha Khan Development Network (Pakistan)	ibid	227.00
64	61	(xxxvii) Azad Kashmir President's Mujahid Fund, 1972; National Institute of Cardiovascular Diseases, (Pakistan) Karachi; Businessmen Hospital Trust, Lahore; Premier Trust Hospital, Mardan; Faisal Shaheed Memorial Hospital Trust, Gujranwala; Khair-un-Nisa Hospital Foundation,	ibid	-

Lahore; Sind and Balochistan
Advocates Benevolent Fund; Rashid
Minhas Memorial Hospital Fund.

65	61	(xxxviii) Any relief or welfare fund established by the Federal Government;	ibid	-
66	61	(xxxix) Mohatta Palace Gallery Trust	ibid	-
67	61	(xl) Bagh-e-Quaid-e-Azam project, Karachi	ibid	-
68	61	(xli) Any amount donated for Tameer-e-Karachi Fund	ibid	-
69	61	(xlii) Pakistan Red Crescent Society	ibid	-
70	61	(xliii) Bank of Commerce and Credit International Foundation for Advancement of Science and Technology	ibid	n.a.
71	61	(xliv) Any amount donated to Federal Board of Revenue Foundation.	ibid	-
72	61	(xlv) The Indus Hospital, Karachi	ibid	460.70
73	61	(xlvi) Pakistan Sweet Homes Angels and Fairies Place	ibid	-
74	61	(xlvii) Al-Shifa Trust Eye Hospital	ibid	33.53

75	61	(xlviii) Aziz Tabba Foundation	ibid	163.52
76	61	(xlix) Sindh Institute of Urology and Transplantation, SIUT Trust and Society for the Welfare of SIUT	ibid	142.42
77	61	(i) Sharif Trust	ibid	157.41
78	61	(ii) The Kidney Centre Post Graduate Institute	ibid	-
79	61	(lii) Pakistan Disabled Foundation	ibid	-
80	61	(liii) Sardar Trust Eye Hospital, Lahore	ibid	-
81	61	(liv) Supreme Court of Pakistan – Diamer Bhasha & Mohmand Dams	ibid	-
82	61	(lv) Layton Rahmatullah Benevolent Trust (LRBT)	ibid	270.36
83	61	(lvi) Akhuwat	ibid	209.32
84	61	The Prime Minister Covid-19 Pandemic Relief Fund 2020	ibid	-
85	61	Ghulam Ishaque Khan Institute of Engineering Science & Technology	ibid	-
86	61	Lahore University of	ibid	72.42

Management Sciences (ivx)

Dawat-e-Hadiya Karachi

87	61	Baitussalam Welfare Trust	ibid	144.65
88	61	Patient's Aid Foundation	ibid	60.92
89	61	Alkhidmat Foundation	ibid	3.04
90	62	Alamgir Welfare Trust	ibid	263.34

International

91	64A	Any amount donated to the Prime Minister's Special Fund for victims of terrorism	Persons making donations into the said Fund.	-
92	64B	Any amount donated to the Chief Minister's (Punjab) Relief Fund for Internally Displaced Persons (IDPs) of NWFP.]	Persons making donations into the said Fund.	-
93	64C	Prime Minister's Flood Relief Fund 2010 and Provincial Chief Ministers' Relief Funds, for victims of flood 2010.	Persons making donations into the said Fund.	-
94	65A	Income for any tax year commencing from the tax year 2003, derived from the Welfare Fund created under rule-26 of the Emigration Rules, 1979	Emigrants and their families in Pakistan	-

(made under section 16 of the Emigration Ordinance, 1979 (XVIII of 1979), except the income generated by the aforesaid Fund through commercial activities.

Any income derived by following entities: Specific Entities by name

95	66	i. Abdul Sattar Edhi Foundation, Karachi	Abdul Sattar Edhi Foundation, Karachi	870.84
96	66	ii. Al-Shifa Trust, Rawalpindi	Al-Shifa Trust, Rawalpindi	-
97	66	iii. Bilquis Edhi Foundation, Karachi	Bilquis Edhi Foundation, Karachi	429.47
98	66	iv. Fatimid Foundation, Karachi	Fatimid Foundation, Karachi	-
99	66	vi. International Islamic Trade Finance Corporation	International Islamic Trade Finance Corporation	-
100	66	vii. Islamic Corporation for Development of Private Sector	Islamic Corporation for Development of Private Sector	-
101	66	viii. National Memorial Bab-e-Pakistan Trust	National Memorial Bab-e-Pakistan Trust	-

102	66	ix. Pakistan Agricultural Research Council, Islamabad	Pakistan Agricultural Research Council, Islamabad	0.40
103	66	x. Pakistan Engineering Council	Pakistan Engineering Council	480.10
104	66	xi. The corporatized entities of Pakistan Water and Power Development Authority	The corporatized entities of Pakistan Water and Power Development Authority	5,209.13
105	66	xii. The Institution of Engineers, Pakistan, Lahore	The Institution of Engineers, Pakistan, Lahore	11.00
106	66	(xiia) The Prime Minister's Special Fund for victims of terrorism	The Prime Minister's Special Fund for victims of terrorism	-
107	66	(xiib) Chief Minister's (Punjab) Relief Fund for Internally Displaced Persons (IDPs) of NWFP	Chief Minister's (Punjab) Relief Fund for Internally Displaced Persons (IDPs) of NWFP	-
108	66	xiii. The Institutions of the Agha Khan Development Network (Pakistan)	The Institutions of the Agha Khan Development Network	1,445.65

			(Pakistan)	
109	66	xiv. The Liaquat National Hospital Association, Karachi	The Liaquat National Hospital Association, Karachi	196.01
110	66	xv. The Pakistan Council of Scientific and Industrial Research	The Pakistan Council of Scientific and Industrial Research	125.11
111	66	xvi. The Pakistan Water and Power Development Authority	The Pakistan Water and Power Development Authority	19,496.60
112	66	xvii. WAPDA First Sukuk Company Limited	WAPDA First Sukuk Company Limited	-
113	66	(xix) Pension of a former President of Pakistan and his widow under the President Pension Act, 1974	Former Presidents of Pakistan and their widows	-
114	66	(xx) State Bank of Pakistan and State Bank of Pakistan Banking Services Corporation	State Bank of Pakistan and State Bank of Pakistan Banking Services Corporation	48,514.55
115	66	(xxi) International Finance Corporation	International Finance Corporation	-
116	66	(xxii) Pakistan Domestic	Pakistan Domestic	-

		Sukuk Company Ltd	Sukuk Company Ltd	
117	66	(xxiii) The Asian Development Bank	The Asian Development Bank	-
118	66	(xxiv) The ECO Trade and Development Bank	The ECO Trade and Development Bank	552.51
119	66	(xxv) The Islamic Chamber of Commerce and Industry under the Organization of Islamic Conference (OIC)	The Islamic Chamber of Commerce and Industry under the Organization of Islamic Conference (OIC)	-
120	66	(xxvi) COMSATS	COMSATS	-
121	66	(xxvii) WAPDA on issuance of twenty billion rupees TFC's/SUKUK certificates for consideration of Diamer Bhasha Dam Projects	WAPDA	-
122	66	(xxviii) Federal Board of Revenue Foundation	Federal Board of Revenue Foundation	-
123	66	(xxix) WAPDA Second Sukuk Company Limited	WAPDA Second Sukuk Company Limited	-
124	66	(xxx) The Citizens Foundation	The Citizens Foundation	66.07

125	66	(xxxix) Sindh Institute of Urology and Transplantation, SIUT Trust and Society for the Welfare of SIUT	Sindh Institute of Urology and Transplantation, SIUT Trust and Society for the Welfare of SIUT	918.73
126	66	(xxxix) Greenstar Social Marketing Pakistan (Guarantee) Limited	Greenstar Social Marketing Pakistan (Guarantee) Limited	82.94
127	66	(xxxix) Pakistan International Sukuk Company Limited	Pakistan International Sukuk Company Limited	n.a.
128	66	(xxxix) The Indus Hospital, Karachi	The Indus Hospital, Karachi	120.52
129	66	(xxxix) Second Pakistan International Sukuk Company Limited	Second Pakistan International Sukuk Company Limited	-
130	66	(xxxix) Third Pakistan International Sukuk Company Limited	Third Pakistan International Sukuk Company Limited	-
131	66	(xxxix) Asian Infrastructure Investment Bank and persons as provided in Article 51 of Chapter IX of the Articles of	Asian Infrastructure Investment Bank	-

Agreement signed and ratified by Pakistan and entered into force on the 25th December, 2015.

132	66	(xxxvii) Gulab Devi Chest Hospital.	Gulab Devi Chest Hospital.	-
133	66	(xxxviii) Pakistan Poverty Alleviation Fund.	Pakistan Poverty Alleviation Fund.	617.33
134	66	(xxxix) National Academy of Performing Arts.	National Academy of Performing Arts.	5.20
135	66	(xl) Pakistan Sweet Homes Angels and Fairies Place.	Pakistan Sweet Homes Angels and Fairies Place.	19.37
136	66	(xli) National Rural Support Programme.	National Rural Support Programme.	420.10
137	66	(xlii) SAARC Energy Centre.	SAARC Energy Centre.	-
138	66	(xliii) Pakistan Bar Council.	Pakistan Bar Council.	0.74
139	66	(xliv) Pakistan Centre for Philanthropy.	Pakistan Centre for Philanthropy.	5.11
140	66	(xlv) Pakistan Mortgage Refinance Company Limited.	Pakistan Mortgage Refinance Company Limited.	264.18
141	66	(xlvi) Aziz Tabba Foundation.	Aziz Tabba Foundation.	46.12

142	66	(I) Al-Shifa Trust Eye Hospital.	Al-Shifa Trust Eye Hospital.	n.a.
143	66	(li) Saylani Welfare International Trust.	Saylani Welfare International Trust.	34.00
144	66	(lii) Shaukat Khanum Memorial Trust.	Shaukat Khanum Memorial Trust.	2200.66
145	66	(liii) Layton Rahmatullah Benevolent Trust (LRBT).	Layton Rahmatullah Benevolent Trust (LRBT).	-
146	66	(liv) The Kidney Centre Post Graduate Training Institute.	The Kidney Centre Post Graduate Training Institute.	14.00
147	66	(lv) Pakistan Disabled Foundation.	Pakistan Disabled Foundation.	-
148	66	(lvi) Forman Christian College;	Forman Christian College;	94.47
149	66	(lvii) Habib University Foundation.	Habib University Foundation.	3.21
150	66	(lviii) Begum Akhtar Rukhsana Memorial Trust Hospital.	Begum Akhtar Rukhsana Memorial Trust Hospital.	-
151	66	(lix) Al-Khidmat Foundation.	Al-Khidmat Foundation.	-
152	66	(Ix) Dawat-e-Islami Trust	Dawat-e-Islami Trust	263.38

153	66	(Ixi) Sardar Trust Eye Hospital, Lahore.	Sardar Trust Eye Hospital, Lahore.	-
154	66	(Ixii) Supreme Court of Pakistan – Diامر Bhasha & Mohmand Dams – Fund	Supreme Court of Pakistan – Diامر Bhasha & Mohmand Dams – Fund	0.30
155	66	(Ixiii) National Disaster Risk Management Fund.	National Disaster Risk Management Fund.	57.20
156	66	(Ixiv) Deposit Protection Corporation	Deposit Protection Corporation <i>(Already accounted for under sub-clause (xx) under consolidated figure for SBP)</i>	4,377.60
157	66	(Ixv) Sarmaya-e-Pakistan Limited	Sarmaya-e-Pakistan Limited	-
158	66	(Ixvi) Akhuwat	(Ixvi) Akhuwat	192.86
159	66	(Ixvii) Audit Oversight Board.	Audit Oversight Board.	5.68
160	66	(Ixviii) Patient’s Aid Foundation.	Patient’s Aid Foundation.	13.00
161	72A	Any income derived by Sukuk holder in relation to Sukuk issued by “The Second	Sukuk holders	3,436.50

Pakistan International Sukuk Company Limited” and the Third Pakistan International Sukuk Company Limited, including any gain on disposal of such Sukuk.

162	74	Profit on debt derived by Hub Power Company Limited on or after the first day of July,1991	Hub Power Company Limited	9.37
163	75	Any income of an agency of a foreign Government, a foreign national (company, firm or association of persons), or any other Nonresident person approved by the Federal Government for the purposes of this clause, from profit on moneys borrowed under a loan agreement or in respect of foreign currency instrument approved by the Federal Government.	Agencies of foreign Governments, foreign nationals or any other non-resident person approved by the Federal Government	7,362.80
164	78	Profit on debt on foreign	Foreign currency	n.a.

		currency accounts	account holders	
165	79	Profit on debt derived by non-resident Pakistanis on rupee accounts	Citizens of Pakistan residing abroad and remitting foreign exchange	n.a.
166	80	Income derived from a private foreign currency account held with an authorized bank in Pakistan, or certificate of investment issued by investment banks, by a resident individual who is a citizen of Pakistan: (This exemption is not available in respect of any incremental deposits made in the said accounts on or after the 16th day of December, 1999)	Foreign currency account holder resident individual citizens of Pakistan	-
167	90	Profit on debt payable by Pakistani industrial undertakings to financial institutions in foreign countries	Financial institutions in foreign countries lending with approval of Federal Government of Pakistan	n.a.

168	90A	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	Investors / buyers of bonds issued by Pakistan Mortgage Refinance Company	4.20
169	91	Text-book boards of Provinces	Text-book boards of provinces	583.40
170	98	Sports Boards (except Pakistan Cricket Board).	Regulators, organizations and boards established by government to encourage major games and sports	61.84
171	99	Collective Investment Schemes or a REIT Schemes	Collective Investment Schemes and REIT Schemes that are distributing more than 90% of their incomes to certificate holders / shareholders.	16,176.50

172	99A	Profits and gains on sale of immovable property to a REIT Scheme	Taxpayers selling immovable property to a Developmental REIT Scheme or a rental REIT Scheme	-
173	100	Modarabas	Modarabas	261.25
174	101	Venture capital companies & venture capital funds registered under Venture Capital Companies and Funds Management Rules, 2000 and a Private Equity and Venture Capital Funds	Venture capital companies venture capital funds, and Private Equity & Venture Capital Funds.	3.63
175	102A	Income representing a subsidy granted by the Federal Government	Recipients of subsidies granted by Federal Government	4,508.87
176	103	Distributions received by a taxpayer from collective investment schemes or mutual funds (which are debt or money market funds and do not invest in shares) out of capital gains	Investors investing in debt or money market mutual funds and collective investment schemes	1.00

177	104	Income derived by the Libyan Arab Foreign Investment Company being dividend of the Pak-Libya Holding Company.	Libyan Arab Foreign Investment Company	-
178	105	Income derived by the Government of Kingdom of Saudi Arabia being dividend of the Saudi-Pak Industrial and Agricultural Investment Company Limited.	Government of Kingdom of Saudi Arabia	26.00
179	105A	Income derived by Kuwait Foreign Trading Contracting and Investment Company or Kuwait Investment Authority being dividend of the Pak Kuwait Investment Company in Pakistan	Kuwait Foreign Trading Contracting & Investment Company, and Kuwait Investment Authority	67.50
180	105B	Income received by a taxpayer from a corporate agricultural enterprise, distributed as dividend out of its income from agriculture.	Taxpayers receiving dividend income from corporate agricultural enterprises	44.00

181	110B	Any gain on transfer of a capital asset, being a membership right held by a member of an existing stock exchange, for acquisition of shares and trading or clearing rights acquired by such member in new corporatized stock exchange in the course of corporatization of an existing stock exchange.	Members of Stock Exchange	-
182	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.	Persons deriving gain from bonds issued by Pakistan Mortgage Refinance Company	-
183	114	Income under the head "capital gains" derived by industrial undertakings set up in a "Zone"	Industrial undertakings set up in "Zones" within the meaning of Export	n.a.

		within the meaning of the Export Processing Zones Authority Ordinance, 1980	Processing Zones Authority Ordinance	
184	126	Public sector universities	Public sector universities	10,715.95
185	126A	Income derived by China Overseas Ports Holding Company Limited, China Overseas Ports Holding Company Pakistan (Private) Limited, Gawadar International Terminal Limited, Gawadar Marine Services Limited and Gawadar Free Zone Company Limited from Gawadar Port operations for a period of twenty three years, with effect from the sixth day of February, 2007.	Listed companies	65.12
186	126AA	Profit and gains derived by a taxpayer from businesses set up in the Gawadar Free Zone Area	All businesses set up in Gawadar Free Zone	-

187	126AB	Profit on debt derived by- (a) any foreign lender; or (b) any local bank having more than 75 per cent shareholding of the Government or the State Bank of Pakistan, under a Financing Agreement with the China Overseas Ports Holding Company Limited	Foreign lenders or public sector banks/ State bank having financing agreement with China Overseas Ports Holding Company Limited	-
188	126AC	Income derived by contractors and sub-contractors of China Overseas Ports Holding Company Limited, China Overseas Ports Holding Company Pakistan (Private) Limited, Gawadar International Terminal Limited, Gawadar Marine Services Limited and Gawadar Free Zone Company Limited from Gawadar Port operations	Contractors and sub-contractors of listed companies from Gawadar Port operations	105.52
189	126AD	Income derived by China	China Overseas Ports	-

		Overseas Ports Holding Company Limited being dividend received from China Overseas Ports Holding Company Pakistan (Private) Limited, Gwadar International Terminal Limited Gwadar Marine Services Limited and Gwadar Free Zone Company Limited	Holding Company	
190	126B	Profit and gains derived by Khalifa Coastal Refinery	Khalifa Coastal Refinery	-
191	126BA	Refineries	Oil refineries	1,724.66
192	126C	Industrial undertakings set up in Larkano Industrial Estate	Industrial undertakings set up in Larkano Industrial Estate	-
193	126D	Industrial undertakings set up in the Gawadar declared by the Federal Government to be a Zone within the meaning of Export Processing Zone Authority Ordinance, 1980	Industrial undertaking set up in the Gawadar	-

194	126E	Income derived by a zone enterprise as de- fined in the Special Economic Zones Act, 2012 and developer of zone for a period of ten years	Zone enterprise as defined in the Special Economic Zones Act, 2012, and developers of zones.	200.00
195	126G	Income of Astro Plastics (Pvt) Limited derived from their project Biaxially Oriented Polyethylene Terephthalate (BOPET) Project; and 2. Income of Novatex Limited derived from their project Biaxially Oriented Polyethylene Terephthalate (BOPET) Project.	Astro Plastics (Pvt) Limited, M/s. Novatex Limited	-
196	126H	Income from fruit processing or preservation units set up in Balochistan Province, Malakand Division, Gilgit Baltistan and FATA	Fruit processing or preservation units set up in Balochistan Province, Malakand Division, Gilgit Baltistan and ex-FATA	-
197	126I	Industrial undertakings engaged in the manufacture of plant, machinery, equipment	Manufacturers of plant, machinery & equipment for use in generation of	12.00

		and items with dedicated use for generation of renewable energy	renewable energy sources.	
198	126J	Profits and gains derived by a taxpayer, from an industrial undertaking engaged in operating warehousing or cold chain facilities for storage of agriculture produce	Industrial undertakings engaged in operating warehousing or cold chain facilities for storage of agriculture produce	n.a.
199	126K	Profits and gains derived by industrial undertakings set up for establishing and operating a halal meat production unit	Halal meat production units	-
200	126L	Industrial undertakings set up in the Provinces of Khyber Pukhtunkhwa and Baluchistan	Industrial undertakings set up in the Provinces of Khyber Pukhtunkhwa and Baluchistan between 1st day of July, 2015 and 30th day of June, 2018	96.55
201	126M	Profits and gains derived by a taxpayer from a transmission	Companies deriving income from	4.10

		line project set up in Pakistan	transmission line projects in Pakistan	
202	126N	Profits and gains derived by a taxpayer from an industrial undertaking, duly certified by the Pakistan Telecommunication Authority, engaged in the manufacturing of cellular mobile phones	Local cellular mobile phone manufacturers	0.40
203	126O	Profits and gains of a company from a green field industrial undertaking incorporated on or after the first day of July, 2019	Green field industrial undertakings	-
204	131	Royalty, commission or fees earned from a foreign enterprise in consideration for the use outside Pakistan of any patent, invention, model, design, secret process or formula or similar property right	Innovators and technical experts	1.50

205	132	Profits and gains derived by a taxpayer from an electric power generation project set up in Pakistan on or after the 1st day of July, 1988.	Electric power generation projects	47,528.40
206	132A	Profit and gains derived by Bosicor Oil Pakistan Limited	Bosicor Oil Pakistan Limited (refinery)	-
207	132B	Coal mining projects in Sindh, supplying coal exclusively to power generation projects.	Coal mining projects in Sindh	-
208	133	Income from exports of computer software or IT services or IT enabled services	Exporters of computer software, IT services or IT enabled services	1,944.60
209	135A	Income derived by non-residents from investment in OGDCL exchangeable bonds issued by the Federal Government.	Non-residents deriving income from investment in OGDCL exchangeable bonds issued by the Federal Government.	-
210	136	Income of a special purpose vehicle as defined in the Asset Backed Securitization Rules,	Special purpose vehicles as defined in the Asset Backed	-

		1999	Securitization Rules, 1999	
211	139	Medical treatment or hospitalization for employees	Employees receiving free medical care from employers.	1,825.76
212	141	Profit and gains derived by LNG Terminal Operators and Terminal Owners	LNG Terminal Operators and Terminal Owners	1,714.29
213	142	Income from social security contributions derived by the four provincial Social Security institutions	Provincial social security institutions	5,636.22
214	143	Start-ups	Startups as defined in clause (62A) of section 2 of the ITO-2001	552.75
215	145A, 146	Income of individuals domiciled or companies and associations of persons resident in the erstwhile Tribal Areas	Individuals domiciled or companies and associations of persons resident in the ex-Tribal Areas	4,460.00
216	16, 39A, 51, 52	Others	Others	1,203.40

Total

267,115.10

Reduction in Tax Rates				
Sr.	Legal Reference	Description (Exemption or Concession)	Intended Beneficiary	Estimate (Rs in Mln)
1	3	The tax in respect of income from services rendered outside Pakistan and construction contracts executed outside Pakistan shall be 50% of the rates as specified in Division III of Part III of the First Schedule	Service providers and contractors	-
2	3B	The income of Pakistan Cricket Board derived from sources outside Pakistan shall be taxed at a rate of four per cent of the gross receipts from such sources	Pakistan Cricket Board	-
3	18	In the case of a Modaraba the rate of income tax shall be 25% of total income excluding such part of total income to which Division III of Part I of the First Schedule or section 153 or section 154 applies.	Modarabas	-

4	18A	The rate of tax shall be reduced to 20% for a company setting up an industrial undertaking between the first day of July, 2014 to the thirtieth day of June, 2017, for a period of five years beginning from the month in which the industrial undertaking is set up or commercial production is commenced whichever is later	Companies setting up industrial undertakings between 2014 and 2017	-
5	18B	The rate of tax shall be reduced by 2% in case of a company whose shares are traded on stock exchange if it fulfills prescribed Shariah compliant criteria approved by State Bank of Pakistan, Securities and Exchange Commission of Pakistan and the Board, and derives income from manufacturing activities only	Shariah compliant companies whose shares are traded on stock exchange	-
6	27	The tax on payments under the Compulsory Monetization of Transport Facility for Civil Servants	Employees (civil servants of BS-20 and above)	100.00

in BS-20 to BS-22 (as reduced by deduction of driver's salary) shall be charged at the rate of 5% as a separate block of income.

- 7 28A The rate of tax under section 148 Consumers of Hybrid Cars 24.00
on import of hybrid cars shall be reduced as below:—
Up to 1200 cc - 100%
1201 to 1800 cc - 50%
1801 to 2500 cc - 25%
- 8 28C The rates of tax as specified in E-commerce sector -
Division II of Part-IV of the First Schedule shall be five per- cent in the case of a person running online marketplace as defined in clause (38B) of section 2.

Total

124.00

Reduction in Tax Liability				
Sr.	Legal Reference	Description (Exemption or Concession)	Intended Beneficiary	Estimate (Rs in Mln)

- 1 1(1) Any amount received as flying Employees (persons 91.07
allowance by flight engineers, receiving flying allowance)
navigators of Pakistan Armed
Forces, Pakistani Airlines or Civil
Aviation Authority, Junior
Commissioned Officers or other
ranks of Pakistan Armed Forces;
and submarine allowance by the
officers of the Pakistan Navy, shall
be taxed @ 2.5% as a separate
block of income
- 2 1(1AA) Total allowances received by pilots Employees (pilots of 321.18
of any Pakistani airlines shall be Pakistani Airlines)
taxed at a rate of 7.5%, provided
that the reduction under this clause
shall be available to so much of the
allowances as exceeds an amount
equal to the basic pay
- 3 1(2) Tax concession for full time Employees (full time teacher 2,425.00
teacher or a researcher or a researcher)
- 4 4 In respect of old and used Importers of old and used 1.30
automotive vehicles, tax under cars
section 148 shall not exceed the

amount specified in Notification No.
S.R.O. 577(I)/2005, dated the 6th
June, 2005.

- | | | | |
|---|---|--|------|
| 5 | 7 | The amount of tax payable by Foreign film-makers foreign Film makers from making films in Pakistan shall be reduced by fifty percent on income from film-making in Pakistan. | - |
| 6 | 8 | The amount of tax payable by Film making companies resident companies deriving based in Pakistan income from film-making shall be reduced by seventy percent on income from film-making. | - |
| 7 | 9 | The tax payable on profits and Taxpayers deriving income gains derived by a person from low from low cost housing cost housing projects shall be projects reduced by fifty percent. | n.a. |

Total

2,838.55

Exemption from Specific Provisions				
Sr.	Legal Reference	Description (Exemption or Concession)	Intended Beneficiary	Estimate (Rs in Mln)

1	5	The provisions of section 111 regarding un-explained income or holders assets shall not apply in respect of foreign exchange deposited in a private Foreign Currency account, excluding such accounts where incremental deposits were made on or after the 16th day of December, 1999	Foreign currency account	-
2	11A	(iii) Pakistan Red Crescent Society	Pakistan Red Crescent Society	4.52
3	11A	(xiv) Corporate and Industrial Restructuring Corporation (CIRC)	Corporate and Industrial Restructuring Corporation (CIRC)	-
4	11A	(xxxi) National Disaster Risk Management Fund.	National Disaster Risk Management Fund.	57.20

Note: Other entities under clause 11A which count as tax expenditure have already been covered in Part 1 of Second Schedule (above).

5	60A	The provisions of section 148 shall not apply for import of plant, machinery and equipment in the case of:- (a) M/s China State Construction	M/s China State Construction Engineering Corporation Ltd. (M/s CSCEC); and M/s China Communication	840.00
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		Engineering Corporation Ltd. Construction Company (M/s CSCEC); and (M/s CCCC).	
		(b) M/s China Communication Construction Company (M/s CCCC).	
6	60D	The provisions of section 148 shall Industrial undertakings set up not apply on import of firefighting in the special economic zones equipment by industrial undertakings set up in the special economic zones established by the Federal Government.	25.00
7	63	M/s Dawat-e-Hadiya, Karachi and M/s Dawat-e-Hadiya, Lahore University of Management Karachi and Lahore Sciences, Lahore] shall be University of deemed to have been approved by Management Sciences, the Commissioner for the purpose Lahore of sub-section (36) of section 2 notwithstanding the provisions of clause (c) of sub-section (36) of section 2..	-
8	71	The provisions of this Ordinance M/s TAISEI Corporation shall not be applicable to the M/s TAISEI Corporation un- der the	-

agreement between National Highway Authority, GOP

9	77	Provisions of sections 148 and 153 shall not be applicable on import and subsequent supply of items with dedicated use of renewable sources of energy	Importers and suppliers of items renewable sources of energy with dedicated use of renewable sources of energy	1,230.00
10	78	Coal Mining and Coal based Power Generation Projects in Sindh:- (i) the dividend income of the shareholders of such a project shall be exempt from provisions of section 150. (ii) the payments made on account of sale or supply of goods or providing or rendering of services during project construction and operations, shall be exempt from the provisions of section 152(2A) and section 153.”	Shareholders of coal mining and coal based power generation projects in Sindh	0.68
11	91	The provisions of section 148 shall not apply to-	Farming sector	530.00

- (i) Tillage and seed bed preparation
- (ii) equipment as specified below
- (iii) Seeding or planting equipment
- (iv) Irrigation, drainage and agro-chemical application equipment
- (v) Harvesting, threshing and storage equipment
- (vi) Post-harvest handling and processing & miscellaneous machinery

12 102 The provisions of section 231B Beneficiaries of PM's Youth -
 (1A) shall not apply to light Business Loan Scheme
 commercial vehicles leased un-
 der the Prime Minister's Youth
 Business Loan Scheme.

Total

2,687.40

Others / Miscellaneous				
Sr.	Legal Reference	Description (Exemption or Concession)	Intended Beneficiary	Estimate (Rs in Mln)
1	41	Agricultural income	Agriculture sector	-
2	49	Federal Government, Provincial Government		32,620.45

Government, and Local organizations
Government income.

Total **32,620.45**

Grand Total **448,045.70**

Sr	Summary of Tax Expenditure Estimates of Sales Tax - FY 2020	Rs. Million
1	Zero Rating under 5th Schedule to Sales Tax Act 1990	12,887
2	Exemption under 6th Schedule on (Imports)	173,808
3	Exemption under 6th Schedule on Local supplies (after 30% adjustment)	156,134
4	Reduced Rates Under 8th Schedule (1%)	330
5	Reduced Rates Under 8th Schedule (2%)	90,288
6	Reduced Rates Under 8th Schedule (5%)	27,108
7	Reduced Rates Under 8th Schedule (7%)	496
8	Reduced Rates Under 8th Schedule (8%)	1,396
10	Reduced Rates Under 8th Schedule (10%)	69,592
11	Reduced Rates Under 8th Schedule (12%)	19,321
12	Sales Tax on cellular Mobile Phones under 9th Schedule	27,096
Total		578,456

Tax Exemption under 5th Schedule (Zero rated Items)				
S.No	SCHEDULE	ITEM	Beneficiary	Tax Expenditure
1	Section 4	Preparations suitable for	Manufacturing	8,202
		(Zero Rated) infants, put up for retail	(Industrial Inputs)	

			sale] (PCT	Heading	General Masses (Food	
			1901.1000)		products)	
2	Section (Zero Rated)	4	Supplies of raw materials components and goods for further manufacture of goods in the Export Processing Zones.	Exporters, Masses	General	1,934
3	Section (Zero Rated)	4	Supply, repair or maintenance of any ship which is neither;	Manufacturing (Industrial Inputs)		1,755
4	Section (Zero Rated)	4	Raw materials, components, sub-components and parts, if imported or purchased locally for use in the manufacturing of such plants and machinery as is chargeable to sales tax at the rate of zero percent, subject to the condition that the importer or purchaser of such	Manufacturing (Industrial Inputs)		995

goods holds a valid sales tax registration showing his registration category as “manufacturer”; and in case of import , all the conditions, restrictions, limitations and procedures as are imposed by notification under section 19 of the Customs Act,1969(IV of 1969), shall apply

5	Section 4	Supply to diplomats, Diplomatic Supplies	842
	(Zero Rated)	diplomatic missions, privileged persons and privileged organizations which are covered under various Acts, Orders, Rules, Regulations and Agreements passed by the Parliament or issued or	

agreed by the Government
of Pakistan.]

6	Section (Zero Rated)	4	Pens, ball pens, markers and porous tipped pens	Educational Items	608
7	Section (Zero Rated)	4	Raw materials, packing materials, sub- components, components, sub-assemblies and assemblies imported or purchased locally for the manufacture of the goods specified at S.no. 12 of 5th Schedule to Sales Tax Act, 1990, subject to the conditions, limitations	Manufacturing (Industrial Inputs) General Masses	439
8	Section (Zero Rated)	4	Import Of Color sets, writing, drawing and marking inks and Erasers (4016.9210 and), Exercise Books (4820.2000), Pencil Sharpener (8214.1000), Geometry boxes (9017.2000), Pen, Ball	Manufacturing (Industrial Inputs) General Masses (educational Items)	439

pens, markers and porous
tipp

9	Section (Zero Rated)	4	12. Goods and the raw materials, packing materials, sub-components, components, sub-assemblies and assemblies imported or purchased locally for the manufacture of the said goods, limitations and restrictions as specified in chapter xiv of sale	Manufacturing (Industrial Inputs) General Masses	439
10	Section (Zero Rated)	4	12(xxiv) Pencil sharpeners (PCT heading 8214.1000)	Manufacturing (Industrial Inputs) General Masses (Educational Items)	303
11	Section (Zero Rated)	4	Others	Manufacturing (Industrial Inputs) General Masses	266
12	Section (Zero Rated)	4	Exercise books (PCT heading 4820.2000)	Manufacturing (Industrial Inputs)	238

				General	Masses	
				(Educational Items)		
13	Section (Zero Rated)	4	Bicycles (PCT heading 87.12).	Manufacturing (Industrial Inputs)		140
				General	Masses	
14	Section (Zero Rated)	4	12(xxii) Erasers (PCT heading 4016.9210 and 4016.9290)	Manufacturing (Industrial Inputs)		138
				General	Masses	
				(Educational Items)		
15	Section (Zero Rated)	4	1(ii) Supply, repair or maintenance of any aircraft which is neither;	Manufacturing (Industrial Inputs)		127
16	Section (Zero Rated)	4	Pencils including color pencils (PCT heading 96.09)	Manufacturing (Industrial Inputs)		124
				General	Masses	
				(Educational Items)		
17	Section (Zero Rated)	4	Supplies made to exporters under the Duty and Tax Remission Rules, 2001 subject to the observance of procedures, restrictions and conditions prescribed therein	Manufacturing (Industrial Inputs)	Exporters,	115

18	Section (Zero Rated)	4	Imports or supplies made to Gawadar Special Economic Zone, excluding vehicles falling under heading 87.02 of the Pakistan Customs Tariff, subject to such conditions, limitations and restrictions as the [Board] may impose.]	Special Economic Zone, Manufacturing (Industrial Inputs)	96
19	Section (Zero Rated)	4	6 Supplies of such locally manufactured plant and machinery 6 to petroleum and gas sector Exploration and Production companies, their contractors and sub-contractors] as may be specified by the Federal Government, by notification in the official Gazette, subject to such conditions and restrictions	Manufacturing (Industrial Inputs)	80

as may be specified in
such notification.]

20	Section 4 (Zero Rated)	Supplies of locally manufactured plant and machinery of the following specifications, to manufacturers in the Export Processing Zone, subject to the conditions, restrictions and procedure given below, namely:-	Manufacturing (Industrial Inputs)	51
21	Section 4 (Zero Rated)	ship of gross tonnage of less than 15 LDT; nor	Manufacturing (Industrial Inputs)	49
22	Section 4 (Zero Rated)	9 Goods exempted under section 13, if exported by a manufacturer	Manufacturing (Industrial Inputs)	42
23	Section 4 (Zero Rated)	12(xxi) Writing, drawing and marking inks (PCT heading.	Manufacturing (Industrial Inputs) General Masses (Educational Items)	39
24	Section 4 (Zero Rated)	1(iii) Supply of spare parts and equipment for ships	Manufacturing (Industrial Inputs)	35

and aircraft falling under (i)
and (ii) above.

25	Section (Zero Rated)	4	1(v) Supply of equipment and machinery for air navigation services.	Manufacturing (Industrial Inputs)	22
26	Section (Zero Rated)	4	12(xxv) Geometry boxes (PCT heading 9017.2000)	Manufacturing (Industrial Inputs) General Masses (educational Items)	10
27	Section (Zero Rated)	4	12(xx) Colors in sets (PCT heading 3213.1000).	Manufacturing (Industrial Inputs) General Masses (Educational Items)	6
28	Section (Zero Rated)	4	1(ii)(b) an aircraft designed or adapted for use for recreation or pleasure.	Manufacturing (Industrial Inputs)	6
29	Section (Zero Rated)	4	6(A) supply of Locally manufactured plant and machinery (EPZ)	Manufacturing (Industrial Inputs) Exporters	6
30	Section (Zero Rated)	4	1(vi) Supply of equipment and machinery for other services provided for the handling of ships or aircraft	Manufacturing (Industrial Inputs)	4

in a port or Customs
Airport

- | | | | | | |
|----|-------------------------|---|---|---|---|
| 31 | Section
(Zero Rated) | 4 | 1(iv) Supply of equipment and machinery for pilot age, salvage or towage services. | Manufacturing
(Industrial Inputs) | 3 |
| 32 | Section
(Zero Rated) | 4 | Supplies to duty free shops, provided that in case of clearance from duty free shops against various baggage rules issued under the Customs Act, 1969, (IV of 1969), the supplies from duty free shops shall be treated as import for the purpose of levy of sales tax. | Manufacturing
(Industrial Inputs)
Diplomatic Supplies
and General Masses | 3 |
| 33 | Section
(Zero Rated) | 4 | 6(A) supply of Locally manufactured plant and machinery (EPZ) | Manufacturing
(Industrial Inputs)
Export Processing
Zones | 3 |

34	Section (Zero Rated)	4	1(i)(b) a ship designed or adapted for use for recreation or pleasure.	Manufacturing (Industrial Inputs)	2
35	Section (Zero Rated)	4	6(A)(iv)Parts of machinery as specified in clauses (i), (ii) and (iii), identifiable for use in or with such machinery.	Manufacturing (Industrial Inputs)	1
36	Section (Zero Rated)	4	1(ii)(a) an aircraft of weight-less than 8000 kilograms; nor	Manufacturing (Industrial Inputs)	1
37	Section (Zero Rated)	4	6(A)(iii) Mechanical and electrical control and transmission gear, meant or adapted for use in conjunction with machinery specified in clause (i); and	Manufacturing (Industrial Inputs)	1
38	Section (Zero Rated)	4	6(A)(ii) Apparatus, appliances and equipment specifically meant or adapted for use in conjunction with the	Manufacturing (Industrial Inputs)	0

machinery specified in
clause (i);

39	Section 4	6(A)(i)	Plant and Manufacturing	0
	(Zero Rated)		machinery, operated by (Industrial Inputs)	
			power of any description,	
			as is used for the	
			manufacture or production	
			of goods by that	
			manufacturer;	

Sub Total	17,562
Less Adjustments	4,675
Total	12,887

Adjustments

* Note-I (adjustment in estimation): In case of zero-rated items, the adjustment includes leaving out tax expenditure estimation on some items, which if were not zero-rated, the full input tax would have been claimed, such as crude oil, machinery for E&P sector, and material related to exports. The tax expenditure to the extent of these items is thus deducted from the total estimation of Part 1 (zero rated items). Item-wise cost is below:

Tax Exemption under 5th Schedule (Zero rated Items)				
S.No	Legal Ref	ITEM	Beneficiary	Tax Expenditure

1	Section 4	Supplies of raw materials components and goods for further] manufacture of goods in the Export Processing Zones.	Manufacturing (Industrial Inputs) Exporters, General Masses	1,934
2	Section 4	Raw materials, components, sub-components and parts, if imported or purchased locally for use in the manufacturing of such plants and machinery as is chargeable to sales tax at the rate of zero percent, subject to the condition that the importer or purchaser of such goods holds a valid sales tax registration showing his registration category as "manufacturer"; and in case of import , all the conditions, restrictions, limitations and procedures as are imposed by notification under section 19 of the Customs Act,1969(IV of 1969), shall apply	Manufacturing (Industrial Inputs)	995
3	Section 4	Supply to diplomats, diplomatic missions, privileged persons and privileged organizations which are covered under	Diplomatic Supplies	842

various Acts, Orders, Rules, Regulations and Agreements passed by the Parliament or issued or agreed by the Government of Pakistan.

4	Section 4	Pens, ball pens, markers and porous tipped pens (PCT heading 96.08)	Educational Items/ General Masses	608
	(Zero Rated)			
5	Section 4	7 Supplies made to exporters under the Duty and Tax Remission Rules, 2001 subject to the observance of procedures, restrictions and conditions prescribed therein.]	Manufacturing (Industrial Inputs), Exporters	115
6	Section 4	6 Supplies of such locally manufactured plant and machinery to petroleum and gas sector Exploration and Production companies, their contractors and sub-contractors] as may be specified by the Federal Government, by notification in the official Gazette, subject to such conditions and restrictions as may be specified in such notification.]	Manufacturing (Industrial Inputs)	80
	(Zero Rated)			

7	Section 4 (Zero Rated)	6(A) Supplies of locally manufactured plant and machinery of the following specifications, to manufacturers in the Export Processing Zone, subject to the conditions, restrictions and procedure given below, namely:-	Manufacturing (Industrial Inputs)	51
8	Section 4 (Zero Rated)	9 Goods exempted under section 13, if exported by a manufacturer	Manufacturing (Industrial Inputs), Exporters, General Masses	42
9	Section 4 (Zero Rated)	6(A) supply of Locally manufactured plant and machinery (EPZ)	Manufacturing (Industrial Inputs), Exporters,	6
10	Section 4 (Zero Rated)	6(A) supply of Locally manufactured plant and machinery (EPZ)	Manufacturing (Industrial Inputs) Exporters	3
Total				4,675

EXEMPTION ON IMPORTS UNDER 6TH SCHEDULE				
Sr	Legal Reference	ITEM	Intended Beneficiary	Estimates In Million

11	6th Schedule- Table-3	12. machinery, equipment and other project related items including capital goods, for setting up of hotels, power generation plants, water treatment plants and other infrastructure related projects located in an area of 30 km around the zero point	Manufacturing (Industrial Inputs) General Masses	58,507
12	6th Schedule- Table-1	24 Edible oils and vegetable ghee, including cooking oil, on which Federal Excise Duty is charged, levied and collected by a registered manufacturer or importer as if it were a tax payable under section 3 of the Act.	Manufacturing (Industrial Inputs) General Masses (Food Products)	57,204
13	6th Schedule- Table-3	8.1 exemption of Sales Tax @ 0% on Machinery and equipment meant for power transmission and grid stations including under construction projects. subject to condition given at S.No. 8 of Annexure of Table-III of 6th Schedule to the Sales Tax Act, 1990.	Manufacturing (Industrial Inputs) General Masses	27,900
14	6th Schedule- Table-1	105 Raw materials for the basic manufacture of pharmaceutical active ingredients and for manufacture of	Manufacturing (Industrial Inputs),	21,048

		pharmaceutical products, provided that in case of import, only such raw materials shall be entitled to exemption which are liable to customs duty not exceed	Health Sector General Masses	
15	6th Schedule- Table-1	104 Substances registered as drugs under the Drugs Act, 1976 (XXXI of 1976) and medicaments as are classifiable under Chapter 30 of the First Schedule to the Customs Act, 1969 (IV of 1969) except the following, even if medicated or medicinal in nature	Health Sector Manufacturing (Pharmaceutical Industrial Inputs) General Masses	19,675
16	6th Schedule- Table-3	6.1 exemption of Sales Tax @ 0% on Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through gas, coal, hydel, and oil including under construction projects.	Manufacturing (Industrial Inputs)	18,279
17	6th Schedule- Table-1	Pulses.	General Masses, Food products	15,605

18	6th Schedule- Table-1	24. Edible oils and vegetable ghee including cooking oil on which federal excise duty is charged, levied and collected by a registered manufacturer or importer as if it were a tax payable under section 3 of the act.	Manufacturing (Industrial Inputs) General Masses food products	12,478
19	6th Schedule- Table-1	133 Pesticides and their active ingredients registered by the department of plant protection under the Agricultural Pesticides Ordinance, 1971 (II of 1971), stabilizers, emulsifiers and solvents namely:- Details given at the S.No. 133 of Table 1 of 6th Schedule	Agriculture Sector General Masses	11,990
20	6th Schedule- Table-3	14A.7.(a) PV Modules.	Manufacturing (Industrial Inputs) General Masses	8,281
21	6th Schedule- Table-3	Exemption of Sales Tax @ 0% on Coal mining machinery, equipment, spares including vehicles for site use i.e single or double cabin pick-ups and dump trucks imported for Thar Coal Field - subject to condition given at S.No. 4 of Annexure of Table-III	Mining sector (Industrial Inputs)	3,927

22	6th Schedule- Table-1	Edible fruits excluding imported fruits (except fruits imported from Afghanistan) whether fresh, frozen or otherwise preserved but excluding those bottled or canned.	General Food Items	Masses	3,313
23	6th Schedule- Table-1	Live animals and live poultry respective headings of chapter 1.	Poultry Masses	General	3,208
24	6th Schedule- Table-1	Edible vegetables including roots and tubers, except ware potato and onions, whether fresh, frozen or otherwise preserved (e.g. in cold storage) but excluding those bottled or canned.	Manufacturing General Masses	(Industrial Inputs)	3,160
25	6th Schedule- Table-1	132 Personal computers	General Masses		2,920
26	6th Schedule- Table 1	61 Respective Headings	Manufacturing General Masses	(Industrial Inputs)	2,814
27	6th Schedule- Table-1	84 Preparations suitable for infants, put up for retail sale	Manufacturing General Masses	(Industrial Inputs)	2,738

28	6th Schedule- Table-1	153 Steel billets, ingots, ship plates, bars and other long re-rolled profiles, on such imports and supplies by the manufacturer on which federal excise duty is payable in sales tax mode	Steel (Industrial Inputs) General Masses	Sector	2,424
29	6th Schedule- Table-1	73A Milk and Cream , concentrated or containing added sugar or other sweetening matter, excluding that sold in retail packing under a brand name	Manufacturing (Industrial Inputs) General Masses / Food Items		2,402
30	6th Schedule- Table-1	20 Seeds, fruit and spores of a kind used for sowing.	Agriculture (Industrial Inputs) General Masses	Sector	2,335
31	6th Schedule- Table-1	120 Diagnostic kits or equipment, namely:- HIV Kits , 4C Es Trionyx , 5C Cell control normal , Bovine precision multi sera , Pregnancy test , DNA SSP DRB Generic IC , Reticulocyte count (control) Retic C Control , Kit for vitamin B12 estimation , Ferritin	Health (Industrial Inputs) General Masses	Sector	2,320
32	6th Schedule- Table-3	5.1 exemption of Sales Tax @ 0% on Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or	Manufacturing (Industrial Inputs) General Masses		2,010

			expansion of projects for power generation through oil, gas, coal, wind and wave energy including under construction p		
33	6th Schedule- Table-1	131	Laptop computers, notebooks whether or not incorporating multimedia kit	General Masses	1,965
34	6th Schedule- Table-1	141	Preparation for making animal feed	Manufacturing (Industrial Inputs) General Masses	1,904
35	6th Schedule- Table-1	32	Newsprint, newspapers, journals, periodicals, books but excluding directories.	General Masses Educational Items	1,785
36	6th Schedule- Table-1	19	Cereals and products of milling industry excluding the products of milling industry, other than wheat and meslin flour, as sold in retail packing bearing brands name or a trade mark.	Manufacturing (Industrial Inputs) General Masses, food products	1,556
37	6th Schedule- Table-3	7.1	exemption of Sales Tax @ 0% on Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power	Manufacturing (Industrial Inputs) General Masses	1,266

generation through nuclear and renewable energy sources like solar, wind, micro-hydel

38	6th Schedule- Table-1	151 Imports of plant, machinery, equipment for installation in tribal areas and of industrial inputs by the industries located in the tribal areas, as defined in the Constitution of Islamic Republic of Pakistan subject to furnishing of security	FATA/PATA	1,264
39	6th Schedule- Table-3	117. 3006.9100, 118. 3926.9050, 119. 8539.3930, 120. 3822.0000, 121. respective heading, 122. respective headings, 123. 8802.4000, 124. respective headings, 125. respective headings, 126. respective headings, 127. respective headings, 128. respective head	Manufacturing (Industrial Inputs) General Masses	1,142
40	6th Schedule- Table-1	13. edible vegetables including roots and tubers, whether fresh, frozen or otherwise preserved (e.g. in cold storage) but excluding potato onion those bottled or canned under respective PCT headings	General Masses (Food Products)	955

41	6th Schedule- Table-1	124 Maintenance kit for use in trainer aircrafts of PCT headings 8802.2000 and 8802.3000	Manufacturing (Industrial Inputs)	937
42	6th Schedule- Table-1	102. Machinery. equipment and materials imported either for exclusive use within the limits of EPZ or for making exports there from, and goods imported for warehousing purpose in EPZ, subject to the conditions that such machinery, equipment, materials	Manufacturing (Industrial Inputs) Exporters	741
43	6th Schedule- Table-1	17 Ginger excluding those sold in retail packing bearing brand names and trademarks.	General Masses (Food Products)	738
44	6th Schedule- Table-1	85 Fat filled milk, excluding that sold in retail packing under a brand name or a trademark	General Masses (Food Products)	738
45	6th Schedule- Table-1	45 Dextrose and saline infusion giving sets along with empty non-toxic bags for infusion solution, Dextrose and saline infusion giving sets, Artificial parts of the body, Intra-Ocular lenses and Glucose testing equipment.	Health Sector (Industrial Inputs) General Masses	719

46	6th Schedule- Table-1	76 Whey, excluding that sold in retail packing under a brand name	General Masses (Food Products)	685
47	6th Schedule- Table-3	6.2 exemption of Sales Tax @ 0% on Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project.-subject to condition given at S.No. 6 of Annexure of Table-I	Manufacturing (Industrial Inputs) Construction Industry / General Masses	569
48	6th Schedule- Table-1	12. live plants including bulbs roots and the like under respective PCT headings	General Masses	562
49	6th Schedule- Table-1	100 Construction materials to Gawadar Export Processing Zone's investors and to Export Processing Zone Gawadar for development of Zone's infrastructure	Export Processing Zone	547
50	6th Schedule- Table-1	14. pulses under respective PCT headings	General Masses	536

51	6th Schedule- Table-3	15A-I Parts and Components for Manufacturing manufacturing LED lights:- (i). Aluminum Housing/ Shell for LED (LED Light Fixture)	Manufacturing (Industrial Inputs) General Masses	531
52	6th Schedule- Table-3	02. following machinery, equip., apparatus, & medical, surgical, dental & vet. furniture, materials, fixtures and fittings imported by hospitals and medical or diagnostic institutes:- medical equipment sr. (1) to (13) b. cardiology/cardiac surgery equipment	Health Sector (Industrial Inputs) General Masses	522
53	6th Schedule- Table-3	15(ix). PV module, with or without, the related components including invertors (off-grid/on grid/ hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT), charge controllers and solar batteries	Manufacturing (Industrial Inputs) General Masses	493
54	6th Schedule- Table-1	1 Live Animals and live poultry	Poultry Sector General Masses	477

55	6th Schedule- Table-3	19 Plant and machinery, except the items listed under Chapter 87 of the Pakistan Customs Tariff, imported for setting up of a Special Economic Zone (SEZ) by zone developers and for installation in that zone by zone enterprises, on one time basis as prescribe	Special Zones Masses	Economic General	383
56	6th Schedule- Table-3	156 exemption of Sales Tax @ 0% on 6. PV module, with or without, the related components including invertors, charge controllers and batteries-Items for promotion of renewable energy technologies subject to certification by Alternative Energy Development	Manufacturing (Industrial Inputs) General Masses		383
57	6th Schedule- Table-3	14.1.v. Inverters (off-grid/ on-grid/ hybrid with provision for direct connection/ input renewable energy source and with Maximum Power Point Tracking (MPPT).	Manufacturing (Industrial Inputs) General Masses		372
58	6th Schedule- Table-1	103. import and supply thereof, up to the year 2020, of ships of gross tonnage of less than 15 LDT and all floating crafts including tugs, dredgers, survey vessels	Manufacturing (Industrial Inputs)		353

		and other specialized crafts purchased or bare-boat chartered by a Pakistan entity		
59	6th Schedule- Table-3	15A(iii). Constant Current Power Supply for of LED Lights(1-300W)	Manufacturing (Industrial Inputs) General Masses	342
60	6th Schedule- Table-1	46 Exemption of Sales Tax under Serial No 46 to 59 of 6th Schedule of Sales Tax, Act where exemption of Customs Duty is claimed under chapter 99.	Manufacturing (Industrial Inputs)	321
61	6th Schedule- Table-3	15A(ii). Metal Clad Printed Circuit Boards (MCPCB) for LED	Manufacturing (Industrial Inputs) General Masses	321
62	6th Schedule- Table-1	98 Pencils including colour pencils	Manufacturing (Industrial Inputs) General Masses	291
63	6th Schedule- Table-1	112 cardiology/cardiac surgery, neurovascular, electrophysiology, endo-surgery, endoscopy, oncology, urology, gynecology, disposables and other equipment as stated in serial 112 of Table I of 6th schedule.	Health Sector (Industrial Inputs) General Masses	260

64	6th Schedule- Table-3	14. Following items for use with solar energy, Solar Power Systems	Manufacturing (Industrial Inputs) General Masses	260
65	6th Schedule- Table-3	15(xv). Invertors (off-grid/on grid/hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT).	Manufacturing (Industrial Inputs) General Masses	259
66	6th Schedule- Table-3	8.2 exemption of Sales Tax @ 5% on Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project.-subject to condition given at S. No. 8 of Annexure of Table-3	Manufacturing (Industrial Inputs) General Masses	229
67	6th Schedule- Table-1	60 Contraceptives and accessories thereof.	Health Sector (Industrial Inputs) General Masses	225
68	6th Schedule- Table-1	150 Plant and machinery excluding consumer durable goods and office equipment as imported by greenfield industries, intending to manufacture taxable goods, during their construction	Manufacturing (Industrial Inputs)	206

and installation period subject to conditions noted below and issuance of exe

69	6th Schedule- Table-3	15B-CKD kits for single cylinder agriculture diesel engines (compression-ignition internal combustion piston engines) of 3 to 36 HP.	Agriculture Sector (Industrial Inputs)	206
70	6th Schedule- Table-1	130 Sodium Iron (Na Fe EDTA), and other premixes of vitamins, minerals and micro-nutrients (food grade) and subject to conditions imposed for importation under the Customs Act, 1969	Manufacturing (Industrial Inputs) General Masses	203
71	6th Schedule- Table-1	153 steel billets, ingots, ship plates, bar and other long re-rolled profiles, on such imports and supplies by the manufacturer on which federal excise duty is payable in sales tax mode.	Steel Sector, Manufacturing (Industrial Inputs) General Masses	202
72	6th Schedule- Table-1	125 Spare parts for use in aircrafts, trainer aircrafts or simulators	Manufacturing (Industrial Inputs)	198
73	6th Schedule- Table-1	121 Blood bag CPDA-1 with blood transfusion set pack in ammonium foil with set	Health Sector (Industrial Inputs) General Masses	194

74	6th Schedule- Table-1	113 High Efficiency Irrigation Equipment. (If used for agriculture sector) 1) Submersible pumps (up to 75 lbs. and head 150 meters) 2) Sprinklers including high and low pressure (center pivotal) system, conventional sprinkler equipment, water reel travel	Agriculture Sector General Masses	193
75	6th Schedule- Table-1	135 Sunflower and canola hybrid seeds meant for sowing	Agriculture Sector General Masses	185
76	6th Schedule- Table-1	26 Fruit juices, whether fresh, frozen or otherwise preserved but excluding those bottled, canned or packaged.	Manufacturing (Industrial Inputs) General Masses (Food Products)	182
77	6th Schedule- Table-1	88 Erasers	Manufacturing (Industrial Inputs) General Masses	176
78	6th Schedule- Table-3	14A.4.b.i Parts for Solar Desalination System, (i). Solar photo voltaic panels.	Manufacturing (Industrial Inputs) General Masses	175
79	6th Schedule- Table-1	93 Bicycles	Manufacturing (Industrial Inputs) General Masses	171

80	6th Schedule- Table-1	146 Equipment imported by M/s China Railway Corporation to be furnished and installed in Lahore Orange Line Metro Train Project subject to the conditions as contained in Sr No 146 of Table-1 of the 6th-Schedule (Sales Tax) Act 1990.	Mass System / General Masses	Transit	171
81	6th Schedule- Table-1	61.goods produced or manufactured in and exported from Pakistan which are subsequently imported in Pakistan within one year of their exportation provided conditions of section 22 of the customs act 1969 (iv of 1969) are complied with under respective PCT	Exporter/Importers, Manufacturing (Industrial Inputs) General Masses		162
82	6th Schedule- Table-1	102 Machinery, equipment and materials imported either for exclusive use within the limits of Export Processing Zone or for making exports therefrom, and goods imported for warehousing purpose in Export Processing Zone, subject to the conditions that such mac	Exporters, Manufacturing (Industrial Inputs) General Masses		158
83	6th Schedule- Table-3	14A.7.b.i Parts for PV Modules, (i). Solar cells.	Manufacturing (Industrial Inputs) General Masses		151

84	6th Schedule- Table-3	14A.15. Any other item approved by the Alternative Energy Development Board (AEDB) and concurred to by the FBR.	Manufacturing (Industrial Inputs) General Masses / Alternative Energy Development	151
85	6th Schedule- Table-1	116. plant, machinery and equipment imported for setting up industries in fata subject to the same conditions and procedure as are applicable for import of such plant, machinery and equipment under the customs act, 1969 (iv of 1969). under respective head	Manufacturers in (Industrial Inputs) General Masses	150
86	6th Schedule- Table-1	94 Wheelchairs	General Masses / “differently-abled persons	149
87	6th Schedule- Table-3	15A(iv). Lenses for LED lights	Manufacturing (Industrial Inputs) General Masses	145
88	6th Schedule- Table-1	134 Goods received as gift or donation from a foreign government or organization by the Federal or Provincial Governments or any public sector organization subject to	General masses and Governments	145

recommendations of the Cabinet Division
and concurrence by the Federal Board of
Revenue

89	6th Schedule- Table-3	13 exemption of Sales Tax @ 0% on Manufacturing Effluent treatment plants- subject to conditions. Subject to conditions given in the preamble of Table-3 of 6th Schedule to the Sales Tax Act, 1990.	Manufacturing (Industrial Inputs) General Masses	135
90	6th Schedule- Table-3	14(1) i Off-grid/On-grid solar power system (with or without provision for USB/charging port) comprising of : i. PV Module.	Energy Sector Manufacturing (Industrial Inputs) General Masses	129
91	6th Schedule- Table-1	101 Raw and pickled hides and skins, wet blue hides and skins, finished leather, and accessories, components and trimmings, if imported by a registered leather goods manufacturer, for the manufacture of goods wholly for export, provided that conditions	Leather Sector Exporters Manufacturing (Industrial Inputs) General Masses	128
92	6th Schedule- Table-1	148 Imported construction materials and goods imported by M/s China State Construction Engineering Corporation Limited (M/s CSCECL), whether or not	Road and Highways / General Masses	110

		locally manufactured, for construction of Karachi-Peshawar Motorway (Sukkur-Multan Section) subject to fulfilment		
93	6th Schedule- Table-1	143(i) Hearing aids (all types and kinds) (ii) Hearing assessment equipment; (a) Audiometers (b) Tympanometer (c) ABR (d) Oto Acoustic Omission	Manufacturing (Industrial Inputs) General Masses Differently-abled persons	99
94	6th Schedule- Table-1	52. goods imported by or donated to hospitals run by the federal government or a provincial government and non-profit making educational and research institutions subject to the similar restrictions, limitations, conditions and procedures as are envisaged	Health Sector General Masses	91
95	6th Schedule- Table-3	3.1 exemption of Sales Tax @ 5% on Machinery, equipment, materials, capital goods, specialized vehicles (4x4 non luxury) i.e single or double cabin pickups, accessories, spares, chemicals and consumables meant for mine construction phase or extraction phase	General Masses	89

96	6th Schedule- Table-1	3. fish and crustaceans excluding live fish whether or not fresh, frozen or otherwise preserved	(Food Products) General Masses	89
97	6th Schedule- Table-3	5.2 exemption of Sales Tax @ 0% on Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project.-subject to condition given at S.No. 5 of Annexure of Table-I	Construction Industry General Masses	87
98	6th Schedule- Table-1	46. goods imported by various agencies of the united nations, diplomats, diplomatic missions, privileged persons and privileged organizations which are covered under various act and orders, rules and regulations made thereunder and agreements by the federal government	Manufacturing (Industrial Inputs) Diplomatic Missions/ General Masses	87
99	6th Schedule- Table-3	14.1. iii. Batteries for specific utilization with the system (not exceeding 50 Ah in case of portable system).	Manufacturing (Industrial Inputs) General Masses	83

100	6th Schedule- Table-3	14A.4.b.v Inverters (off grid/on grid/ hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT)	Energy Sector Manufacturing (Industrial Inputs) General Masses	72
101	6th Schedule- Table-1	110 The following items with dedicated use of renewable source of energy like solar and wind, subject to certification by the Alternative Energy Development Board (AEDB), Islamabad:- as listed at sub-serial number (a) to (j).	Energy Sector Manufacturing (Industrial Inputs) General Masses / Alternative Energy Development	71
102	6th Schedule- Table-1	97 Pens, ball pens, markers and porous tipped pen	Manufacturing (Industrial Inputs) General Masses / Educational Items	69
103	6th Schedule- Table-1	20. seeds , fruit and spores of a kind used for sowing under respective PCT headings	Manufacturing (Industrial Inputs) General Masses	66
104	6th Schedule- Table-1	83 Meat and similar products of prepared frozen or preserved meat or meat offal of all types including poultry meat and fish excluding those sold in retail packing under a brand name or a trademark	(Food Products) General Masses	61

105	6th Schedule- Table-1	Combined harvesters up to five years old	Manufacturing (Industrial Inputs) General Masses	53
106	6th Schedule- Table-3	Exemption of Sales Tax on Machinery and equipment for initial installation, balancing, modernization, replacement or expansion of desalination plants, coal-firing system, gas processing plants and oil and gas field prospecting. Subject to conditions given	Manufacturing (Industrial Inputs) General Masses	53
107	6th Schedule- Table-1	Goods Imported by or donated to hospitals run by the Federal or Provincial Government; and non-profit making educational and research institutions, limitations, conditions and procedures as are envisaged for the purpose of applying zero-rate of customs d	Health Sector General Masses	50
108	6th Schedule- Table-1	import of all goods received, in the event of a natural disaster or other catastrophe, as gifts and relief consignments, including goods imported for the president's fund for afghan refugees,	General Masses	50

		relief goods donated for afghan refugees, gifts for president's f		
109	6th Schedule- Table-3	Machinery, equipment, raw materials, components and other capital goods for use in building, fittings, repairing or refitting of ships, boats or floating structures imported by Karachi Shipyard and Engineering Works Limited.	Manufacturing (Industrial Inputs)	48
110	6th Schedule- Table-1	149 Micro feeder equipment	Manufacturing (Industrial Inputs) General Masses	47
111	6th Schedule- Table-1	142 Promotional and advertising material including technical literature, pamphlets, brochures and other giveaways of no commercial value, distributed free of cost by the exhibitors	Media Manufacturing (Industrial Inputs) General Masses	47
112	6th Schedule- Table-1	115. plant, machinery and equipment imported for setting up fruit processing and preservation units in Gilgit-Baltistan, Balochistan province and Malakand division subject to the same conditions and procedure as are applicable for import of such plant, ma	Manufacturing (Industrial Inputs) General Masses	44

113	6th Schedule- Table-3	3.2 exemption of Sales Tax @ 0% on Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for mine construction or extraction phase - subject to condition given at S.No. 3 of Annexure	General Masses	42
114	6th Schedule- Table-3	15(v). Solar torches.	(Industrial Inputs) General Masses	41
115	6th Schedule- Table-1	140 Bovine Semen	General Masses	40
116	6th Schedule- Table-3	14. following items with dedicated use of renewable source of energy like solar, wind, geothermal etc:-(1)solar home systems.(2)solar parabolic trough power plants.(3)solar dish sterling engine.(4)solar air conditioning system.(5)solar desalination system	Energy Sector Manufacturing (Industrial Inputs) General Masses	38
117	6th Schedule- Table-3	15(xiv). Sun Tracking Control System	Manufacturing (Industrial Inputs) General Masses	38

118	6th Schedule- Table-3	12 exemption of Sales Tax @ 0% on Machinery, equipment and other project related items including capital goods, for setting up of hotels, power generation plants, water treatment plants and other infrastructure related projects located in an area of 30 km a	Energy Sector Manufacturing (Industrial Inputs) General Masses	38
119	6th Schedule- Table-3	15(xii). Energy saver lamps of varying voltages	Energy Sector Manufacturing (Industrial Inputs) General Masses	36
120	6th Schedule- Table-1	11 Eggs including eggs for hatching	Poultry Sector Manufacturing (Industrial Inputs) General Masses	36
121	6th Schedule- Table-1	15. edible fruits excluding imported fruits (except fruits imported from Afghanistan) whether fresh, frozen or otherwise preserved but excluding those bottled or canned under respective PCT headings (0810.3000 omitted)	(Food Products) General Masses	35

122	6th Schedule- Table-1	2 Meat of bovine animals, sheep and goat, excluding poultry and offal, whether or not fresh, frozen or otherwise, preserved or packed	Manufacturing (Industrial Inputs) General Masses	34
123	6th Schedule- Table-1	12 Live plants including bulbs, roots and the like.	Manufacturing (Industrial Inputs) General Masses	34
124	6th Schedule- Table-3	14A.5. Solar Thermal Power Plants with accessories.	Manufacturing (Industrial Inputs) General Masses	33
125	6th Schedule- Table-1	100A Materials and equipment (plant, machinery, equipment, appliances and accessories) for construction and operation of Gwadar Port and development of Free Zone for Gwadar Port as imported by or supplied to China Overseas Ports Holding Company Limited (COPHCL	Manufacturing (Industrial Inputs) General Masses / Economic zones	32
126	6th Schedule- Table-1	108 Components or sub-components of energy saver lamps, namely:- (a) Electronic Circuit (b) Plastic Caps (Upper and Lower) (c) Base Caps B22 and E27 (d) Tungsten Filaments (e)	Manufacturing (Industrial Inputs) General Masses	31

		Lead-in-wire (f) Fluorescent Powder (Tri Band Phosphor) (g) Adhesive Additive		
127	6th Schedule- Table-1	87 Writing, drawing and marking inks	Manufacturing (Industrial Inputs) General Masses	30
128	6th Schedule- Table-1	122 Urine drainage bags	Health Sector Manufacturing (Industrial Inputs) General Masses	29
129	6th Schedule- Table-3	15 (xi). Water pumps operating on solar energy along with solar pump controllers	Manufacturing (Industrial Inputs) General Masses	29
130	6th Schedule- Table-1	80 Processed cheese not greeted or powdered, excluding that sold in retail packing under a brand name	(Food Products) General Masses	28
131	6th Schedule- Table-1	130 Import and supply thereof, up to the year 2020, of ships and all floating crafts including tugs, dredgers, survey vessels and other specialized crafts purchased or bare-boat chartered by a Pakistan entity and flying	Manufacturing (Industrial Inputs) General Masses	27

132	6th Schedule- Table-1	33. currency notes, bank notes, shares, stocks and bonds under PCT 49.07	General Masses	27
133	6th Schedule- Table-3	14A.4.b(ii). Solar water pumps.	Manufacturing (Industrial Inputs) General Masses	25
134	6th Schedule- Table-3	15(xiii). Energy Saving Tube Lights.	Manufacturing (Industrial Inputs) General Masses	25
135	6th Schedule- Table-1	106 Import of Halal edible offal of bovine animals.	General Masses Food Items	24
136	6th Schedule- Table-1	114 Green House Farming and Other Green House Equipment consisting of plastic covering and mulch film, anti-insect net and shade net (If used for agriculture sector) 1) Tunnel farming equipment. 2) Greenhouses (prefabricated).	agriculture sector Manufacturing (Industrial Inputs) General Masses	24
137	6th Schedule- Table-3	14A.7.b.ii Tempered Glass.	Manufacturing (Industrial Inputs) General Masses	24

138	6th Schedule- Table-1	11. eggs including eggs for hatching under respective headings	Poultry Sector Manufacturing (Industrial Inputs) General Masses	24
139	6th Schedule- Table-1	129 Import of plant, machinery and production line equipment used for the manufacturing of mobile phones by the local manufacturers of mobile phones duly certified by Pakistan Telecommunication Authority	Manufacturing (Industrial Inputs) General Masses	23
140	6th Schedule- Table-1	127 Operational tools, machinery, equipment and furniture and fixtures on one-time basis for setting up Greenfield airports by a company authorized by Aviation Division	Manufacturing (Industrial Inputs) General Masses	20
141	6th Schedule- Table-1	109 Goods imported temporarily with a view to subsequent exportation, as concurred by the Board, including passenger service item, provision and stores of Pakistani Airlines.	Manufacturing (Industrial Inputs) General Masses	18
142	6th Schedule- Table-1	86 Colors in sets (Poster colors)	Manufacturing (Industrial Inputs) General Masses	18

143	6th Schedule- Table-3	14A.12.b.i Turbine with Generator/ Alternator.	Manufacturing (Industrial Inputs) General Masses	18
144	6th Schedule- Table-1	100D Machinery, equipment, materials and goods imported either for exclusive use within the limits of Gwadar Free Zone, or for making exports therefrom, subject to the conditions that such machinery, equipment, materials and goods, are imported by investors of	Exporters Manufacturing (Industrial Inputs)	18
145	6th Schedule- Table-1	76. WHEY 04.04	Food Products General Masses	16
146	6th Schedule- Table-3	11.7 exemption of Sales Tax @ 0% on 7) Machine and tool for stone work; sand blasting machines; tungsten carbide tools; diamond tools & segments (all type & dimensions), hydraulic jacking machines, hydraulic manual press machines, air/hydro pillows, compress	Manufacturing (Industrial Inputs) General Masses	16
147	6th Schedule- Table-1	96 Other drawing, marking out or mathematical calculating instruments (geometry box)	Manufacturing (Industrial Inputs) General Masses	15

148	6th Schedule- Table-1	79 Cheese, excluding that sold in retail packing under a brand name	Food Products General Masses	15
149	6th Schedule- Table-3	14A.7.b.ix Ribbon for PV Modules (made of silver & Lead).	Manufacturing (Industrial Inputs) General Masses	14
150	6th Schedule- Table-1	137 Paper weighing 60 g/m ² for printing of Holy Quran imported by Federal or Provincial Governments and Nashiran-e-Quran as per quota determined by IOCO	Manufacturing (Industrial Inputs) General Masses	14
151	6th Schedule- Table-1	92 Sewing machines of the household type	General Masses	13
152	6th Schedule- Table-1	123 Aircraft, whether imported or acquired on wet or dry lease	Manufacturing (Industrial Inputs) General Masses	13
153	6th Schedule- Table-3	14A.7.b.iii Aluminum frames.	Manufacturing (Industrial Inputs) General Masses	12
154	6th Schedule- Table-1	32. News Print, News Papers, Journals, Periodicals Books But Excluding Directories Under Respective PCT Headings	Media General Masses	12

155	6th Schedule- Table-3	07. (1) machinery, equip. & spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power gen. through nuclear & renewable energy sources like solar, wind, micro-hydel bio-energy, ocean, waste-to-energy	Manufacturing (Industrial Inputs) General Masses	12
156	6th Schedule- Table-1	3 Fish and crustaceans excluding live fish whether or not fresh, frozen or otherwise preserved or packed	Food Products General Masses	11
157	6th Schedule- Table-1	51. impoted samples, subject to the same condition as are envisages for the purposes of applying zero-rate of customs duty under customs act 1969 (iv of 1969) under respective PCT headings	Manufacturing (Industrial Inputs) General Masses	11
158	6th Schedule- Table-3	14.1.ii. Charge controller.	Manufacturing (Industrial Inputs) General Masses	11
159	6th Schedule- Table-1	31 Holy Quran, complete or in parts, with or without translation; Quranic Verses recorded on any analogue or digital media; other Holy books.	General Masses	10

160	6th Schedule- Table-1	92. Sewing machines of the household	Manufacturing (Industrial Inputs) General Masses	10
161	6th Schedule- Table-1	16 Red chilies excluding those sold in retail packing bearing brand names and trademarks.	Food Products Manufacturing (Industrial Inputs) General Masses	10
162	6th Schedule- Table-1	112. Following cardiology/cardiac surgery, neurovascular, electrophysiology, Endosurgery, endoscopy, oncology, urology, gynecology, disposables & other equip:- a. angioplasty products. sr.1-6, b. angiography products. sr. 1-6, contrast media for angiography	Health Sector General Masses	9
163	6th Schedule- Table-1	18 Turmeric excluding those sold in retail packing bearing brand names and trademarks.	Food Products Manufacturing (Industrial Inputs) General Masses	8
164	6th Schedule- Table-3	01. Machinery and equipment for initial installation, balancing, modernization, replacement or expansion of desalination plants, coal firing system, gas processing	Manufacturing (Industrial Inputs) General Masses	8

plants and oil and gas field prospecting
under respective headings.

165	6th Schedule- Table-3	14A.2.b.i Parts for Solar Dish Sterling Engine. (i). Solar concentrating dish.	Manufacturing (Industrial Inputs) General Masses	7
166	6th Schedule- Table-1	2 meat of bovine animals sheep and goat, excluding poultry and offal, whether or not fresh, frozen or otherwise preserved PCT 02.01 02.02 and 02.04	General Masses	7
167	6th Schedule- Table-1	82. Frozen, prepared or preserved sausages and similar products of poultry meat or meat offal (1601.0000). 83. Meat and similar products of prepared frozen or preserved meat or meat offal of all types including poultry meat and fish. (1602.3200,1602.3900,	Food Products Manufacturing (Industrial Inputs) General Masses	7
168	6th Schedule- Table-3	14A.7.b.xi EVA (Ethyl Vinyl Acetate) Sheet (Chemical).	Manufacturing (Industrial Inputs) General Masses	7
169	6th Schedule- Table-1	138 Fish Feed	Manufacturing (Industrial Inputs) General Masses	6

170	6th Schedule- Table-1	18. turmeric excluding those sold in retail packing bearing brand names and trademarks under respecting PCT heading	Food Products Manufacturing (Industrial Inputs) General Masses	5
171	6th Schedule- Table-1	82 Frozen, prepared or preserved sausages and similar products of poultry meat or meat offal excluding those sold in retail packing under a brand name or a trademark	Food Products Manufacturing (Industrial Inputs) General Masses	5
172	6th Schedule- Table-3	14.8 exemption of Sales Tax @ 0% on 8. PV Modules.-PV Modules for dedicated use of renewable source of energy like solar, wind, geothermal etc. subject to conditions given in the preamble of Table-3 of 6th Schedule to the Sales Tax Act, 1990.	Manufacturing (Industrial Inputs) General Masses	5
173	6th Schedule- Table-3	14A. Junction box & Cover.	Manufacturing (Industrial Inputs) General Masses	5
174	6th Schedule- Table-1	89 Exercise books	Manufacturing (Industrial Inputs) General Masses	5

175	6th Schedule- Table-3	9.23 exemption of Sales Tax @ 0% on 23) Spares, accessories and reagents for scientific equipment.- Machinery, equipment and other education and research related items imported by technical, training institutes, research institutes, schools, colleges and universities	Manufacturing (Industrial Inputs) General Masses	5
176	6th Schedule- Table-3	11. Following machinery and equipment for marble, granite and gem stone extraction and processing industries: sr. # (1) to (24) under respective headings and conditions.	Manufacturing (Industrial Inputs) General Masses	4
177	6th Schedule- Table-1	Pencil sharpeners	Manufacturing (Industrial Inputs) General Masses	4
178	6th Schedule- Table-3	14A.7.b.viii Sheet mixture of Paper and plastic	Manufacturing (Industrial Inputs) General Masses	4
179	6th Schedule- Table-1	45. dextrose and saline infusion giving sets along with empty nontoxic bags for infusion solution, dextrose and saline infusion giving sets, artificial parts of the	Health Sector Manufacturing (Industrial Inputs) General Masses	4

		body, intra-ocular lenses and glucose testing equipment under respective PCT headings		
180	6th Schedule- Table-1	73 Milk	Food Products Manufacturing (Industrial Inputs) General Masses	4
181	6th Schedule- Table-3	15.i Following items for promotion of renewable energy technologies or for conservation of energy:- (i). SMD/LED/LVD lights with or without ballast, fittings and fixtures.	Manufacturing (Industrial Inputs) General Masses	4
182	6th Schedule- Table-3	09. Following machinery, equip. and other education and research related items imported by technical, training institutes, schools, colleges and universities:- sr.# (1) to (23) under respective headings.	Education Sector General Masses	4
183	6th Schedule- Table-1	59. artificial kidneys, eye cornea, hemodialysis machines, hemodialyzers, a.v. fistula needles, hemodialysis fluids and powder, blood tubing tines for dialysis and reverse osmosis plants for	General Masses Health items	3

		dialysis, double lumen catheter for dialysis, catheter for renal failure		
184	6th Schedule- Table-3	15(xvi). Charge controller/ Current controller. Provided that exemption under this serial shall be available with effect from 01.07.2016. (xvi). Charge controller/ Current controller. Provided that exemption under this serial shall be available with effect	Manufacturing (Industrial Inputs) General Masses	3
185	6th Schedule- Table-3	14A.4.b.iv Charge controllers.	Manufacturing (Industrial Inputs) General Masses	3
186	6th Schedule- Table-1	139 Fans for Dairy Farms	General Masses	3
187	6th Schedule- Table-1	126 Machinery, equipment and tools for setting up maintenance, repair and overhaul (MRO) workshop by MRO company recognized by Aviation Division	Manufacturing (Industrial Inputs) General Masses	2
188	6th Schedule- Table-1	50. articles imported through post as unsolicited gifts, subject to the same conditions as are envisaged for the purposes of applying zero-rate of	Manufacturing (Industrial Inputs) General Masses	2

		customs duty under the customs art 1969 (iv of 1969) under respective PCT heading		
189	6th Schedule- Table-3	2 exemption of Sales Tax @ 0% on Machinery, equipment, apparatus, and medical, surgical, dental and veterinary furniture, materials, fixture and fittings imported by hospitals and medical or diagnostic institutes - subject to condition given at S.No. 2	Manufacturing (Industrial Inputs) General Masses	2
190	6th Schedule- Table-3	15.4 exemption of Sales Tax @ 0% on 4. Solar torches.-Items for promotion of renewable energy technologies. Subject to conditions given in the preamble of Table-3 of 6th Schedule to the Sales Tax Act, 1990.	Manufacturing (Industrial Inputs) General Masses	2
191	6th Schedule- Table-3	14A.3.b.ii Cooling towers.	Manufacturing (Industrial Inputs) General Masses	2
192	6th Schedule- Table-1	16. red chillies excluding those sold in retail packing bearing brand names and trademarks under respective PCT headings	Manufacturing (Industrial Inputs) General Masses (Food Product)	2

193	6th Schedule- Table-1	73. MILK AND CREAM.... 04.01 AND 04.02	General Masses (Food Product)	2
194	6th Schedule- Table-3	15.(vi). Lanterns and related instruments.	Manufacturing (Industrial Inputs) General Masses	2
195	6th Schedule- Table-3	14A.6.c.iv Electric Heater/ Immersion Rod (one piece with one solar water heater)	Manufacturing (Industrial Inputs) General Masses	2
196	6th Schedule- Table-1	72 Uncooked poultry Meat whether or not fresh, frozen or otherwise, preserved or packed	(Food Product) General	2
197	6th Schedule- Table-3	15(viii). LED Bulb/Tube lights.	Manufacturing (Industrial Inputs) General Masses	2
198	6th Schedule- Table-1	53. imports of all such gifts as are received and such equipment for fighting tuberculosis, leprosy, aids and cancer and such equipment and apparatus for the rehabilitation of the deaf, the blind crippled or mentally retarded as are purchases or otherwise sec	Manufacturing (Industrial Inputs) General Masses	2

199	6th Schedule- Table-1	71.goods and services purchased by non-resident entrepreneurs and traders visiting Pakistan to participate in trade fairs and exhibitions subject to reciprocity and such conditions and restrictions as may be specified by the board under respective heading	Manufacturing (Industrial Inputs) General Masses	1
200	6th Schedule- Table-1	115 Plant, machinery and equipment imported for setting up fruit processing and preservation units in Gilgit-Baltistan, Makran and Malakand Divisions subject to the same conditions and procedure as are applicable for import of such plant, machinery and equipment	Manufacturers in backward areas	1
201	6th Schedule- Table-3	14A.8.viii Aluminum and silver paste.	Manufacturing (Industrial Inputs) General Masses	1
202	6th Schedule- Table-1	78 Desi Ghee, excluding that sold in retail packing under a brand name	General Masses (Food Product)	1
203	6th Schedule- Table-1	93. bicycles (87.12). 94. wheelchairs (8713.1000 AND 8713.9000)	Manufacturing (Industrial Inputs) General Masses /	1

Differently-abled
Persons

204	6th Schedule- Table-1	29 Table salt including iodized salt excluding salt sold in retail packing bearing brand names and trademarks.	Manufacturing (Industrial Inputs) General Masses (Food Product)	1
205	6th Schedule- Table-1	84. preparations for infant use, put up for retail sale (1901.1000). 85. fat filled milk (1901.9090)	Manufacturing (Industrial Inputs) General Masses (Food Product)	1
206	6th Schedule- Table-1	52-a goods supplied to hospitals run by the federal or provincial governments or charitable operating hospitals of fifty beds or morerespective headings	Manufacturing (Industrial Inputs) General Masses	1
207	6th Schedule- Table-1	91 Energy saver lamps. As per Note 1 of the 6th Schedule to the Sales Tax Act, 1990, exemption shall be admissible on the basis of description of goods as mentioned in column (2) of the Schedule. PCT classification of headings is provided for ease of reference	Manufacturing (Industrial Inputs) General Masses	1

208	6th Schedule- Table-1	75 Yogurt, excluding that sold in retail packing under a brand name	Manufacturing (Industrial Inputs) General Masses (Food Products)	1
209	6th Schedule- Table-3	14A.12.b.iv Pole/ Tower.	Manufacturing (Industrial Inputs) General Masses	1
210	6th Schedule- Table-1	110. the following items with dedicated use of renewable sources of energy like solar and wind, subject to certification by the alternative energy development board (aedb), Islamabad:- (a) solar pv panels (9405.1090), (b) lvd induction lamps, (c)SMD, LEDS	Manufacturing (Industrial Inputs) General Masses	1
211	6th Schedule- Table-1	147 Goods supplied to German Development Agency (Deutsche Gesellschaft für International Zusammenarbeit) GIZ	Diplomatic mission	1
212	6th Schedule- Table-1	74 Flavored Milk, excluding that sold in retail packing under a brand name	Manufacturing (Industrial Inputs) General Masses	1
Sub Total				316,015
Less 45% adjustment on account of value addition of Local Supplies				142,207

Total

173,808

EXEMPTION ON LOCAL SUPPLIES UNDER 6TH SCHEDULE				
Sr	Legal Reference	Description Exemption or Concession	Intended Beneficiaries	Estimates Rs. Million
1	(Section 13) 6th Schedule Table I	1 Live Animals 2 [and live poultry.]	General Masses	15,119
2	(Section 13) 6th Schedule Table II	1 Supply of cottonseed exclusively meant for sowing purposes, subject to such conditions as the Board may specify	Agriculture Sector General Masses	828
3	(Section 13) 6th Schedule Table III	1 Machinery and equipment for initial installation, balancing, modernization, replacement or expansion of desalination plants, coal firing system, gas processing plants and oil and gas field prospecting.	Manufacturing (Industrial Inputs) General Masses	260
4	(Section 13) 6th Schedule Table I	2 Meat of bovine animals, sheep and goat, excluding poultry and offal, whether or not fresh, frozen or otherwise, preserved 2 [or packed]	Food Products General Masses	1,032

5	(Section 13) 6th Schedule Table II	2 Supply of locally produced crude vegetable oil obtained from the locally produced seeds 1 [other than cotton seed], except cooking oil, without having undergone any process except the process of washing	Manufacturing (Industrial Inputs) General Masses	1,905
6	(Section 13) 6th Schedule Table III	2 Following machinery, equipment, apparatus, and medical, surgical, dental and veterinary furniture, materials, fixtures and fittings imported by hospitals and medical or diagnostic institutes:-	Food Products Manufacturing (Industrial Inputs) General Masses	281
7	(Section 13) 6th Schedule Table I	3 Fish and crustaceans excluding live fish whether or not fresh, frozen or otherwise preserved 4 [or packed]	Food Products General Masses	485
8	(Section 13) 6th Schedule Table II	Supplies made by cottage industry.	Manufacturing (Industrial Inputs) General Masses	60
9	(Section 13) 6th Schedule Table II	4 Raw material and intermediary goods manufactured or produced, and services provided or rendered,	Manufacturing (Industrial Inputs) General Masses	159

by a registered person, consumed in-house for the manufacture of goods subject to sales tax.

10	(Section 13)	4	Coal mining machinery, equipment, spares, including vehicles for site use i.e. single or double cabin pick-ups 1 [and dump trucks], imported for Thar Coal Field.	Mining Sector Manufacturing (Industrial Inputs) General Masses	5
6th Schedule Table III					
11	(Section 13)	6	Supply of fixed assets against which input tax adjustment is not available under a notification issued in terms of clause (b) of subsection (1) of section 8 of the Sales Tax Act, 1990.	Manufacturing (Industrial Inputs) General Masses	236
6th Schedule Table II					
12	(Section 13)	7	Breads prepared in tandoors and bakeries, vermicillies, nans, chapattis, sheer mal, bun, rusk.	Food products Manufacturing (Industrial Inputs) General Masses	4,277
6th Schedule Table II					
13	(Section 13)	8	Foodstuff cooked or prepared in-house and served in messes run	Food products Manufacturing	1
6th Schedule Table II					

		on the basis of mutuality and (Industrial Inputs)		
		industrial canteens for workers.	General Masses	
14	(Section 13)	8 Machinery and equipment meant	Manufacturing	152
	6th Schedule	for power transmission and grid	(Industrial Inputs)	
	Table III	stations including under	General Masses	
		construction projects.		
15	(Section 13)	9 Foodstuff and other eatables	Food products	103
	6th Schedule	prepared in the flight kitchens and	Manufacturing	
	Table II	supplied for consumption on-board	(Industrial Inputs)	
		in local flights.	General Masses	
16	(Section 13)	9 machinery, equipment and other	Education Sector	4
	6th Schedule	education and research related	General Masses	
	Table III	items imported by technical,		
		training institutes, research		
		institutes, schools, colleges and		
		universities:-		
17	(Section 13)	10 Agricultural produce of	Agriculture Sector	1,751
	6th Schedule	Pakistan, not subjected to any	General Masses	
	Table II	further process of manufacture.		
18	(Section 13)	11 Eggs including eggs for	Poultry Sector	1,440
	6th Schedule	hatching	General Masses	
	Table I			

19	(Section 13) 6th Schedule Table II	11 Supply of ware potato and onions	Food Sector General Masses	17
20	(Section 13) 6th Schedule Table III	11 Following machinery and equipment for marble, granite and gem stone extraction and processing industries:	Manufacturing (Industrial Inputs) General Masses	10
21	(Section 13) 6th Schedule Table I	12 Live plants including bulbs, [roots and the like.]	General Masses	316
22	(Section 13) 6th Schedule Table I	13 Edible vegetables including roots and tubers, 2 [except ware potato and onions], whether fresh, frozen or otherwise preserved (e.g. in cold storage) but excluding those bottled 3 [or] canned 4 [***]	Food Products Manufacturing (Industrial Inputs) General Masses	2,494
23	(Section 13) 6th Schedule Table III	13 Effluent treatment plants	Manufacturing (Industrial Inputs) General Masses	40
24	(Section 13) 6th Schedule Table I	14 Pulses.	Food Products General Masses	8,505

25	(Section 13)	14 items for use with solar energy:- 6th Schedule Solar Power Systems Table III	Manufacturing (Industrial Inputs) General Masses	1,116
26	(Section 13)	15 Edible fruits excluding imported 6th Schedule fruits (except fruits imported from Table I Afghanistan) whether fresh, frozen or otherwise preserved but excluding those bottled 2 [or] canned 3 [***].	Food Products General Masses	665
27	(Section 13)	16 Red chillies excluding those 6th Schedule sold in retail packing bearing brand Table I names and trademarks.	Food Products General Masses	65
28	(Section 13)	16 Raw cotton 1 [omitted] 6th Schedule Table II	Manufacturing (Industrial Inputs) General Masses	51
29	(Section 13)	17 Ginger excluding those sold in 6th Schedule retail packing bearing brand Table I names and trademarks	Food Products General Masses	1,604
30	(Section 13)	17 Raw and pickled hides and 6th Schedule skins, wet blue hides and skins Table II	Manufacturing (Industrial Inputs) General Masses	57

31	(Section 13) 6th Schedule Table III	17 Machinery, equipment, raw materials, components and other capital goods for use in building, fittings, repairing or refitting of ships, boats or floating structures imported by Karachi Shipyard and Engineering Works Limited.	Manufacturing (Industrial Inputs)	2
32	(Section 13) 6th Schedule Table I	18 Turmeric excluding those sold in retail packing bearing brand names and trademarks.	Food Products General Masses	50
33	(Section 13) 6th Schedule Table II	18 Supplies made by manufacturers of marble and granite having annual turnover less than five million rupees even if their annual utility bill is more than eight hundred thousand rupees	Manufacturing (Industrial Inputs) General Masses	2
34	(Section 13) 6th Schedule Table I	19 Cereals and products of milling industry 4 [excluding the products of milling industry, other than wheat and meslin flour, as sold in retail packing bearing brand name or a trademark].	Manufacturing (Industrial Inputs) General Masses /Food items	5,469

35	(Section 13) 6th Schedule Table li	19 Bricks	Manufacturing (Industrial Inputs) General Masses	264
36	(Section 13) 6th Schedule Table III	19 Plant and machinery, except the items listed under Chapter 87 of the Pakistan Customs Tariff, imported for setting up of a Special Economic Zone (SEZ) by zone developers and for installation in that zone by zone enterprises, on one time basis as prescribed in the SEZ Act, 2012 and rules thereunder subject to such condition, limitations and restriction as a Federal Board of Revenue may impose from time to time.	Manufacturing (Industrial Inputs / SEZs	93
37	(Section 13) 6th Schedule Table I	20 Seeds, fruit and spores of a kind used for sowing.	Manufacturing (Industrial Inputs) General Masses	2,888
38	(Section 13) 6th Schedule Table II	20 Crushed stone	Manufacturing (Industrial Inputs) General Masses	88

39	(Section 13) 6th Schedule Table I	21 Cinchona bark.	Manufacturing (Industrial Inputs) General Masses	1,096
40	(Section 13) 6th Schedule Table II	21 Poultry feed, cattle feed, sunflower seed meal, rape seed meal and canola seed meal	General Masses	28,072
41	(Section 13) 6th Schedule Table I	22 Sugar beet	Food Products General Masses	6
42	(Section 13) 6th Schedule Table II	22 Single cylinder agriculture diesel engines (compression ignition internal combustion piston engines) of 3 to 36 HP.	Agriculture Sector General Masses	370
43	(Section 13) 6th Schedule Table II	23 Match boxes	Manufacturing (Industrial Inputs) General Masses	1,241
44	(Section 13) 6th Schedule Table I	24 Edible oils and vegetable ghee, including cooking oil, on which Federal Excise Duty is charged, levied and collected 4 [by a registered manufacturer or importer] as if it were a tax payable under section 3 of the Act. 5	Food Products General Masses	352

[Explanation.– Exemption of this entry shall not be available 6 [on local supplies made by importers,] distributors, wholesalers or retailers.

45	(Section 13) 6th Schedule Table II	24 LED or SMD lights and bulbs meant for conservation of energy	Manufacturing (Industrial Inputs) General Masses	1,960
46	(Section 13) 6th Schedule Table II	25 Cottonseed oil	Manufacturing (Industrial Inputs) General Masses	558
47	(Section 13) 6th Schedule Table I	26 Fruit juices, whether fresh, frozen or otherwise preserved but excluding those bottled, canned or package	Food Products General Masses	139
48	(Section 13) 6th Schedule Table I	27 Ice and waters excluding those for sale under brand names or trademark	Manufacturing (Industrial Inputs) General Masses	397
49	(Section 13) 6th Schedule Table I	29 Table salt including iodized salt excluding salt sold in retail packing bearing brand names and trademarks	Manufacturing (Industrial Inputs) General Masses	203

50	(Section 13)	31 Holy Quran, complete or in parts, with or without translation; Quranic Verses recorded on any analogue or digital media; other Holy books	General Masses	252
	6th Schedule			
	Table I			
51	(Section 13)	32 [Newsprint, newspapers], journals, periodicals, books 6 [***] but excluding directories.	Manufacturing (Industrial Inputs)	1,540
	6th Schedule			
	Table I		General Masses	
52	(Section 13)	33 Currency notes, bank notes, shares, stocks and bonds.	General Masses	2,921
	6th Schedule			
	Table I			
53	(Section 13)	38 Monetary gold.	General Masses	2
	6th Schedule			
	Table I			
54	(Section 13)	45 Dextrose and saline infusion giving sets 2 [***] along with empty non-toxic bags for infusion solution, Dextrose and saline infusion giving sets, Artificial parts of the body, Intra-Ocular lenses and Glucose testing equipment.	Health Sector Manufacturing (Industrial Inputs) General Masses	1,726
	6th Schedule			
	Table I			

55	(Section 13)	46	[Goods imported by various agencies of the United Nations, diplomats, diplomatic missions, UN and Diplomatic privileged persons and privileged organizations which are covered under various Acts and, Orders, rules and regulations made thereunder; and agreements by the Federal Government provided that such goods are charged to zero-rate of customs duty under Customs Act, 1969 (IV of 1969)	Manufacturing (Industrial Inputs) UN and Diplomatic Missions	63
6th Schedule Table I					
56	(Section 13)	47	Import of articles of household and personal effects including vehicles and also the goods for donation to projects established	Manufacturing (Industrial Inputs) General Masses	230
6th Schedule Table I					
57	(Section 13)	48	Goods imported or supplied under grants-in-aid for which a specific consent has been obtained from the 1 [Board]; supplies and imports under agreements signed by the Government of Pakistan before the	Manufacturing (Industrial Inputs) General Masses	612
6th Schedule Table I					

30th June, 1996, provided the agreements contained the provision for exemption of tax at the time of signing of agreement

58	(Section 13)	49 Import of all goods received, in the event of a natural disaster o	General Masses	5
	6th Schedule	Table I		
59	(Section 13)	50 Articles imported through post as unsolicited gifts, subject to the same conditions as are envisaged for the purposes of applying zero-rate of customs duty under the Customs Act, 1969. (IV of 1969)	General Masses	4
	6th Schedule	Table I		
60	(Section 13)	51 Imported samples, subject to the same conditions as are envisaged for the purposes of applying zero-rate of customs duty under the Customs Act, 1969. (IV of 1969).	General Masses	66
	6th Schedule	Table I		
61	(Section 13)	52 Goods imported by or donated to hospitals run by the Federal Government or a Provincial Government; and non-profit	Health Sector General Masses	2,163
	6th Schedule	Table I		

62	(Section 13)	53	Import of all such gifts as are received, and such equipment for fighting tuberculosis, leprosy, AIDS and cancer and such equipment and apparatus for the rehabilitation of the deaf, the blind, crippled or mentally retarded as are purchased or otherwise secured by a charitable non-profit making institution solely for the purpose of advancing declared objectives of such institution	Health Sector General Masses	6
63	(Section 13)	54	Educational, scientific and cultural material imported from a country signatory to UNESCO Agreement or a country signatory to bilateral commodity exchange agreement with Pakistan, subject to the same conditions as are envisaged for the purposes of exemption under the Customs Act, 1969 (IV of 1969).	Educational Sector General Masses	2

64	(Section 13)	55	Import of replacement goods supplied free of cost in lieu of defective goods imported, subject to similar conditions as are envisaged for the purposes of applying zero-rate of customs duty under the Customs Act, 1969.	Manufacturing (Industrial Inputs) General Masses	1
6th Schedule Table I					
65	(Section 13)	57	Goods (including dry fruits imported from Afghanistan) temporarily imported into Pakistan, meant for subsequent exportation charged to zero-rat	Importers Manufacturing (Industrial Inputs) General Masses	35
6th Schedule Table I					
66	(Section 13)	58	Import of ship stores, subject to the procedures, conditions and restrictions as may be specified by the Collector of Customs in this behalf including those consignments of such stores that have been released without charging sales tax since the 1st July, 1998, but excluding such consignments of ship stores as	Importers Manufacturing (Industrial Inputs) General Masses	1
6th Schedule Table I					

have been cleared on payment of sales tax

67	(Section 13) 6th Schedule Table I	59 Artificial kidneys, eye cornea, hemodialysis machines, hemodialyzers, A.V. fistula needles, hemodialysis fluids and powder, blood tubing tines for dialysis and reverse osmosis plants for dialysis, double lumen catheter for dialysis, catheter for renal failure patient and peritoneal dialysis solution, cochlear implants systems	Health Sector Manufacturing (Industrial Inputs) General Masses	3,275
68	(Section 13) 6th Schedule Table I	Contraceptives and accessories thereof.	Health Sector Manufacturing (Industrial Inputs) General Masses	758
69	(Section 13) 6th Schedule Table I	61 Goods produced or manufactured in and exported from Pakistan which are subsequently imported in Pakistan within one year of their exportation, provided conditions of section 22 of the	Exporters Manufacturing (Industrial Inputs) General Masses	110

Customs Act, 1969 (IV of 1969),
are complied with.

70	(Section 13) 6th Schedule Table I	63 Personal wearing apparel and bona fide baggage imported by overseas Pakistanis and tourists, if imported under various baggage rules and is exempt from Customs duties	General Masses	14
71	(Section 13) 6th Schedule Table I	71 Goods and services purchased by non-resident entrepreneurs and in trade fairs and exhibitions subject to reciprocity and such conditions and restrictions as may be specified by the Board.	Non-Residents	1
72	(Section 13) 6th Schedule Table I	72 Uncooked poultry Meat whether or not fresh, frozen or otherwise, preserved or packed	Food Products General Masses	1,282
73	(Section 13) 6th Schedule Table I	73 Milk	Food Products Manufacturing (Industrial Inputs) General Masses	17,000

74	(Section 13) 6th Schedule Table I	74 Flavored milk, excluding that sold in retail packing under a brand name	Food Products Manufacturing (Industrial Inputs) General Masses	66
75	(Section 13) 6th Schedule Table I	75 Yogurt, excluding that sold in retail packing under a brand name	Food Products Manufacturing (Industrial Inputs) General Masses	67
76	(Section 13) 6th Schedule Table I	76 Whey, excluding that sold in retail packing under a brand name	Food Products Manufacturing (Industrial Inputs) General Masses	151
77	(Section 13) 6th Schedule Table I	77 Butter, excluding that sold in retail packing under a brand name	Food Products Manufacturing (Industrial Inputs) General Masses	195
78	(Section 13) 6th Schedule Table I	78 Desi ghee, excluding that sold in retail packing under a brand name	Food Products Manufacturing (Industrial Inputs) General Masses	124
79	(Section 13) 6th Schedule Table I	79 Cheese, excluding that sold in retail packing under a brand name	Food Products Manufacturing	222

			(Industrial Inputs)	
			General Masses	
80	(Section 13)	80 Processed cheese not grated or powdered, excluding that sold in retail packing under a brand name	Food Products Manufacturing (Industrial Inputs)	547
	6th Schedule Table I		General Masses	
81	(Section 13)	81 Cotton seed	Manufacturing (Industrial Inputs)	7,237
	6th Schedule Table I		General Masses	
82	(Section 13)	82 Frozen prepared or preserved sausages and similar products of poultry meat or meat offal 2 [, excluding those sold in retail packing under a brand name or a trademark]	Food Products Manufacturing (Industrial Inputs) General Masses	205
	6th Schedule Table I			
83	(Section 13)	83 Meat and similar products of prepared frozen or preserved meat or meat offal of all types including poultry, meat and fish 3 [,excluding those sold in retail packing under a brand name or a trademark]	Food Products Manufacturing (Industrial Inputs) General Masses	2,144
	6th Schedule Table I			

84	(Section 13) 6th Schedule Table I	84 preparation suitable for infants	Food Products Manufacturing (Industrial Inputs) General Masses	2,701
85	(Section 13) 6th Schedule Table I	85 Fat filled milk excluding that sold in retail packing under a brand name or a trademark]	Food Products Manufacturing (Industrial Inputs) General Masses	1,966
86	(Section 13) 6th Schedule Table I	86 Colors in sets (Poster colors)	Manufacturing (Industrial Inputs) General Masses	122
87	(Section 13) 6th Schedule Table I	87 Writing, drawing and making inks	Manufacturing (Industrial Inputs) General Masses	54
88	(Section 13) 6th Schedule Table I	88Erasers	Manufacturing (Industrial Inputs) General Masses	28
89	(Section 13) 6th Schedule Table I	89 Exercise books	Manufacturing (Industrial Inputs) General Masses	60
90	(Section 13) 6th Schedule Table I	90 Pencil sharpeners	Manufacturing (Industrial Inputs) General Masses	27

91	(Section 13) 6th Schedule Table I	91 Energy saver lamps	Manufacturing (Industrial Inputs) General Masses	99
92	(Section 13) 6th Schedule Table I	92 Sewing machines of the household type	Manufacturing (Industrial Inputs) General Masses	25
93	(Section 13) 6th Schedule Table I	93 Bicycles	Manufacturing (Industrial Inputs) General Masses	180
94	(Section 13) 6th Schedule Table I	94 Wheelchairs	Manufacturing (Industrial Inputs) General Masses	49
95	(Section 13) 6th Schedule Table I	96 Other drawing, marking out or mathematical calculating instruments (geometry box)	Manufacturing (Industrial Inputs) General Masses	4
96	(Section 13) 6th Schedule Table I	97 Pens, ball pens, markers and porous tipped pens	Manufacturing (Industrial Inputs) General Masses	149
97	(Section 13) 6th Schedule Table I	98 Pencils including color pencils	Manufacturing (Industrial Inputs) General Masses	322

98	(Section 13) 6th Schedule Table I	99 Compost (non-commercial fertilizer) produced and supplied locally	Manufacturing (Industrial Inputs) General Masses	149
99	(Section 13) 6th Schedule Table I	100 Construction materials to 6 [Gwadar] Export processing Zone's investors and to Export Processing Zone 3	Manufacturing (Industrial Inputs) General Masses	16
100	(Section 13) 6th Schedule Table I	101 Raw and pickled hides and skins, wet blue hides and finished leather, and	Manufacturing (Industrial Inputs) General Masses	5
101	(Section 13) 6th Schedule Table I	102 Machinery, equipment and materials imported either for exclusive use within the limits of Export Processing Zone or for making exports therefrom, and goods imported for warehousing purpose in Export Processing Zone, subject to the conditions that such machinery, equipment, materials and goods are imported by investors of Export Processing Zones, and all the procedures, limitations and restrictions as are	Manufacturing (Industrial Inputs) General Masses	27

applicable on such goods under the Customs Act, 1969 (IV of 1969) and rules made thereunder shall mutatis mutandis, apply.

102	(Section 13) 6th Schedule Table I	103 Import and supply thereof, up to the year, of ships	Manufacturing (Industrial Inputs) General Masses	104
103	(Section 13) 6th Schedule Table I	104 Substances registered as drugs under the Drugs Act, 1976 (XXXI of 1976) and medicaments as are classifiable under chapter 30 of the First Schedule to the Customs Act, 1969 (IV of 1969) except the following, even if medicated or medicinal in nature, n	Manufacturing (Industrial Inputs) General Masses	91,892
104	(Section 13) 6th Schedule Table I	105 Raw materials for the basic manufacture of pharmaceutical active ingredients and for manufacture of pharmaceutical products, provided that in case of import, only such raw materials shall be entitled to exemption which are liable to customs duty	Health Sector Manufacturing (Industrial Inputs) General Masses	11,076

not exceeding 1 [eleven] per cent ad valorem, either under the First Schedule 2 [or Fifth Schedule] to the Customs Act, 1969 (IV of 1969) or under a notification issued under section 19 thereof.

105	(Section 13) 6th Schedule Table I	106 Import of Halal edible offal of bovine animals	General Masses	90
106	(Section 13) 6th Schedule Table I	107 Import and supply of iodized salt bearing brand names and trademarks whether or not sold in retail packing.	General Masses	268
107	(Section 13) 6th Schedule Table I	108 Components or sub-components of energy saver lamps, namely:- (a) Electronic Circuit (b) Plastic Caps (upper and lower) (c) Base Caps B22 and E27 (d) Tungsten Filaments (e) Lead-in-wire (f) Fluorescent powder (Tri Band Phosphor) (g) Adhesive Additive (h) Al-oxide Suspension (i) Capping Cement (j) Stamp Pad	Manufacturing (Industrial Inputs) General Masses	7

108	(Section 13) 6th Schedule Table I	110 The following items with dedicated use of renewable source of energy like solar and wind, subject to certification by the Alternative Energy Development Board (AEDB), Islamabad 1 [for the period ending on the 30th June, 2023]:- (a) Solar PV panels; (b) LVD induction lamps; (c) SMD, LEDs, with or without ballast, with fittings and fixtures; (d) Wind turbines including alternators and mast; (e) Solar Tor	Manufacturing (Industrial Inputs) General Masses Alternative Energy Development Alternative Energy Development	1,762
109	(Section 13) 6th Schedule Table I	112 Following cardiology/cardiac surgery, neurovascular, electrophysiology, endo-surgery,	Health Sector Manufacturing (Industrial Inputs) General Masses	1,620
110	(Section 13) 6th Schedule Table I	113 High Efficiency Irrigation Equipment (If used for agriculture sector) (1) Submersible pumps (up to 75 lbs and head 150 meters) (2) Sprinklers including high and low pressure (center pivotal) system,	Agriculture Sector Manufacturing (Industrial Inputs) General Masses	209

conventional sprinkler equipment, water reel travelling sprinkler, drip or trickle irrigation equipment, mint irrigation sprinkler system (3) Air release valves, pressures gauges, water meters, back flow preventers, and automatic controllers

111	(Section 13) 6th Schedule Table I	114 Green House Framing and Other Green House Equipment (If used for Agriculture Sector) (1) Tunnel farming	Manufacturing (Industrial Inputs) General Masses	296
112	(Section 13) 6th Schedule Table I	115 Plant, machinery and equipment imported for setting up fruit processing and preservation units in Gilgit-Baltistan, Balochistan Province and Malakand Division up to the 30th June, 2019 subject to the same conditions and procedure as are applicable for import of such plant, machinery and equipment under the Customs Act, 1969 (IV of 1969)	Manufacturers of backward areas (Industrial Inputs) General Masses	2

113	(Section 13) 6th Schedule Table I	116 Plant, machinery and equipment imported for setting up industries in FATA up to 30th June 2019 subject to the same conditions and procedure as are applicable for import of such plant, machinery and equipment under the Customs Act, 1969 (IV of 1969)	Manufacturer in FATA Manufacturing (Industrial Inputs) General Masses	1
114	(Section 13) 6th Schedule Table I	117 Appliances and items required for ostomy procedures as specified in the Chapter 99 of the First Schedule to the Customs Act, 1969, subject to same conditions as specified therein]	Manufacturing (Industrial Inputs) General Masses	2
115	(Section 13) 6th Schedule Table I	120 Diagnostic kits or equipment, namely:- HIV Kits 4C Es Trionyx 5C Cell control normal Bovine precision multi sera Pregnancy test DNA SSP DRB Generic IC Reticulocyte count (control) retic C Control Kit for vitamin B12 estimation Ferritin kit HEV (Hepatitis E virus) ID-DA Cell Urine	Health Sector Manufacturing (Industrial Inputs) General Masses	4,165

Analysis Strips Albumin beg
Cratinin

116	(Section 13) 6th Schedule Table I	121 Blood Bag CPDA-1 with blood transfusion set pack in aluminum foil with set	Manufacturing (Industrial Inputs) General Masses	253
117	(Section 13) 6th Schedule Table I	122 Urine drainage bags	Manufacturing (Industrial Inputs) General Masses	24
118	(Section 13) 6th Schedule Table I	123 Aircraft, whether imported or acquired on wet or dry lease 1 [:] Provided that in case of import or acquisition on wet or dry lease by Pakistan International Airlines Corporation, this exemption shall be available with effect from 19th March, 2015.	Health Sector Manufacturing (Industrial Inputs)	2
119	(Section 13) 6th Schedule Table I	125 Spare parts for use in aircrafts, trainer aircrafts or simulators	Manufacturing (Industrial Inputs)	5
120	(Section 13) 6th Schedule Table I	126 Machinery, equipment and tools for setting up maintenance, repair and overhaul (MRO)	Manufacturing (Industrial Inputs)	2

		workshop by MRO company recognized by Aviation Division		
121	(Section 13) 6th Schedule Table I	127 Operational tools, machinery, equipment and furniture and fixtures on one-time basis for setting up Greenfield airports by a company authorized by Aviation Division.	Manufacturing (Industrial Inputs) General Masses	26
122	(Section 13) 6th Schedule Table I	128 Aviation simulators imported by airline company recognized by Aviation Division	Manufacturing (Industrial Inputs)	76
123	(Section 13) 6th Schedule Table I	129 Import of plant, machinery and	Manufacturing (Industrial Inputs) General Masses	28
124	(Section 13) 6th Schedule Table I	130 Sodium Iron (Na Fe EDTA), and other premixes of vitamins, minerals and micro-nutrients (food grade) and subject to conditions imposed for importation under the Customs Act, 1969]	Manufacturing (Industrial Inputs) General Masses	95
125	(Section 13) 6th Schedule Table I	131 Laptop computers, notebooks whether or not incorporating multimedia kit	Industrial Inputs) General Masses	2,154

126	(Section 13)	132 Personal computers	General Masses	1,116
	6th Schedule			
	Table I			
127	(Section 13)	133 Pesticides and their active ingredients registered by the Department of Plant Protection under the Agricultural Pesticides Ordinance, 1971(II of 1971), stabilizers, emulsifiers and solvents	Agriculture Sector Manufacturing (Industrial Inputs) General Masses	18,108
	6th Schedule			
	Table I			
128	(Section 13)	135 Sunflower and canola hybrid	Manufacturing (Industrial Inputs) General Masses	11
	6th Schedule			
	Table I			
129	(Section 13)	136 Combined harvesters up to five years old	Manufacturing (Industrial Inputs) General Masses	15
	6th Schedule			
	Table I			
130	(Section 13)	138 Fish Feed	Manufacturing (Industrial Inputs) General Masses	47
	6th Schedule			
	Table I			
131	(Section 13)	139 Fans for dairy farms	Manufacturing (Industrial Inputs) General Masses	1
	6th Schedule			
	Table I			

132	(Section 13)	140 Bovine semen	Manufacturing	51
	6th Schedule		(Industrial Inputs)	
	Table I		General Masses	
133	(Section 13)	141 Preparations for making	Manufacturing	1,232
	6th Schedule	animal feed	(Industrial Inputs)	
	Table I		General Masses	
134	(Section 13)	142 Promotional and advertising	Manufacturing	3
	6th Schedule	material including technical	(Industrial Inputs)	
	Table I	literature, pamphlets, brochures	General Masses	
		and other giveaways of no		
		commercial value, distributed free		
		of cost by the exhibitors		
135	(Section 13)	146 Equipment imported by M/s	Mass transit	1
	6th Schedule	China Railway Corporation to	Schemes	
	Table I	furnished and installed in Orange		
		Line Metro Lahore		
136	(Section 13)	Goods supplied to German	General Masses	10
	6th Schedule	Development Agency (Deutsche		
	Table I	Gesellschaft für Internationale		
		Zusammenarbeit) GIZ		
137	(Section 13)	148 Imported construction	Roads and	6
	6th Schedule	materials and goods imported by	Highways	
	Table I	M/s China State Construction		

Engineering Corporation Limited (M/s CSCECL), whether or not locally manufactured, for construction of Karachi-Peshawar Motorway (Sukkur-Multan Section) subject to fulfilment of same conditions, limitations and restrictions as are specified under S. No. 145 of this table, provided that total incidence of exemptions of all duties and taxes in respect of construction materials and goods imported for the project shall not exceed ten thousand eight hundred ninety-eight million rupees including the benefit of exemption from duties and taxes availed before 30th June, 2018 under the provisions of the Sales Tax Act, 1990, the Customs Act, 1969, the Federal Excise Act, 2005 and the Inco

138	(Section 13)	150 Plant and machinery excluding consumer durable goods and office equipment as imported by greenfield industries, intending to manufacture taxable goods, during their construction and installation period subject to conditions noted below and issuance of exemption certificate by the Commissioner Inland Revenue having jurisdiction:- Conditions: (a) the importer is registered under the Act on or after the first day of July, 2019; and (b) the industry is not established by splitting up or reconstruction or reconstitution of an undertaking already in existence or by transfer of machinery or plant from another industrial undertaking in Pakistan	Manufacturing (Industrial Inputs) General Masses	128
6th Schedule Table I				
139	(Section 13)	152 Supplies of electricity, as made from the day of assent to the Constitution (Twenty-fifth	General Masses / FATA	4,238
6th Schedule Table I				

Amendment) Act, 2018, till 30th June, 2023, to all residential and commercial consumers in tribal areas, and to such industries in the tribal areas which were set and started their industrial production before 31st May, 2018, but excluding steel and ghee or cooking oil industries

140	(Section 13) 6th Schedule Table I	153Steel billets, ingots, ship plates, bars and other long rolled profiles, on such imports and supplies by the manufacturer on which federal excise duty is payable in sales tax mode	Steel Sector Manufacturing (Industrial Inputs) General Masses	29
141	(Section 13) 6th Schedule Table I	100AMaterials and equipment [(plant, machinery, equipment, appliances and accessories)] for construction and operation of [Gwadar] Port and development of Free Zone for [Gwadar] Port as imported by or supplied to China Overseas Ports Holding Company	2 Exporters	19

Limited (COPHCL) and its operating companies namely (i) China Overseas Ports Holding Company Pakistan (Private) Limited (ii) Gwadar International Terminal Limited, (iii) Gwadar Marin Services Limited and (iv) Gwadar Free Zone Company Limited, their contractors and sub-contractors; and Ship Bunker Oils bought and sold to the ships calling on/visiting 3 [Gwadar] Port, 3 [by the aforesaid operating companies] having Concession Agreement with the Gwadar Port Authority, for a period of forty year, subject to the following conditions and procedure,

142	(Section 13)	100A((i)) This exemption shall be	Construction	/	5
	6th Schedule	admissible only to China Overseas	Highways		
	Table I	Ports Holding Company Limited			
		(COPHCL) and its operating			
		companies, their contractors and			

subcontractors which hold the
Concession Agreement;

143 (Section 13) 100A((ii)) Ministry of Ports and Manufacturing 11
6th Schedule Shipping shall certify in the (Industrial Inputs)
Table I prescribed manner and format as Ports and Shipping
per Annex-I that the imported
materials and equipment are
bonafide requirement for
construction and operation of 1
[Gwadar] Port and development of
Free Zone for 1 [Gwadar] Port. The
authorized officer of that Ministry
shall furnish all relevant
information online to Pakistan
Customs against a specific user ID
and password obtained under
section 155D of the Customs Act,
1969 (IV of 1969). In already
computerized Collectorate or
Customs
station, where the computerized
system is
not operational, the Project

Director or any other person authorized by the Collector in this behalf shall enter the requisite information in the Customs Computerized System on daily basis, whereas entry of the data obtained from the customs stations which have not yet been computerized shall be made on weekly basis, provided that this condition shall not apply to ship bunker oils; and

144	(Section 13) 6th Schedule Table I	104(a) filled infusion solution bags imported with or without infusion given sets;	Health Sector Manufacturing (Industrial Inputs) General Masses	318
145	(Section 13) 6th Schedule Table I	108(a) Electronic Circuit	Manufacturing (Industrial Inputs) General Masses	1
146	(Section 13) 6th Schedule Table I	108(b) Plastic Caps (upper and lower)	Manufacturing (Industrial Inputs) General Masses	3

147	(Section 13) 6th Schedule Table I	108(i) Capping Cement	Manufacturing (Industrial Inputs) General Masses	1
148	(Section 13) 6th Schedule Table I	110(a) Solar PV panels;	Manufacturing (Industrial Inputs) General Masses	379
149	(Section 13) 6th Schedule Table I	110© SMD, LEDs, with or without ballast, with fittings and fixtures;	Manufacturing (Industrial Inputs) General Masses	3
150	(Section 13) 6th Schedule Table I	110(g) PV modules along with related components, including invertors, charge controllers and batteries.	Manufacturing (Industrial Inputs) General Masses	284
151	(Section 13) 6th Schedule Table I	110(j) Invertors (off-grid/on grid/ hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT).	Manufacturing (Industrial Inputs) General Masses	4
152	(Section 13) 6th Schedule Table I	112A(vi) Inflation Devices/Priority Packs	Manufacturing (Industrial Inputs) General Masses	1

153	(Section 13)	112A(xxv)	Intracardiac Health Sector	2
	6th Schedule	Echocardiography Machine & Manufacturing	(Industrial Inputs)	
	Table I	Catheters]	General Masses	
154	(Section 13)	112J(ii) Cannulas	Health Sector	1
	6th Schedule		Manufacturing	
	Table I		(Industrial Inputs)	
			General Masses	
155	(Section 13)	112K(i) Cardiac Angiography	Health Sector	16
	6th Schedule	Machine	Manufacturing	
	Table I		(Industrial Inputs)	
			General Masses	
156	(Section 13)	112K(ii) Echocardiography	Health Sector	1
	6th Schedule	Machines	Manufacturing	
	Table I		(Industrial Inputs)	
			General Masses	
157	(Section 13)	113(i) Submersible pumps (up to	Manufacturing	14
	6th Schedule	75 lbs and head 150 meters)	(Industrial Inputs)	
	Table I		General Masses	
158	(Section 13)	114(i) Tunnel farming equipment 1	Manufacturing	46
	6th Schedule	[consisting	(Industrial Inputs)	
	Table I	of plastic covering and	General Masses	

		mulch film, anti-insect net and shade net]			
159	(Section 13) 6th Schedule Table I	114(ii) (prefabricated)	Greenhouses	Manufacturing (Industrial Inputs) General Masses	6
160	(Section 13) 6th Schedule Table III	14(1) Off-grid/On-grid solar power system (with or without provision for USB/charging port) comprising of :		Manufacturing (Industrial Inputs) General Masses	44
161	(Section 13) 6th Schedule Table III	14(1)(i) PV Module.		Manufacturing (Industrial Inputs) General Masses	114
162	(Section 13) 6th Schedule Table III	14(1)(iii) Batteries for specific utilization with the system (not exceeding 50 Ah in case of portable system).		Manufacturing (Industrial Inputs) General Masses	2
163	(Section 13) 6th Schedule Table I	14(1)(v) Inverters (off-grid/ on-grid/ hybrid with provision for direct connection/ input renewable energy source and with Maximum Power Point Tracking (MPPT)		Manufacturing (Industrial Inputs) General Masses	5

164	(Section 13) 6th Schedule Table I	143(i) Hearing aids (all types and kinds)	Manufacturing (Industrial Inputs) General Masses / Differently-abled persons	2
165	(Section 13) 6th Schedule Table I	143(i)(a) Audiometers	Manufacturing (Industrial Inputs) General Masses	1
166	(Section 13) 6th Schedule Table III	14A systems and items for dedicated use with renewable source of energy like solar, wind, geothermal 1 [as imported on or before the 30th June, 2023.]	Manufacturing (Industrial Inputs) General Masses	233
167	(Section 13) 6th Schedule Table III	14A(10) Solar chargers for charging electronic devices	Manufacturing (Industrial Inputs) General Masses	1
168	(Section 13) 6th Schedule Table III	14A(4a) Solar Desalination System	Manufacturing (Industrial Inputs) General Masses	1
169	(Section 13) 6th Schedule Table III	14A(4b)(i) Solar photo voltaic panels.	Manufacturing (Industrial Inputs) General Masses	1

170	(Section 13) 6th Schedule Table III	14A(4b)(iv) Charge controllers.	Manufacturing (Industrial Inputs) General Masses	8
171	(Section 13) 6th Schedule Table III	14A(4b)(v) Inverters (off grid/on grid/ hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT)	Manufacturing (Industrial Inputs) General Masses	1
172	(Section 13) 6th Schedule Table III	14A(7a) PV Modules.	Manufacturing (Industrial Inputs) General Masses	85
173	(Section 13) 6th Schedule Table I	14A(7b) Parts for PV Modules	Manufacturing (Industrial Inputs) General Masses	8
174	(Section 13) 6th Schedule Table III	14A(7b)(i) Solar cells.	Manufacturing (Industrial Inputs) General Masses	10
175	(Section 13) 6th Schedule Table III	14A(8) Solar Cell Manufacturing Equipment.	Manufacturing (Industrial Inputs) General Masses	2

176	(Section 13) 6th Schedule Table II	15(a) Sprinkler Equipment	Manufacturing (Industrial Inputs) General Masses / Agriculture Sector	4
177	(Section 13) 6th Schedule Table II	15(b) Drip Equipment	Manufacturing (Industrial Inputs) General Masses	13
178	(Section 13) 6th Schedule Table III	15(i) SMD/LED/LVD lights with or without ballast, fittings and fixtures.	Manufacturing (Industrial Inputs) General Masses	84
179	(Section 13) 6th Schedule Table III	15(ii) SMD/LED/LVD lights, with or without ballast, PV module, fitting and fixtures	Manufacturing (Industrial Inputs) General Masses	6
180	(Section 13) 6th Schedule Table III	15(iii) Tubular Day lighting Device.	Manufacturing (Industrial Inputs) General Masses	7
181	(Section 13) 6th Schedule Table III	15(ix) PV module, with or without, the related components including invertors (off-grid/on grid/ hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT),	Manufacturing (Industrial Inputs) General Masses	234

		charge controllers and solar batteries		
182	(Section 13) 6th Schedule Table III	15(v) Solar torches.	Manufacturing (Industrial Inputs) General Masses	3
183	(Section 13) 6th Schedule Table I	15(viii) LED Bulb/Tube lights.	Manufacturing (Industrial Inputs) General Masses	68
184	(Section 13) 6th Schedule Table I	15(x) Light emitting diodes (light emitting in different colors).	Manufacturing (Industrial Inputs) General Masses	6
185	(Section 13) 6th Schedule Table I	15(xi) Water pumps operating on solar energy along with solar pump controllers	Manufacturing (Industrial Inputs) General Masses	19
186	(Section 13) 6th Schedule Table III	15(xv) Invertors (off-grid/on grid/hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT).	Manufacturing (Industrial Inputs) General Masses	8
187	(Section 13) 6th Schedule Table I	150(a) the importer is registered under the Act on or after the first day of July, 2019;	Importers Manufacturing (Industrial Inputs) General Masses	28

188	(Section 13) 6th Schedule Table I	151(a) Supplies; and	Manufacturing (Industrial Inputs) General Masses	1,233
189	(Section 13) 6th Schedule Table I	151(b) imports of plant, machinery, equipment for installation in tribal areas and of industrial inputs by the industries located in the tribal areas, as defined in the Constitution of Islamic Republic of Pakistan,– as made till 30th June, 2023, to which the provisions of the Act or the notifications issued thereunder, would have not applied had Article 247 of the Constitution not been omitted under the Constitution (Twenty-fifth Amendment) Act, 2018 (XXXVII of 2018):	FATA General Masses	34
190	(Section 13) 6th Schedule Table III	15A(i) Housing /shell. Shell cover and base cap for all kinds of LED lights and bulbs	Manufacturing (Industrial Inputs) General Masses	6

191	(Section 13)	15A(ii) Bare and stuffed Metal Clad	Manufacturing	5
	6th Schedule	Printed Circuit Boards (MCPCB)	(Industrial Inputs)	
	Table III	for LED	General Masses	
192	(Section 13)	15A(iii) Constant Current Power	Manufacturing	10
	6th Schedule	Supply for of LED Lights and Bulbs	(Industrial Inputs)	
	Table III		General Masses	
193	(Section 13)	18(iii) Microprocessor/ Controllers	Manufacturing	3
	6th Schedule		(Industrial Inputs)	
	Table III		General Masses	
194	(Section 13)	18(xii) LCD / LED Screen	Manufacturing	1
	6th Schedule		(Industrial Inputs)	
	Table III		General Masses	
195	(Section 13)	29C Glass bangles	Manufacturing	1
	6th Schedule		(Industrial Inputs)	
	Table I		General Masses	
196	(Section 13)	2A Medical Equipment.	Manufacturing	8
	6th Schedule		(Industrial Inputs)	
	Table III		General Masses	
197	(Section 13)	2A(ii) Medical surgical dental or	Manufacturing	10
	6th Schedule	veterinary furniture	(Industrial Inputs)	
	Table III		General Masses	

198	(Section 13) 6th Schedule Table III	2A(iii) Operating Table.	Manufacturing (Industrial Inputs) General Masses	1
199	(Section 13) 6th Schedule Table III	2A(vii) Cooling Cabinet.	Manufacturing (Industrial Inputs) General Masses	1
200	(Section 13) 6th Schedule Table III	2A(viii) Refrigerated Liquid Bath.	Manufacturing (Industrial Inputs) General Masses	2
201	(Section 13) 6th Schedule Table III	2B Cardiology / Cardiac Surgery Equipment	Health Sector Manufacturing (Industrial Inputs) General Masses	20
202	(Section 13) 6th Schedule Table III	2B(iii) Intravenous cannula i.v. catheter.	Health Sector Manufacturing (Industrial Inputs) General Masses	12
203	(Section 13) 6th Schedule Table III	2C Disposable Medical Devices	Health Sector Manufacturing (Industrial Inputs) General Masses	14

204	(Section 13)	2D(ii)	Fixtures & fittings for hospitals Table III	Manufacturing (Industrial Inputs) General Masses	2
205	(Section 13)	3(i)	Machinery, equipment, materials, capital goods, specialized vehicles (4x4 non- luxury) i.e. single or double cabin pickups, accessories, spares, chemicals and consumables meant for mine construction phase or extraction phase.	Manufacturing (Industrial Inputs) General Masses	7
206	(Section 13)	3(ii)	Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for mine construction or extraction phase	Manufacturing (Industrial Inputs) General Masses	28
207	(Section 13)	52A	Goods 2 [excluding electricity and natural gas] supplied to hospitals run by the Federal or Provincial Governments or charitable operating hospitals of fifty beds or more or the teaching	Manufacturing (Industrial Inputs) General Masses	4,311

hospitals of statutory universities of
two hundred or more beds.

208	(Section 13) 6th Schedule Table III	7(i) Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through nuclear and renewable energy sources like solar, wind, micro-hydel bio-energy, ocean, and waste-to-energy and hydrogen cell. 1 [This exemption in relation to renewable energy shall remain in force up to the 30th June, 2023.]	Manufacturing (Industrial Inputs) General Masses	134
209	(Section 13) 6th Schedule Table I	7(ii) Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project.	Construction Sector Manufacturing (Industrial Inputs) General Masses	2
210	(Section 13) 6th Schedule Table I	73A Milk and cream, concentrated or containing added sugar or other sweetening matter, excluding that	Food Products General Masses	1,404

		sold in retail packing under a brand name		
211	(Section 13)	8(i) Machinery and equipment	Manufacturing	35
	6th Schedule	meant for power transmission and grid stations including under construction projects.	(Industrial Inputs)	
	Table III		General Masses	
212	(Section 13)	8(i)(b) apparatus, appliances, metering and testing apparatus, mechanical and electrical control, transmission gear and transmission tower, power transmission and distribution cables and conductors, insulators, damper spacer and hardware and parts thereof adapted to be used in conjunction with the machinery and equipment as specified in clause (a) above; and	Manufacturing	11
	6th Schedule		(Industrial Inputs)	
	Table III		General Masses	
213	(Section 13)	9(xxii) Parts and accessories of automatic regulating or controlling instruments and apparatus	Manufacturing	26
	6th Schedule		(Industrial Inputs)	
	Table III		General Masses	
Sub Total				283,880
Less 45% adjustment on account of value addition to taxable activities				127,746

Total**156,134**

Exemption Under 8th Scheduled at Reduced Rates					
Reduced Rate of 1%					
Sr	Legal Reference	Description Exemption or Concession	Intended Beneficiary	Estimate Rs. Million	Rates
1	Clause (aa) 62 of sub-Section 2 of Section 3	Gold, in unworked condition	Manufacturing (Industrial Inputs) General Masses	7	1
2	Clause (aa) 63 of sub-Section 2 of Section 3	Articles of jewelry, or parts thereof, of precious metal or of metal clad with precious metal.	Manufacturing (Industrial Inputs) General Masses	324	1

Sub Total**330**

Reduced Rate of 2%					
Sr	Legal Reference	Description Exemption or Concession	Intended Beneficiary	Estimate Rs. Million	Rates
3	Clause (aa) 52 of sub-Section 2 of Section 3	Fertilizers (all types)	Manufacturing (Industrial Inputs) General Masses	73,968	2
4	Clause (aa) 52 of sub-Section 2 of Section 3	Fertilizers (All types)		16,320	2

Sub Total

90,288

Reduced Rate of 5%					
Sr	Legal Reference	Description Exemption or Concession	Intended Beneficiary	Estimate Rs.Million	Rates
5	Clause (aa) 29(xvii)	Harvesting of sub-Section 2 of Section 3	Agriculture Sector	281	5
		threshing and storage equipment: Combined harvesters			
6	Clause (aa) 23	second hand and worn clothing or footwear	General Masses	4,072	5
		of sub-Section 2 of Section 3			
7	Clause (aa) 17	Re-importation of foreign origin goods which were temporarily exported out of Pakistan subject to similar conditions as are envisaged for the purposes of customs duty under the Customs Act,1969, and taxable value shall be the value determined under PCT h	Exporters	156	5

8	Clause (aa) 26(xii)Ditcher of sub-Section 2 of Section 3	Manufacturing (Industrial Inputs) General Masses	1	5
9	Clause (aa) 28(iv)Boom or field of sub-Section sprayers 2 of Section 3	Manufacturing (Industrial Inputs) General Masses	2	5
10	Clause (aa) 26(xix)Land leveler of sub-Section 2 of Section 3	Manufacturing (Industrial Inputs) General Masses	39	5
11	Clause (aa) 26(vii)Border disc of sub-Section 2 of Section 3	Manufacturing (Industrial Inputs) General Masses	7	5
12	Clause (aa) 27(ii) Seeding or planting of sub-Section equipment: Cotton or 2 of Section 3 maize planter with fertilizer attachment	Agriculture Sector	1	5
13	Clause (aa) 27(vii) Seeding or planting of sub-Section equipment: Sugarcane 2 of Section 3 planter	Agriculture Sector	1	5
14	Clause (aa) 29(iii)Maize or ground nut of sub-Section thresher or Sheller 2 of Section 3	Manufacturing (Industrial Inputs) General Masses	3	5

15	Clause (aa) 28(v)	Self-propelled sprayers	Manufacturing (Industrial Inputs)	3	5
	of sub-Section 2 of Section 3		General Masses		
16	Clause (aa) 26(xx)	Laser land leveler comprising of laser transmitter, laser receiver, control box, rigid mast pack, with or without scrapper under respective heading	General Masses	14	5
17	Clause (aa) 30(ii)	Postharvest handling and processing & miscellaneous machinery: Fodder and feed cube maker equipment	General Masses	6	5
18	Clause (aa) 29(x)	Harvesting threshing and storage equipment: Wheat or rice reaper	Agriculture Sector	33	5
19	Clause (aa) 8 (Chapter 84 and 85)	If imported by registered manufacturer who is member of Pakistan Dairy Association 1. Milk chillers.	Food Products General Masses	9	5

2. Tubular heat exchanger
(for pasteurization). 3. Milk
processing plant, milk
spray drying plant, Milk
UHT plant. 4. Milk filters 5.

20	Clause (aa)	27(vi) Seeding or planting equipment: Canola or sunflower drill	Agriculture Sector	8	5
21	Clause (aa)	67LNG imported for servicing CNG sector and local supplies thereof	Manufacturing (Industrial Inputs) General Masses	2,092	5
23	Clause (aa)	29(vii)Sunflower thresher	Manufacturing (Industrial Inputs) General Masses	3	5
24	Clause (aa)	26(xvii)K.R.Karundi	Manufacturing (Industrial Inputs) General Masses	3	5
25	Clause (aa)	30(ii)Fodder and feed cube maker equipment	Manufacturing (Industrial Inputs) General Masses	2	5
26	Clause (aa)	29(xiii)Post hole digger	Manufacturing (Industrial Inputs) General Masses	1	5

27	Clause (aa) 29(v)	Groundnut digger	Manufacturing	1	5
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
22	Clause (aa) 29(v)	Harvesting threshing	Agriculture	1	5
	of sub-Section	and storage equipment:	Sector		
	2 of Section 3	Potato digger or harvester			
28	Clause (aa) 44	Sales tax @ 5% of	Manufacturing	5,465	5
	of sub-Section	Phosphoric Acid	(Industrial Inputs)		
	2 of Section 3		General Masses		
29	Clause (aa) 9	Capital goods otherwise	Manufacturing	3,659	5
	of sub-Section	not exempted, for	(Industrial Inputs)		
	2 of Section 3	Transmission Line	General Masses		
		Projects.			
30	Clause (aa)	Natural gas	Manufacturing	2,796	5
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
31	Clause (aa) 29(ix)	Harvesting threshing	Agriculture	8	5
	of sub-Section	and storage equipment:	Sector		
	2 of Section 3	Fodder rake			
32	Clause (aa) 4	Oil Seeds meant for	Agriculture	14	5
	of sub-Section	sowing subject to	Sector		
	2 of Section 3	conditions against S.No. 4			

of Table-I of 8th Schedule
to the Sales Tax Act, 1990.

33	Clause (aa)	25 Agricultural tractors	Manufacturing (Industrial Inputs) General Masses	4,285	5
	of sub-Section 2 of Section 3				
34	Clause (aa)	30(i) Postharvest handling and processing & miscellaneous machinery: Vegetables and fruits cleaning and sorting or grading equipment	Agriculture & Sector	17	5
	of sub-Section 2 of Section 3				
35	Clause (aa)	28(i) Irrigation drainage and agrochemical application equipment: Tube wells filters or strainers	Agriculture Sector	4	5
	of sub-Section 2 of Section 3				
36	Clause (aa)	2 Cool chain machinery and equipment.- subject to conditions. Subject to conditions given in preamble of Table-2 of 8th Schedule to the Sales Tax Act, 1990.	Mining Sector	111	5
	of sub-Section 2 of Section 3				

37	Clause (aa)	27(v)	Seeding or planting equipment: Rice transplanting	Agriculture Sector	21	5
38	Clause (aa)	25	Agricultural Tractors code 8701.9220 & 8701.9320 are added in the system in pursuance of letter C>No. 4/24-STB/2017 dated 21.07.2017	HS Agriculture Sector	412	5
39	Clause (aa)	30(i)	Vegetables and fruits cleaning and sorting or grading equipment	Manufacturing (Industrial Inputs) General Masses	14	5
40	Clause (aa)	29(viii)	Harvesting threshing and storage equipment: Straw balers	Agriculture Sector	21	5
41	Clause (aa)	26(ix)	Disc harrow	Agriculture Sector	2	5
42	Clause (aa)	26(xiv)	Rotary tiller	Agriculture Sector	54	5

43	Clause (aa)	28(i)Tube wells filters or of sub-Section strainers 2 of Section 3	Manufacturing (Industrial Inputs) General Masses	5	5
44	Clause (aa)	26(xvi)Soil-scrapper of sub-Section 2 of Section 3	Manufacturing (Industrial Inputs) General Masses	5	5
45	Clause (aa)	29(xi) Harvesting threshing of sub-Section and storage equipment: 2 of Section 3 Chaff or fodder cutter	Agriculture Sector	42	5
46	Clause (aa)	4.1 Machinery, equipment, of sub-Section materials, capital goods, 2 of Section 3 specialized vehicles (4x4 non luxury) i.e single or double cabin pickups, accessories, spares, chemicals and consumables meant for mineral exploration phase.- subject to conditions given against S.No. 4 of	General Masses	3	5
47	Clause (aa)	29(xviii)Tractor mounted of sub-Section trancher 2 of Section 3	Manufacturing (Industrial Inputs) General Masses	26	5

48	Clause (aa)	29(xvii)	Reaping machines	Manufacturing (Industrial Inputs) General Masses	95	5
	of sub-Section					
	2 of Section 3					
49	Clause (aa)	29(xii)	Chaff or fodder cutter	Manufacturing (Industrial Inputs) General Masses	6	5
	of sub-Section					
	2 of Section 3					
50	Clause (aa)	28(ii)	Irrigation drainage	Agriculture and agrochemical Sector	108	5
	of sub-Section		and agrochemical			
	2 of Section 3		application equipment:			
			Knapsack sprayers			
51	Clause (aa)	28(vi)	Irrigation drainage	Agriculture and agrochemical Sector	11	5
	of sub-Section		and agrochemical			
	2 of Section 3		application equipment:			
			Orchard sprayer			
52	Clause (aa)	27(vii)	Sugarcane planter	Manufacturing (Industrial Inputs) General Masses	10	5
	of sub-Section					
	2 of Section 3					
53	Clause (aa)	28(v)	Irrigation drainage	Agriculture and agrochemical Sector	2	5
	of sub-Section		and agrochemical			
	2 of Section 3		application equipment:			
			Self-propelled sprayers			

54	Clause (aa) 20	Plant. Machinery and equipment used in production of bio-diesel subject to conditions mentioned against S.no. 20 of Table I of 8th Schedule to the Sales Tax Act, 1990	General Masses	174	5
55	Clause (aa) 4	Oilseeds meant for sowing.	Manufacturing (Industrial Inputs) General Masses	9	5
56	Clause (aa) 2	Cool chain machinery and equipment.	Manufacturing (Industrial Inputs) General Masses	29	5
57	Clause (aa) 26(x)	Bar harrow	Manufacturing (Industrial Inputs) General Masses	1	5
58	Clause (aa) 29(ix)	Straw balers	Manufacturing (Industrial Inputs) General Masses	3	5
59	Clause (aa) 26	Incinerators of disposal of waste management, motorized sweepers and snow ploughs	Manufacturing (Industrial Inputs) General Masses	4	5

60	Clause (aa) 28(iv)	Irrigation drainage and agrochemical application equipment: Boom or field sprayers	Agriculture Sector	2	5
61	Clause (aa) 29(ii)	Wheat thresher	Manufacturing (Industrial Inputs) General Masses	10	5
62	Clause (aa) 29(i)	Harvesting, threshing and storage equipment	Manufacturing (Industrial Inputs) General Masses	59	5
63	Clause (aa) 20	Plant, machinery, 2 [and equipment] used in production of biodiesel	Manufacturing (Industrial Inputs) General Masses	8	5
64	Clause (aa) 29(viii)	Post hole digger	Manufacturing (Industrial Inputs) General Masses	5	5
65	Clause (aa) 26(i)	Rotavator	Manufacturing (Industrial Inputs) General Masses	37	5
66	Clause (aa) 26(ii)	Cultivator	Agriculture Sector	1	5

67	Clause (aa)	29(vii) Harvesting threshing and storage equipment: Post hole digger	Agriculture Sector	1	5
68	Clause (aa)	27(i) Seed-cum-fertilizer drill (wheat, rice barley, etc)	Manufacturing (Industrial Inputs)	13	5
		2 of Section 3	General Masses		
69	Clause (aa)	27(v) Rice trans planter	Manufacturing (Industrial Inputs)	8	5
		2 of Section 3	General Masses		
70	Clause (aa)	29(xi) Wheat or rice reaper	Manufacturing (Industrial Inputs)	13	5
		2 of Section 3	General Masses		
71	Clause (aa)	23 Secondhand and worn clothing or footwear	Manufacturing (Industrial Inputs)	2,542	5
		2 of Section 3	General Masses		
72	Clause (aa)	53 The following cinematographic equipment imported during the period commencing on the 1st day of July, 2018 and ending on the 30th day of June, 2023. (i) Projector (ii) Parts and accessories	General Masses	2	5

for projector (iii) Other
instruments and apparatus
for cinema (i

73	Clause (aa)	26(xiv) Rotary tiller	Manufacturing	29	5
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
74	Clause (aa)	29(xviii) Harvesting	Agriculture	1	5
	of sub-Section	threshing and storage	Sector		
	2 of Section 3	equipment: Pruner/shears			
75	Clause (aa)	29(xvi) Tractor trolley or	Manufacturing	4	5
	of sub-Section	forage wagon	(Industrial Inputs)		
	2 of Section 3		General Masses		
76	Clause (aa)	19 Waste paper	Manufacturing	192	5
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
77	Clause (aa)	29(x) Fodder rake	Manufacturing	16	5
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
78	Clause (aa)	26(xiii) Land leveler or land	Manufacturing	2	5
	of sub-Section	planer	(Industrial Inputs)		
	2 of Section 3		General Masses		

79	Clause (aa) 28(ii)	Knapsack sprayers	Manufacturing	7	5
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
80	Clause (aa) 28(vi)	Orchard sprayer	Manufacturing	1	5
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		

Sub Total

27,108

Reduced Rate of 7%					
Sr	Legal Reference	Description Exemption or Concession	Intended Beneficiary	Estimate Rs.Million	Rates
81	Clause (aa) 29(xvi)	Harvesting and storage equipment: Reaping machines	Agriculture Sector	36	7
	of sub-Section	threshing and storage			
	2 of Section 3	equipment: Reaping machines			
82	Clause (aa) 45(i)	Machinery for preparing feeding stuff @ 7%	General Masses	46	7
	of sub-Section	preparing feeding stuff @ 7%			
	2 of Section 3				
83	Clause (aa) 45(v)	Evaporative air cooling system	General Masses	36	7
	of sub-Section	cooling system			
	2 of Section 3				
84	Clause (aa) 45(ii)	Incubators, brooders and other poultry equipment @ 7%	Poultry Sector	287	7
	of sub-Section	and other poultry			
	2 of Section 3	equipment @ 7%			

85	Clause (aa)	45(vi) Evaporative cooling pad @ 7%	General Masses	23	7
	of sub-Section 2 of Section 3				
86	Clause (aa)	45(ii) Incubators, brooders and other poultry equipment	Manufacturing (Industrial Inputs) General Masses	13	7
	of sub-Section 2 of Section 3				
87	Clause (aa)	45(iii) Insulated sandwich panels @ 7%	General masses	3	7
	of sub-Section 2 of Section 3				
88	Clause (aa)	45(vi) Evaporative cooling pad	Manufacturing (Industrial Inputs) General Masses	5	7
	of sub-Section 2 of Section 3				
89	Clause (aa)	45(iv) Poultry sheds @ 7%	Poultry Sector	2	7
	of sub-Section 2 of Section 3				
90	Clause (aa)	45(i) Machinery for preparing feeding stuff	Manufacturing (Industrial Inputs) General Masses	28	7
	of sub-Section 2 of Section 3				
91	Clause (aa)	45(iii) Insulated sandwich panels	Manufacturing (Industrial Inputs) General Masses	1	7
	of sub-Section 2 of Section 3				

92	Clause (aa) 45v	Evaporative air cooling system	Manufacturing (Industrial Inputs)	4	7
	of sub-Section 2 of Section 3		General Masses		
93	Clause (aa) 45(iv)	Poultry sheds	Manufacturing (Industrial Inputs)	11	7
	of sub-Section 2 of Section 3		General Masses		

Sub Total

496

Reduced Rate of 8%					
Sr	Legal Reference	Description Exemption or Concession	Intended Beneficiary	Estimate Rs.Million	Rates
94	Clause (aa) 64	Prepared Food, foodstuff and sweetmeats supplied by restaurants, bakeries, caterers and sweetmeat shops	Manufacturing (Industrial Inputs) General Masses / food items	851	8
95	Clause (aa) 69	Meat and similar products of prepared frozen or preserved meat or meat offal of all types including poultry, meat and fish	Manufacturing (Industrial Inputs) General Masses / food items	165	8

96 Clause (aa) 68 Frozen prepared Manufacturing 380 8
of sub-Section preserved sausages and (Industrial Inputs)
2 of Section 3 similar products General Masses /
of poultry meat or meat food items
offal

Sub Total

1,396

Reduced Rate of 10%

Sr	Legal Reference	Description Exemption or Concession	Intended Beneficiary	Estimate Rs.Million	Rates
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98 Clause (aa) 5 Raw Cotton and Ginned Agriculture 11,730 10
of sub-Section Cotton
2 of Section 3

99 Clause (aa) 6 Sales Tax @ 10% on The Manufacturing 9,112 10
of sub-Section Import Of Plant, Machinery (Industrial Inputs)
2 of Section 3 Not Manufactured Locally
& Having No Compatible
Local Substitutes, Subject
To Conditions Given In
S.No. 6 Of Table I of 8th
Schedule To Sales Tax
Act, 1990.

100	Clause (aa) 6 of sub-Section 2 of Section 3	Machinery, equipment and other capital goods meant for initial installation, balancing, modernization, replacement or expansion of oil refining (mineral oil, hydro-cracking and other value added petroleum products), petrochemical and petrochemical downst	Manufacturing (Industrial Inputs)	1,411	10
101	Clause (aa) 15 of sub-Section 2 of Section 3	Ingredients of poultry feed, cattle feed, except soybean meal of PCT heading 2304.0000 and oil-cake of cotton seed falling under PCT heading 2306.1000. Besides, benefit of this S.No. will also be available to following goods:- 2308.9000 (Guar Meal), 2303	Agriculture	1,357	10

102	Clause (aa)	7 Flavored milk	Manufacturing	607	10
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
103	Clause (aa)	11 Cream	Manufacturing	525	10
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
104	Clause (aa)	10 Butter, sold in retail	food items	10	10
	of sub-Section	packing under a brand			
	2 of Section 3	name			
97	Clause (aa)	22 Soya bean seed on	Manufacturing	14,664	10
	of sub-Section	import by solvent extraction	(Industrial Inputs)		
	2 of Section 3	industries, subject to the	General Masses		
		condition that no refund of			
		input tax shall be			
		admissible			
105	Clause (aa)	57 Rock Phosphate	Manufacturing	520	10
	of sub-Section		(Industrial Inputs)		
	2 of Section 3				
106	Clause (aa)	5 Complete plants for	Manufacturing	97	10
	of sub-Section	relocated industries.-	(Industrial Inputs)		
	2 of Section 3	subject to condition.			
		Subject to conditions given			
		in preamble of Table-2 of			

8th Schedule to the Sales
Tax Act, 1990.

107	Clause (aa) 1	Machinery and Manufacturing equipment for development of grain handling and storage facilities including silos - subject to conditions. Subject to conditions given in preamble of Table-2 of 8th Schedule to the Sales Tax Act, 1990.	989	10	
108	Clause (aa) 65	Ginned cotton	Textile	88	10
109	Clause (aa) 5	Complete plants for relocated industries.	Manufacturing (Industrial Inputs)	264	10
110	Clause (aa) 65	Supplies as made from retail outlets as are integrated with Board's computerized system for real-time reporting of sales	Manufacturing (Industrial Inputs) General Masses	8,224	10

111	Clause (aa) 60	Fat filled milk If sold in retail packing under a brand name or trademark	Agriculture, Livestock	52	10
112	Clause (aa) 1	Machinery and equipment for development of grain handling and storage facilities 1 [including silos].	Manufacturing (Industrial Inputs) General Masses	228	10
113	Clause (aa) 9	Cheese, sold in retail packing under a brand name	Agriculture, Livestock	9	10
114	Clause (aa) 58	Reduced rate of 10% on import of LPG	Energy Sector	3,520	10
115	Clause (aa) 46	Multimedia Projectors @ 10%	Media Productions	5	10
116	Clause (aa) 8	Yogurt	Manufacturing (Industrial Inputs) General Masses	514	10
117	Clause (aa) 1	Soybean meal	Manufacturing (Industrial Inputs) General Masses	6,597	10

118	Clause (aa)	LPG	Manufacturing	1,886	10
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
119	Clause (aa)	6 Plant and machinery not	Manufacturing	443	10
	of sub-Section	manufactured locally and	(Industrial Inputs)		
	2 of Section 3	having no compatible local	General Masses		
		substitutes			
120	Clause (aa)	60 Fat filled milk	Manufacturing	3,915	10
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
121	Clause (aa)	11 Cream, sold in retail		1	10
	of sub-Section	packing under a brand			
	2 of Section 3	name			
122	Clause (aa)	57 Rock phosphate	Manufacturing	1	10
	of sub-Section		(Industrial Inputs)		
	2 of Section 3		General Masses		
123	Clause (aa)	15Ingredients of poultry	Manufacturing	842	10
	of sub-Section	feed, cattle feed, except	(Industrial Inputs)		
	2 of Section 3	soya bean meal of PCT	General Masses		
		heading 2304.0000 and			
		oilcake of cotton-seed			
		falling under PCT heading			
		2306.1000			

124	Clause (aa)	59	Products of milling industry except wheat and meslin flour	Manufacturing (Industrial Inputs) General Masses	57	10
125	Clause (aa)	22	Soya bean seed	Manufacturing (Industrial Inputs) General Masses	4	10
126	Clause (aa)	14	Milk and cream, concentrated or containing added sugar or other sweetening matter	Manufacturing (Industrial Inputs) General Masses	1,468	10
127	Clause (aa)	6	Machinery, equipment and other capital goods meant for initial installation, balancing, modernization, replacement or expansion of oil heavy chemical industry, cryogenic facility for ethylene storage and handling. refining (mineral oil, hydro- cracking and other value added petroleum products), petrochemical and	Manufacturing (Industrial Inputs) General Masses	8	10

petrochemical downstream
products including fibers
and

128	Clause (aa)	10 Butter	Food Products	181	10
	of sub-Section		General Masses		
	2 of Section 3				
129	Clause (aa)	12 Desi ghee	Food Products	48	10
	of sub-Section		General Masses		
	2 of Section 3				
130	Clause (aa)	9 Cheese	Food Products	208	10
	of sub-Section		General Masses		
	2 of Section 3				
131	Clause (aa)	13 Whey	Food Products	10	10
	of sub-Section		General Masses		
	2 of Section 3				

Sub Total

69,592

Reduced Rate of 12%					
Sr	Legal Reference	Description Exemption or Concession	Intended Beneficiary	Estimate Rs.Million	Rates
132	Clause (aa)	50 LNG/RLNG	Industry / General	759	12
	of sub-Section		Masses		
	2 of Section 3				

134	Clause (aa) 66	Supplies as made from retail outlets as are integrated with Board's computerized system for real-time reporting of sales	Manufacturing (Industrial Inputs) General Masses	1,082	12
133	Clause (aa) 51	LNG/RLNG	Energy Sector General Masses	17,480	12

Sub Total **19,321**

Reduced Rates under 9th Schedule				
Sr	Legal Reference	Description Exemption or Concession	Intended Beneficiary	Estimate Rs. Million
1	9th Schedule	Mobile Phones	General Masses	27,096
Sub Total				27,096
Grand Total				578,456

Explanatory notes on Sales Tax Estimates

A. Types of Concessions

In sales tax act, concessions are granted broadly by three ways

- I. Zero rating,
- II. Exemptions,
- III. Reduced rates.

1. Zero rating

Under Section 4 of the Act, goods exported, or the goods specified in the Fifth Schedule; supply of stores and provisions for consumption aboard a conveyance proceeding to a destination outside Pakistan as specified in section 24 of the Customs Act, 1969 (IV of 1969); such other goods, as the Federal Government may specify by notification in the official Gazette, whenever circumstances exist to take immediate action for the purposes of national security, natural disaster, national food security in emergency situations and implementation of bilateral and multilateral agreements are charged to tax at the rate of zero per cent.

2. Exemptions

Under section 13 of the Sales Tax Act 1990, supply of goods or import of goods specified in the Sixth Schedule are, subject to such conditions as may be specified by the Federal Government, are exempt from tax under the Act. The Federal Government is empowered to issue exemptions whenever circumstances exist to take immediate action for the purposes of national security, natural disaster, national food security in emergency situations and implementation of bilateral and multilateral agreements, by notification in the official Gazette. Exemptions can be on any supplies made or imports, of any goods or class of goods from the whole or any part of the tax chargeable under the Act, subject to the conditions and limitations specified therein.

3. Reduced rates

Under section 3(2)(b), Federal Government is empowered to declare that in respect of any taxable goods, the tax shall be charged, collected and paid in such manner and at such higher or lower rate or rates as may be specified, subject to such conditions and restrictions as it may impose, by notification in the official Gazette.

B. Nature of exemptions and concessions

In sales tax act, concessions are granted broadly by three ways: i.e. Zero Rating, Exemptions, and reduced rates.

1. Product-based Concessions

In some cases, product based concession is granted under sales tax act, for example, in case of food and grocery items, certain products are exempt or have reduced rate of sales tax. It may get tricky because these exemptions can then have rules within rules. Prepared foods and ready-to- eat food items may be exempted or have reduced rate whereas the same items if sold under brand name may not have the concession.

2. Use-based Concessions

Under the Act certain products that are intended to be used for in-house consumption, for use of a specific organization are given tax concession. Typically, this is where, the end consumers are not liable to be taxed, or intended to be given tax concession.

3. Buyer-based Concessions

Diplomats, diplomatic missions, diplomatic organizations, non-profit organizations or government agencies often are not required to pay sales tax. This concession in the form of zero rating or exemption is extended to these national and international agencies.

4. Economic activity-based concessions

Certain tax concessions under the act are granted for a specific economic activity. Like export promotions or certain activities in export processing zones. A unique case in Pakistan is the case of exemptions in erstwhile Federally Administered Tribal Areas (FATA), where exemptions are granted for mainstreaming of the geographic areas.

C. Suggestion for further improvement of Sales Tax estimates

The reporting and calculation of tax expenditures estimates may be improved through:

Legal Enactment

In previous estimates it was suggested that in sales tax act, concessions are granted broadly by three ways, i.e. zero rating, exemptions, and reduced rates. The sales tax return of any registered person may not be considered as true and valid return, without mentioning exempt supply, if any. This will help in computing the exemption incidence when exempt supplies are made by various registered persons in supply chain.

Administrative Measures

Industry-ratios and/or standardized minimum value addition formulas may be issued, with the consultation of major industries, to have more accurate and rational estimates, and so that exact extent of value addition in each industry can be estimated.

Engagement of Experts and Internees

Various expert, working in the universities may be engaged to develop a broad based consultancy and opportunities may be provided to young university graduates to apply various statistical tools on the data for improvement in reporting and calculating tax buoyancy

Training of the Team

The team engaged in SPR&S may be trained in National and International well reputed institutes for understanding and opting international best practices.

Summary of Customs Duty Estimates
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Rs. in

million

1	Chapter-99 Exemptions	12,635
2	FTA & PTA Exemptions	34,210
3	5th Schedule Exemptions & Concessions	137,418
4	General Concessions: Automobile sector, E&Ps, CPEC, etc.	55,877
5	Export Related Exemptions	47,631
Total		287,771

Legal Reference	Exemption Type	Beneficiary Sector	CD Cost of Exemption FY 2019-20
<u>Chapter-99 Exemptions</u>			

9901.0000 -	Chapter-99 Exemptions: Goods imported by various agencies of the United Nations	Agencies under the United Nations	188
9902.0000 -	Chapter-99 Exemptions: Goods imported by Consulates	Diplomats/Embassies/ Diplomatic and Consular Privileges Act, 1972	506
9903.0000 -	Chapter-99 Exemptions: Goods imported by privileged personnel or by organizations or by contracting parties, under	Privileged personnel or by organizations or by person authorized by the	3,240

any person authorized by grant-in-aid agreements
the contracting parties, (including those
under grant-in-aid agreements which cover off
agreements budget foreign contributions
or funds brought by
registered INGO's without
any financial liabilities to the
Government of Pakistan)

9904.0000 -	Chapter-99 Exemptions: Vehicles in CKD condition, Vehicles in CKD imported by recognized condition, imported by local manufacturer for recognized local supply to diplomat, manufacturer for supply diplomatic mission, to diplomat, diplomatic privileged person mission, privileged person	7
9905.0000 -	Chapter-99 Exemptions: Dignitaries of UAE, Qatar Imports by Dignitaries of and Bahrain UAE, Qatar and Bahrain	0
9906.0000 -	Chapter-99 Exemptions: The President and the Goods imported under Prime Minister of Pakistan. the President/ Prime The Governors and the Minister/ Governors/ 's	0

	Salary, Allowances and Acting Governors of the Privileges Act, 1975	Provinces	
9908.0000 -	Chapter-99 Exemptions: Gifts received by the Goods received as gift or donation from a foreign government or organization by the Federal or Provincial Government or any public sector organization or Goods received as gift by Pakistani organizations from Church World Services or the Catholic Relief Services	Federal, the provincial or any public sector organization	-
9909.0000 -	Chapter-99 Exemptions: Articles, value of which does not exceed Rs.20,000/- per parcel, if imported through post or courier service as unsolicited gift parcel	Articles, value of which does not exceed Rs.20,000/- per parcel, if imported through post or courier service as unsolicited gift parcel	7

9910.0000 -	Chapter-99 Exemptions: Samples of no commercial value imported by the commercial value manufacturers imported by manufacturers	28
9911.0000 -	Chapter-99 Exemptions: (i) Relief goods donated for free distribution free distribution among (ii) Plant, machinery and the victims of natural equipment imported by way disaster or other of donation for installation in catastrophe OR Plant, the earthquake hit districts machinery and as certified by equipment imported by ERRA/National Disaster way of donation for Management Authority. installation in the earthquake hit districts	737
9912.0000 -	Chapter-99 Exemptions: Imports by Edhi Foundation Imports by Edhi Foundation	23
9913.0000 -	Chapter-99 Exemptions: Gifts or donations received by a charitable non-profit received by a charitable making hospital or institution	3,111

	non-profit making	
	hospital or institution	
9914.0000 -	Chapter-99 Exemptions: Imports by Charitable Institutions and Hospitals	1,716
	Imports by Charitable Institutions and Hospitals	
9915.0000 -	Chapter-99 Exemptions: Goods imported by or donated to non-profit making educational and research institutions	309
	Goods imported by or donated to non-profit making educational and research institutions	
9916.0000 -	Chapter-99 Exemptions: Goods supplied free of cost as replacement of identical goods previously imported including goods imported within warranty period Replacement Goods.	112
	Goods supplied free of cost as replacement of identical goods previously imported including goods imported within warranty period Replacement Goods.	
9922.0000 -	Chapter-99 Exemptions: Ship spares, stores and equipment imported for use in ships registered in Pakistan Temporary Import or Export.	45
	Ship spares, stores and equipment imported for use in ships registered in Pakistan Temporary Import or Export.	
9924.0000 -	Chapter-99 Exemptions: Eye cornea	1
	Eye cornea	

9925.0000 -

Chapter-99 Exemptions: Medical

543

Artificial kidneys, appliances/equipment.

hemodialysis machines,

hemodialyzers, A.V.

fistula needles,

hemodialysis fluids &

powder, blood tubing

tines for dialysis, reverse

osmosis plants for

dialysis, double lumen

catheter for dialysis,

catheters for renal failure

patients, peritoneal

dialysis solution and

cardiac catheters.

colostomy bags and

appliances identifiable

for Ostomy use

9927.0000 -

Chapter-99 Exemptions: Pharmaceutical raw

84

Pharmaceutical raw materials if imported for

materials if imported for manufacture of

manufacture of contraceptives

contraceptives in

accordance with the
input output ratios
determined by the
Directorate of Input
Output Co-efficient
Organization.

Contraceptives and
accessories thereof.

9930.0000 -

Chapter-99 Exemptions: Any goods, including
Any goods, including vehicles, specified in the
vehicles, specified in the First schedule to the
First schedule to the Customs Act, 1969 (IV of
Customs Act, 1969 (IV of 1969) imported by
1969) imported by Federal/Provincial/ Local
Federal/Provincial/ Local Government Departments,
Government Municipal bodies and
Departments, Municipal Development authorities
bodies and Development subject to the condition that
authorities subject to the the goods are donated to
condition that the goods the importers for use in an
are donated to the approved foreign grant
importers for use in an funded project
approved foreign grant

484

funded project under a proper grant relating to Capital Aid-Technical Assistant Agreement signed between the Government of Pakistan and a foreign government or agency subject to concurrence of the Federal Board of Revenue.

9931.0000 -	Chapter-99 Exemptions: Ground handling equipment	5
	Ground handling imported by airlines equipment, service and operation vehicles, catering equipment and fuel trucks not manufactured locally, imported by domestic airlines or by any other service company to which a license has been issued by the Civil	

Aviation Authority for such purposes.

9937.0000 -	Chapter-99 Exemptions: Certain items imported by Items relating to disabled persons, like Wheel chairs, Artificial human part, Items used for rehabilitation of blind persons etc..	226
9938.0000 -	Chapter-99 Exemptions: Certain Disposables, as are Disposables, as are not manufactured locally, manufactured locally, for Cardiology/cardiac surgery, Neurovascular, Electrophysiology, Endo-surgery, Endoscopy, Oncology, Urology, Gynecology;	958
9939.0000 -	Chapter-99 Exemptions: Diagnostic kits for HIV and Hepatitis	304
9941.0000 -	Chapter-99 Exemptions: Goods imported by or - Goods imported by or donated to municipal	

donated to municipal authorities including authorities including development authorities , development authorities , Federal Government, Federal Government, Provincial Government, Provincial Government, Government of Azad Government of Azad Jammu and Kashmir, Jammu and Kashmir, Government of Gilgit- Government of Gilgit- Baltistan, National Disaster Baltistan, National Management Authority Disaster Management (NDMA), Provincial Authority (NDMA), Disaster Management Provincial Disaster Authority (PDMA) and Management Authority Government (PDMA) and Emergency/Rescue Government services, Emergency/Rescue services,

Sub-Total:- Chapter-99 Exemptions

12,635

FTA & PTA Exemptions: Bilateral arrangements with different Governments /Regional commitments

558(l)/2004 Table I

Section 19

FTA: General exemption on 0

import from ECO

558(I)/2004 Table II	Section 19	FTA: General exemption on import from SAARC	76
1296(I)/2005 Table-I	Section 19	FTA: Pak-China Early Harvest Program (prescribes FTA CD Rate)	0
1296(I)/2005 Table-II	Section 19	FTA: Pak-China Early Harvest Program (prescribes %age of concession in CD Rate)	0
1274(I)/2006 Table-I	Section 19	FTA: General exemption on import from SAARC countries under SAFTA Agreement	394
1274(I)/2006 Table-II	Section 19	FTA: General exemption on import from SAARC countries under SAFTA Agreement	7
SRO 659(I)/2007 Table-I	Section 19	FTA: General exemption on import from China under Pak-China FTA	9,323
SRO 659(I)/2007 Table-II	Section 19	FTA: General exemption on import from China under Pak-China FTA	1,876

SRO 1640(I)/2019 -	Section 19	FTA: General exemption on import from China under Pak-China FTA	13,258
SRO1151(I)/2007 Table	Section 19	PTA: General exemption on import from Mauritius under PTA	-
SRO1261(I)/2007 Table I	Section 19	PTA: General exemption on import from Malaysia under PTA	2,299
SRO1261(I)/2007 Table II	Section 19	PTA: General exemption on import from Malaysia under PTA	873
SRO741(I)/2013 Table	Section 19	PTA: General exemption on import from Indonesia under Pak-Indonesia PTA	3,303
SRO280(I)/2014 d	Section 19	FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	375
SRO280(I)/2014 I	Section 19	FTA: General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	

SRO280(I)/2014 Table-I	Section 19	FTA: General exemption on	2,260
		import from Sri Lanka under	
		Pak-Sri Lanka FTA	
SRO280(I)/2014 TABLE-III	Section 19	FTA: General exemption on	165
		import from Sri Lanka under	
		Pak-Sri Lanka FTA	
Sub- Total:- FTA & PTA Exemptions			34,210

<u>5th Schedule(Customs Duty)</u>
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5th Schedule (Customs Duty) Part-I	Exemption under 18(1A) of the Customs Act, 1969	Imports of Plant, Machinery, Equipment and Apparatus, including Capital Goods for various industries/sectors	55,595
5th Schedule (Customs Duty)- Part II Table-A	Exemption under 18(1A) of the Customs Act, 1969	Import of Active Pharmaceutical Ingredients by pharma sector	1,728
5th Schedule (Customs Duty)- Part II Table-B	Exemption under 18(1A) of the Customs Act, 1969	Excipient/Chemicals by pharmaceutical sector	589
5th Schedule (Customs Duty)- Part II Table-C	Exemption under 18(1A) of the Customs Act, 1969	Drugs (mostly Life Saving) by pharmaceutical sector	6,955
5th Schedule (Customs Duty)- Part II Table-D	Exemption under 18(1A) of the Customs Act, 1969	Packing Materials/Raw Materials for Packing by pharmaceutical sector	1,080

5th Schedule (Customs Duty)- Part II Table-E	Exemption under 18(1A) of the Customs Act, 1969	Diagnostic Kits/Equipment by pharmaceutical sector	3,151
5th Schedule(Customs Duty)- Part III	Exemption under 18(1A) of the Customs Act, 1969	Poultry and Textile Sectors	39,227
5th Schedule(Customs Duty)- Part IV	Exemption under 18(1A) of the Customs Act, 1969	Machinery and Equipment for Textile Sector	547
5th Schedule(Customs Duty)- Part V	Exemption under 18(1A) of the Customs Act, 1969	Automotive Manufacturing Sector (Auto Policy)	66
5th Schedule(Customs Duty)- Part VI	Exemption under 18(1A) of the Customs Act, 1969	Aviation Sector (Aviation Policy)	403
5th Schedule (Customs Duty) Part-VII	Exemption under 18(1A) of the Customs Act, 1969	Essential edible items like pulses, potato etc, Oil and Oil products, Inputs of export sectors etc.	7,567
5th Schedule(Customs Duty)- Part VIII	Exemption under 18(1A) of the Customs Act, 1969	Miscellaneous.	20,509
Sub-Total:- 5th Schedule(Customs Duty)			137,418
268(I)/2015	Section 19	Mining equipment & machinery imported by Thar Coal Field	2,452
565(I)/2006	Section 19	Raw material of survey based Local industries: Stationary/ Electrical	14,331

		Capacitors/ Pesticides / Distilled Fatty Acids / CRC & GI coils / Fans/ Transformers / Electric Motors manufacturers	
SRO 499(I)/2013	Section 19	Auto Sector: General concession for import of Hybrid Electric Vehicles	434
SRO678(I)/2004	Section 19	Exploration and Production (E&P) Companies	5,024
107(I)/2019 SRO 48(I)/2018	and Section 19	Textile Sector (Local Yarn Producers): Import of Cotton	-
SRO 121(I)2014	Section 219	Afghan Transit Trade	7
SRO 48(I)/2018	Section 19	Import of cotton	-
SRO 642(I)/2016	Section 19	Imports by M/s CSCEL for Karachi-Peshawar Motorway	19
SRO 644(I)/2018	Section 19	General: Concession of CD on import of electric motor vehicles	475
SRO40(I)/2017	Section 19	Lahore Orange Metro Train Project	50

SRO655(I)/2006	Section 19	Vendors of Automotive sector	13,361
SRO656(I)/2006	Section 19	OEMs of Automotive Sector	15,930
SRO235(I)/2020	Section 19	COVID-19 Exemptions - General	810
SRO318(I)/2020	Section 19	COVID-19 Exemptions - General	2,614
SRO556(I)/2020	Section 19	COVID-19 Exemptions - General	364
SRO558(I)/2020	Section 19	COVID-19 Exemptions - General	6
SRO559(I)/2020	Section 19	COVID-19 Exemptions - General	-

Sub-total **55,877**

<u>Export Related Exemptions</u>

SRO450(I)/2001	Section 219	DTRE	5,707
SRO450(I)/2001	Section 219	Manufacturing Bonds	9,976
SRO 327(I)/2008	Section 219	Export Oriented Units	15,338
SRO 492(I)/2008	Section 219	Temporary Imports	10,007
SRO 450(I)/2008/9917.0000	Section 219	EPZ (abroad)	6,603
Sub-Total:-			47,631
Grand Total:			287,771

Benchmark for Customs Duty Cost Estimation

- a) Statutory rates of Customs Duty (CD), Regulatory Duty (RD), and Additional Customs Duty (ACD) have been taken as benchmark rates. Customs related exemptions / concessions are generally sector based.
- b) While making calculations, any deviation from statutory rates has been considered as exemption / concession.
- c) Period of study is FY 2010, i.e. July 2019 to June 2020.
- d) Report is based on figures in respect of customs duty exemptions given under chapter-99 (Rs.12,635 million). FTA/PTAs (Rs.34,210 million), 5th Schedule to Customs Act, 1969 (Rs.137,418 million) and exemptions given under other SROs (Rs.55,877 million) including export oriented exemption/concession SROs.

Methodology for Customs Duty Cost Estimation

Data for estimations of Customs is also taken from FBR's official database, and estimations were calculated against statutory rates of duties, using revenue forgone approach.

VAT GAP MODEL: USING SUPPLY-USE TABLES

1. FRAMEWORK OF VAT GAP

Definition of the VAT Gap: The VAT Gap refers to the VAT Policy Gap or the VAT Compliance Gap.

The VAT Policy Gap: The VAT Policy Gap is the difference between the Potential VAT collectible under a benchmark or standard regime' of the VAT (where there are no exemptions, lower rates or special treatment of any type of consumption or sector/class of taxpayers), and the Potential VAT collectible under the current regime (which includes any special treatment of consumption or sector/class of taxpayers). The VAT Policy Gap estimates the revenue foregone due to the current policy of the government.

The VAT Compliance Gap: The VAT Compliance Gap is the difference between this Potential VAT collectible under the current regime and the Actual VAT collection. The VAT Compliance Gap estimates the gap in VAT due to non-compliance by taxpayers.

This study estimates VAT Policy GAP for the year 2021.

2. BACKGROUND ON VAT-GAP

Efficient collection of taxes is considered as a cornerstone of a good tax system. However, because of non-compliance and other VAT foregone this efficiency may not be achieved. Therefore, it creates a Gap between potential VAT and actually collected VAT. Given tax base, if taxes remain unpaid, would cause burden on those who are contributing in this regards. Which is unfair and creates distortions in the economy. Further these unpaid VAT would put burden on the overall public finances resulting in either curtailing the government expenditures or increase the debt burden. Both of which are detrimental for

growth and development goals of the government. Despite healthy revenue growth especially by FBR (for the period 2001-2020 average growth is 13.9%), Pakistan's overall revenue collection has been low when compared to the expenditure outlays.

One of the core reason for these under or low payment in relation to the base is because of Tax Expenditures¹. These are normally reported² and Governments throughout the world use tax expenditures as an alternative policy option to achieve social objectives and promote economic growth. Tax expenditures as a percentage of the total tax collected (income, sales, FED, and customs) have been increasing over time. In Tax Expenditure Report 2020, based on data pertaining to Financial Year 2018-19, it has increased to an estimated Rs. 1,150 billion in which Tax expenditure for Sales Tax amounted the highest at Rs. 518.8 billion (45% of the total), and in Customs Rs. 253.1 billion (22%). In FY 2018-19, FBR's tax collection was Rs. 3,828 billion. Overall, tax expenditure to GDP ratio stands at around 3%.

Understanding the scale and the scope of VAT policy gap and evaluating cost and benefit analysis is prerequisite for fiscal governance especially for high deficit countries like Pakistan. One of the suitable approaches to measure the VAT Gap is Top-down approach. In the present analysis only "VAT-GAP" model estimation is done using Supply Use Tables. Sales Tax is currently single largest tax revenue source for FBR. In FY 2019-20 it amounted to 1,597 Billion Rs. which is approximately 40% of the total tax collected

1 A tax expenditure is a deviation from a defined "benchmark" tax structure. A benchmark is a reference tax system that defines what ought to be taxed in the normal course, when there are no deviations.

2 Amongst the G20 countries, 17 provide public estimates of tax expenditures (Hutton Eric, 2017). In Pakistan also under the PFM Act-2019 a detailed report was published for FY2019-20 by FBR and presented along with budget FY2020-21 in parliament. Whereas overall estimates have been published in Economic Survey, Ministry of Finance since 2008.

by FBR. For Sales Tax (Domestic) the base is considered to be Large Scale Manufacturing (LSM) and for Sales Tax (Imports) the base is imports.

The assessment of VAT gap analysis provides a tool to tax administrators, policy makers and relevant stakeholders, which can be roped through policy choices.

3. METHODOLOGY

We use a detailed input-output model of Pakistan's economy to estimate the potential VAT from domestic sales. This supply-use table provide information on the final consumption as well as the production and use of goods and services in the economy. Not only does the model provide information on total use or gross sales for each of the 40 sectors in the supply-use table but it also provides crucial information on the intermediate and value of primary use, the value of import and exports, and the value of investment expenditures. In other words, the Input-output model provides the necessary information to the model 'Pakistan's potential sales tax base', including the taxable supplies, input credits, and refunds on exports. The most recent Input-output model for Pakistan's economy is for 2017³. We re-benchmark this model to reflect the level of Pakistan's economy by sectors values for 2020, using national accounts data. The accuracy of our VAT gap estimates suffer significantly because the I-O model does not fully capture the informal sector.

4. ANALYSIS

4.1 Consumption Approach

The supply-use table provides information on the final consumption of consumer, government, exporters. The final consumption of commodities includes the VAT in the

³ Constructed by Asian Development Bank (ADB)

value. We eliminate the VAT from consumption at commodity level first, then we apply the Commodity VAT rate to calculate the potential VAT Policy Gap using the Supply-Use table.

The VAT Policy Gap is the difference between the Potential VAT collectible under a benchmark of the VAT (where there are no exemptions, lower rates or special treatment of any type of consumption or sector/class of taxpayers), and the Potential VAT collectible under the current regime (which includes any special treatment of consumption or sector/class of taxpayers).

$$\text{Potential Policy VAT GAP} = (\text{Final Consumption} - \text{VAT}) \times \tau - \sum_c ((\text{Final Consumption}_c - \text{VAT}_c) \times \tau_c)$$

Table 1: VAT Collected upto June 2020

	VAT Collected	VAT Collected
	(Rs. Million)	(\$ billion ⁴)
ST(Imports)	876,352	5.84
ST(Domestic)	720,532	4.81
Total ST	1,689,477	10.65
FED (Imports)	9,518	0.06
FED (Domestic)	240,956	1.61
Total FED	250,474	1.67
Customs	626,612	4.18

⁴ Average exchange rate in 2020=150

VAT Collected	2,473,970	16.50
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Table 2: Supply-Use Tables: Potential VAT GAP calculated using Consumption Approach				
	Sales Tax (\$Billion)	VAT Under Current Regime (\$Billion)	VAT Gap (\$Billion)	VAT Gap (% of Actual VAT Collected)
VAT Policy GAP	25.7	22.21	3.5	21.0

- The estimates suggest VAT policy gap is about \$ 3.5 billion which is approximately 21 percent of Actual VAT collected upto 2020.

4.2 Value Added Approach

To understand the methodology used to estimate the VAT gap, it is necessary to review some GDP accounting identities. There are three approaches to estimate the GDP, the income approach, expenditure approach, and the production approach or value added approach. As Input-output table uses both the expenditures approach (horizontally along the row of the model) and the model value added approach (vertically along the columns of the model) to GDP accounting.

The following GDP identities are

$$GDP = C + I + G + X - M = \sum Value_Added_c = \sum (Total_use - Value_Added)_c \quad (1)$$

Where C is the final consumption expenditures. I is the gross investment expenditures, G is the government purchases of goods and services, X is the value of exports and M is the value of imports

The subscript c stands for the commodities (sectors)

We can obtain an expression for the sales tax base by solving the left-hand-side of (1) for final consumption (C), which yields the following expression

$$\text{Sales tax base} = \text{GDP} + M - I - G - X \quad (2)$$

Substituting (2) into the right-hand-side (1), we obtain an equivalent expression for the sales tax base.

$$\text{Sales tax base} = \left(\sum \text{Value}_{Added_i} + M_i - I_i - X_i \right) - G \quad (3)$$

Multiplying (3) by the sales tax rate (τ_i) and re-arranging the resulting expression, we obtain the following definition

$$\text{Potential VAT}_c = \left(\sum \tau_c \times (\text{Total Use}_c + M_i - I_i - X_c - G_c) \right) \quad (4)$$

$$\begin{aligned} \text{Potential VAT Policy Gap} = & \left(\sum (\text{Total Use}_c + M_i - I_i - X_c - G_c) \right) \times \tau \\ & - \left(\sum \tau_c \times (\text{Total Use}_c + M_i - I_i - X_c - G_c) \right) \end{aligned} \quad (5)$$

The equation (5) provides operational definitions that are useful for estimating VAT Policy GAP.

Table 3: Supply-Use Tables: Potential VAT GAP calculated using Value Added Approach

	Sales Tax (\$Billion)	VAT under current Regime (\$Billion)	VAT Gap (\$Billion)	VAT Gap (% of Actual VAT Collected)
VAT Policy GAP	26.1	22.3	3.8	23.0

- Using the value added approach, the estimates suggest gap is about \$ 3.8 billion which is approximately 23 percent of VAT under current regime. This gap close to the VAT policy gap measured by the consumption approach.

Evidence-Based Revenue Forecasting FY 2021-225

(FBR Taxes)

June 2021

Strategic Planning Reforms & Statistics Wing

5 Revenue Forecasting Report has been prepared in consultation with team of experts from Fiscal Policy Center, Pakistan Institute Development Economics (PIDE), Islamabad



Federal Board of Revenue
Revenue Division - Government of Pakistan

List of Acronyms

CD	Customs Duty
CFY	Current Fiscal Year
EBRF	Evidence-Based Revenue Forecasting
FBR	Federal Board of Revenue
FED	Federal Excise Duty
FY	Fiscal Year
GDP	Gross Domestic Product
LSM	Large Scale Manufacturing
PFY	Previous Fiscal Year
ST(D)	Sales Tax (Domestic)
ST(M)	Sales Tax (Imports)

1. FBR Collection Profile

Major part of government tax revenues is collected by FBR. A substantial increase in the tax collections has been witnessed during last two decades. FBR tax collection was just around Rs.392 billion in 2000-01 which has jumped to around Rs.4 trillion in 2019-20. The average growth till FY 2017-18 remained 14.1%, however, due to Covid-19 pandemic the yearly growth has plummeted, thus affecting slightly the average annual growth for the period 2001-2020 as well (13.9%).

1.1 Five Years FBR Collection Trend

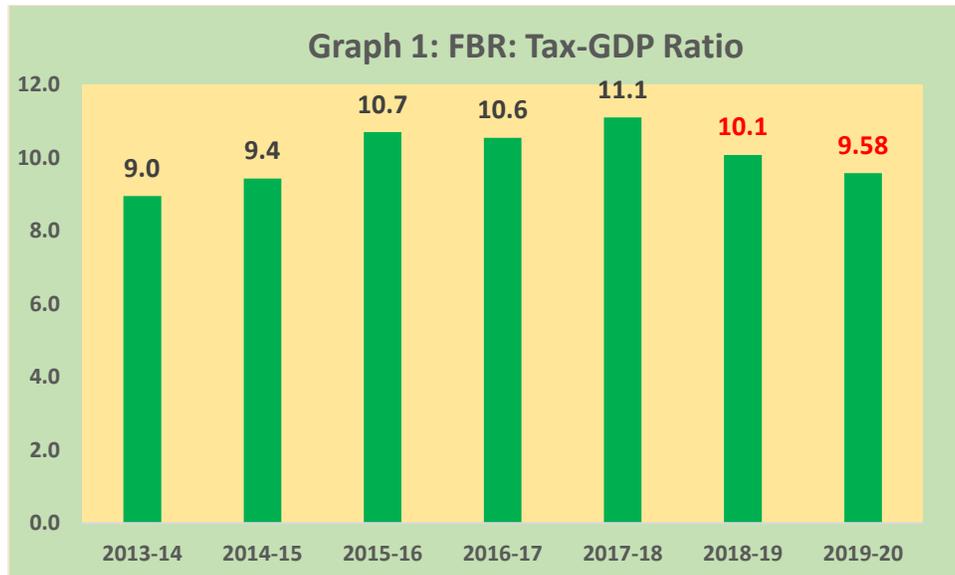
The last five years' collection trend is shown in the following table. The 5 years average growth was 9.3%, however, by excluding the last two years, average growth for normal years i.e. FY 2013-14 to FY 2017-18 stands at 14.6% (Table 1).

Table 1: FBR Collection Trend

Tax Heads	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	5 Years Avg. Growth (%) *
DT	877,255	1,033,720	1,217,474	1,344,226	1,536,583	1,445,508	1,523,445	15.7
ST	996382	1087790	1,302,371	1,328,965	1,485,306	1,459,213	1,596,877	12.2
FED	138084	162248	188,055	197,911	213,493	238,186	250,474	12.1
CD	242810	306220	404,572	496,772	608,373	685,575	626,612	21.0
Total	2,254,531	2,589,978	3,112,472	3,367,874	3,843,755	3,828,482	3,997,408	14.6
(*) for the Years 2013-14 to 2017-18								

Tax-GDP Ratio

Similarly, in the tax-GDP ratio, similar trend has been noticed and it kept on rising till FY 2017-18 and reached 11.2 (Graph 1), but later on this healthy trend couldn't continue during FY 2018-19 and FY 2019-20, which is mainly attributed to Covid-19 pandemic related economic challenges.



1.2 CFY Collection: July-March 2020-21

After a slow growth in previous two years now the collection is picking up, which is evident from table 2. This performance is very encouraging as compared to previous couple of years. The nine months target has been achieved to the extent **103.4%**.

Table 2: CFY Collection: July-March 2020-21

			Rs. Million
Tax Heads	2020-21	2019-20	Growth (%)
DT	1,246,379	1,142,286	9.1

ST	1,415,770	1,250,222	13.2
FED	191,686	186,472	2.8
CD	541,049	481,478	12.4
TOTAL	3,394,885	3,060,458	10.9

With the recovery of economy the revenue collection is also improving, and with further improvements in coming months hope the tax collection shall also increase, thus enabling FBR to achieve its revenue FY 2021-22 target.

2. Evidence-Based Revenue Forecasting (EBRF) FY 2021-22

FBR collects Direct Taxes (DT), Sales Tax (Domestic & Imports), Federal Excise Duty (FED) and Customs Duties (CD). In this study tax-wise buoyancy estimates have been used to forecast the FBR head-wise revenues for FY 2021-22. The tax buoyancy is an indicator to measure efficiency and responsiveness of revenue mobilization in response to growth in the GDP or national income. A buoyant tax means the tax revenues increase more than proportionately in response to a rise in national income/GDP/base.

2.1 Methodology

The SPRS Wing before budget, projects the head-wise revenue estimates based on buoyancy estimates⁶ from previous years on rolling basis. Tax-wise buoyancy estimates are calculated by using historical collection and respective bases data. The current tax-wise buoyancy estimates are estimated from data for the years 1999-2000 to 2019-20 in respect of economic indicators i.e. GDP, Non-agri GDP, LSM and Imports.

⁶ Buoyancy is relationship between changes in actual revenues and changes in proxy tax base from National Accounts data.

The respective proxy bases of head-wise FBR taxes are as under:

Direct Taxes (DT)	Non-agri GDP
Sales Tax Domestic (STD)	Large Scale Manufacturing (LSM)
Sales Tax Imports (STM)	Import Value
Customs Duties (CD)	Dutiable Import Value
Federal Excise Duty (FED)	LSM

Buoyancy estimates are derived as =

% Change in Actual Revenues
% Change in Respective Base

Since these tax bases have a dynamic

relationship with GDP, in the second step

we have calculated the buoyancies of

these tax bases with GDP =

% Change in Respective Base
% Change in GDP

Finally these two are multiplied to arrive at respective tax to GDP buoyancies=

% Change in Actual Revenues	×	% Change in Respective Base
% Change in Respective Base		% Change in GDP

Using these buoyancy estimates autonomous growth for each tax is estimated by using the projections provided by Finance Division for each proxy base.⁷ It provides for the GDP Growth and inflation forecast for upcoming year. GDP value used for this projection of growth is Gross Value Addition of Sectors at Constant Factor Costs. Using the inflation

⁷ Finance Division provides the macroeconomic framework for the next fiscal year along with rolling estimates for next two years in their Medium Term Budget Strategy Paper (2021-22 to 2023-24).

forecasts these GDP growth estimates are converted into GDP growth estimates at Current Factor Cost. Further, GDP-Gross value addition at Current Factor Cost is used for measuring the Buoyancy estimates to be used for revenue forecasts.

In respect of Direct Taxes (DT) Non-Agri GDP has been taken as its proxy base. The buoyancy of direct taxes has been estimated in two steps: in the first step Direct Tax to Non-Agri GDP and in second step Non-Agri-GDP to GDP (Gross Value Addition-Current Factor Cost) is estimated. Then two buoyancy estimates have been multiplied to estimate the Direct Taxes to GDP Buoyancy estimates.

$$\text{Direct taxes to Non-Agri GDP Buoyancy (B1)} = \frac{\% \text{ Change in Direct Taxes}}{\% \text{ Change in Non-Agri GDP}}$$

$$\text{Non-Agri GDP to GDP Buoyancy (B2)} = \frac{\% \text{ Change in Non-Agri GDP}}{\% \text{ Change in GDP}}$$

$$\text{Direct taxes to GDP Buoyancy} = B1 * B2$$

Similarly for Customs (CD) the proxy base is dutiable imports, whereas the projections as provided by Finance Division are for the total imports. Therefore, the buoyancy has been estimated in two steps: first Customs to dutiable imports and in second step Dutiable Imports to total Imports and then these two have been multiplied to get the CD buoyancy estimates.

For Federal Excise (FED) and Sales Tax (Domestic) the base is Large Scale Manufacturing (LSM) and for Sales Tax (Imports) the base is imports. Therefore, for these taxes the buoyancy values are directly estimated from proxy bases. Following table

reflects the respective buoyancies which are estimated using simple log-log regression method in excel sheet by using log values of actual data for taxes.⁸

Table 3: Buoyancy Results

Direct Tax (DT)			
DT to Non-Agri GDP	Non-Agri-GDP to GDP	DT to GDP	
1.1	0.99	1.13	
Sale Tax-Domestic (STD)			1.11
Sales Tax-Imports (STM)			0.92
Customs (CD)			
Custom-Dutiable Imports	Dutiable Imports to Imports	Customs to Imports	
0.95	0.95	0.90	
FED			0.77

Calculating Autonomous Growth

In the second step autonomous growth has been estimated by multiplying buoyancy estimates (Table 3) to projected growths of respective bases (Table 4):⁹

Table 4: Growth Assumptions for FY 2021-22

Macroeconomic Indicators	Projected Growths (%) ¹⁰
GDP (Nominal)	13.22
LSM (Nominal)	14.70

⁸ Source: FBR Annual Reports and Economic Survey of Pakistan

⁹ Autonomous growth depends on macroeconomic indicators and assumption of tax structure being able to capture revenue from these as per past performance. A higher growth in base will lead towards higher independent growth in respective taxes and thus higher projected collection.

¹⁰ Source Medium Term Budget Strategy Paper 2021-22 to 2023-24 / Economic Adviser's Wing, Finance Division

Imports	12.00
Inflation	8.20
GDP (Real)	5.02
LSM (Real)	6.50

Table 5 provides an autonomous growth parameters for each tax head. These are based on the buoyancy estimates from the last 20 years actual revenue collection data and the macroeconomic proxy bases provided by Pakistan Bureau of Statistics/Annual Economic Surveys and the growth projections published in Budget Strategy Paper / Economic Adviser's Wing, Finance Division.

Table 5: Autonomous Growth

[Base Growth * Buoyancy]	Autonomous Growth (%)
DT (GDP non-agri * DT Buoyancy)	14.89
ST(D) (LSM * STD Buoyancy)	16.31
STM (Imports * STM Buoyancy)	11.03
CD (Imports * CD Buoyancy)	10.85
FED (LSM * FED Buoyancy)	11.30

These autonomous growths will be used to project the autonomous growth estimates of respective revenue heads.

To be sure of the results robustness a small exercise was also done by using the reduced and increased nominal growths by 10%. The resulting change was insignificant.

2.2 Head-wise Revenue Projections FY 2021-22

The autonomous growth (Table 5) has been applied on base year's expected collection (i.e. 2020-21) for each respective head to project an increase of **Rs. 636 billion**. This addition has been added in the expected collection of FY 2020-21 thus, the revenue forecast for **FY 2021-22** without additional Policy/Admn measures has been obtained to the tune of **Rs. 5,336 billion**. The required growth over the expected collection of FY 2020-21 i.e. **Rs. 4,700 billion** would be 13.5% in FY 2021-22. However, with the addition of Policy/Admn measures the target for FY 2021-22 would be **Rs. 5,829 billion**, which is near to IMF suggestion i.e. requiring a growth of about 24.0%.

Table 6: Revenue Projections for FY 2021-22

(Rs. Billion)

Base Growth Assumptions		Buoyancy Estimates		Autonomous growth	
Sectors	%				%
GDP (Nominal)	13.22	DT	1.13	DT (GDPN * DTBuoy)	14.89
LSM(Nominal)	14.70	ST D	1.11	ST(D) (LSMN * STDBuoy)	16.31
Total Imports	12.00	STM	0.92	STM (Imports * STMBuoy)	11.03
Inflation	8.20	Customs	0.90	CD (Imports * CDBuoy)	10.85
GDP (Real)	5.02	FED	0.77	FED (LSMN * FEDBuoy)	11.30
LSM (Real)	6.50				

	DT	ST(D)	ST(I)	CD	FED	Total
Expected Base Figures 2020-21	1,789	934	1,002	700	275	4,700
Projection (2021-22) with Autonomous Growth	266	152	111	76	31	636
FBR Projections without measures FY 2021-22	2,055	1,086	1,113	776	306	5,336
		<i>ST</i>	2,199			Req. Growth 13.5
		<i>(total)</i>				

(*) This excludes Policy/Admn Measures and consists of projection due to autonomous growth

Concluding Remarks

It has been found that the overall FBR taxes are buoyant (1.04 overall buoyancy) and there is a potential for increase in tax revenues provided that macroeconomic indicators are doing well. It is evident from last 20 years data that FBR revenues increased substantially with around 14% average growth. The head-wise break-up reveals that the direct taxes are most buoyant with 1.13 buoyancy value, followed by sales tax (domestic) with 1.11 buoyancy estimates. On the other hand, sales tax (imports), customs and FED have relatively lesser buoyancies. In this regard, addressing the issues of narrow base, unnecessary exemptions and valuation problems at import stage can be instrumental for making these tax heads more buoyant, thus enabling the revenue organization to fetch more tax revenues.

The revenue forecast for FY 2021-22 by applying the buoyancy estimates and projected respective macroeconomic indicators would be Rs.5,336 billion without Policy/Admn measures. After adding Policy/Admn measures the target would be Rs.5,829 billion. However the revenue collection and achieving of target would largely depend on the performance of the economy against the targets.

Annex-I**Net Tax collection 2000-01 to 2019-20 (Rs. Million)**

S.No	FY	Direct Taxes	ST Imports	ST Dom	FED	Customs	Total
1	2000-01	124,585	88,554	65,011	49,080	65,047	392,277
2	2001-02	142,505	92,779	73,782	47,186	47,818	404,070
3	2002-03	151,898	105,605	89,534	44,754	68,836	460,627
4	2003-04	165,079	125,875	93,292	45,552	91,045	520,843
5	2004-05	183,372	144,845	93,692	53,104	115,374	590,387
6	2005-06	224,988	171,445	123,353	55,272	138,384	713,442
7	2006-07	333,737	175,909	133,487	71,804	132,299	847,236
8	2007-08	387,861	196,034	181,396	92,137	150,663	1,008,091
9	2008-09	443,548	203,715	248,029	117,455	148,403	1,161,150
10	2009-10	525,977	247,246	269,102	124,784	160,273	1,327,382
11	2010-11	602,451	308,648	324,709	137,353	184,853	1,558,014
12	2011-12	738,424	430,399	374,500	122,464	216,906	1,882,693
13	2012-13	743,409	429,831	412,697	120,964	239,459	1,946,360
14	2013-14	877,255	495,330	501,052	138,084	242,811	2,254,532
15	2014-15	1,033,720	553,028	534,762	162,248	306,220	2,589,978
16	2015-16	1,217,474	678,313	624,058	188,055	404,572	3,112,472
17	2016-17	1,344,226	702,565	626,400	197,911	496,772	3,367,874
18	2017-18	1,536,583	824,219	661,087	213,493	608,373	3,843,755
19	2018-19	1,445,508	810,357	648,856	238,186	685,575	3,828,482
20	2019-20	1,523,064	876,333	720,471	250,470	626,378	3,997,408

Annex-II**Tax Bases Data (Rs. Million)**

S.No	FY	GDP (Gross Value Addition)	GDP-non agri	LSM	Imports	Dutiable Imports
1	2000-01	3,923,244	2,977,943	410,879	627,000	386,597
2	2001-02	4,146,167	3,177,876	424,089	634,630	404,641
3	2002-03	4,534,218	3,474,902	481,374	714,372	436,316
4	2003-04	5,250,527	4,085,776	621,899	897,825	629,159
5	2004-05	6,122,568	4,808,334	814,657	1,223,079	869,815
6	2005-06	7,715,777	5,701,305	1,003,062	1,711,158	1,052,837
7	2006-07	8,735,766	6,549,859	1,149,573	1,851,136	1,010,603
8	2007-08	10,355,255	7,961,728	1,363,068	2,512,072	1,283,696
9	2008-09	12,542,265	9,543,644	1,427,213	2,723,570	1,337,629
10	2009-10	14,248,547	12,787,274	1,644,117	2,910,975	1,333,709
11	2010-11	17,647,553	13,054,833	2,144,831	3,455,286	1,521,329
12	2011-12	19,361,511	14,608,436	2,362,410	4,009,093	1,600,186
13	2012-13	21,496,680	16,161,704	2,519,037	4,349,880	1,652,823
14	2013-14	24,028,897	18,052,680	2,824,463	4,634,974	1,778,444
15	2014-15	26,089,690	19,553,568	2,853,222	4,719,399	2,703,371
16	2015-16	27,402,295	20,652,329	2,801,169	4,721,978	3,467,318
17	2016-17	29,977,559	22,659,094	3,044,603	5,583,637	4,067,138
18	2017-18	32,383,021	24,471,242	3,331,363	6,749,678	4,662,323
19	2018-19	35,783,281	27,413,644	3,722,943	7,499,468	5,054,709
20	2019-20	38,878,480	29,409,085	3,712,779	7,057,323	4,455,140

Annex-III

Log Values

Tax collection

Tax bases

S.No	FY	DT	STM	STD	FED	CD	TOTAL		GDP (GVA)	GDP-	LSM	Total	Dutiable
										non agr		Imports	imports
1	2000-01	11.7	11.4	11.1	10.8	11.1	12.9		15.2	14.9	12.9	13.3	12.9
2	2001-02	11.9	11.4	11.2	10.8	10.8	12.9		15.2	15.0	13.0	13.4	12.9
3	2002-03	11.9	11.6	11.4	10.7	11.1	13.0		15.3	15.1	13.1	13.5	13.0
4	2003-04	12.0	11.7	11.4	10.7	11.4	13.2		15.5	15.2	13.3	13.7	13.4
5	2004-05	12.1	11.9	11.4	10.9	11.7	13.3		15.6	15.4	13.6	14.0	13.7
6	2005-06	12.3	12.1	11.7	10.9	11.8	13.5		15.9	15.6	13.8	14.4	13.9
7	2006-07	12.7	12.1	11.8	11.2	11.8	13.6		16.0	15.7	14.0	14.4	13.8
8	2007-08	12.9	12.2	12.1	11.4	11.9	13.8		16.2	15.9	14.1	14.7	14.1
9	2008-09	13.0	12.2	12.4	11.7	11.9	14.0		16.3	16.1	14.2	14.8	14.1
10	2009-10	13.2	12.4	12.5	11.7	12.0	14.1		16.5	16.4	14.3	14.9	14.1
11	2010-11	13.3	12.6	12.7	11.8	12.1	14.3		16.7	16.4	14.6	15.1	14.2
12	2011-12	13.5	13.0	12.8	11.7	12.3	14.4		16.8	16.5	14.7	15.2	14.3
13	2012-13	13.5	13.0	12.9	11.7	12.4	14.5		16.9	16.6	14.7	15.3	14.3
14	2013-14	13.7	13.1	13.1	11.8	12.4	14.6		17.0	16.7	14.9	15.3	14.4
15	2014-15	13.8	13.2	13.2	12.0	12.6	14.8		17.1	16.8	14.9	15.4	14.8
16	2015-16	14.0	13.4	13.3	12.1	12.9	15.0		17.1	16.8	14.8	15.4	15.1
17	2016-17	14.1	13.5	13.3	12.2	13.1	15.0		17.2	16.9	14.9	15.5	15.2
18	2017-18	14.2	13.6	13.4	12.3	13.3	15.2		17.3	17.0	15.0	15.7	15.4
19	2018-19	14.2	13.6	13.4	12.4	13.4	15.2		17.4	17.1	15.1	15.8	15.4
20	2019-20	14.2	13.7	13.5	12.4	13.3	15.2		17.5	17.2	15.1	15.8	15.3

Buoyancy Estimates based on 20 years data

DT	STM	STD	FED	CD	TOTAL
1.13	0.92	1.11	0.77	0.90	1.04