



J.A.S.B & Associates
Chartered Accountants



TAX RATE CARD 2019-20

INCOME TAX RATES

INCOME TAX WITHHOLDING RATES

SALES TAX WITHHOLDING RATES



Morison KSi
Independent member

INCOME TAX RATES

Changes made vide Finance Act and latest notifications are identified in Red.

Section 149 Salary

(Where salary income exceeds 75% of the taxable income)

Taxable Income PKR	Tax Slabs
0 – 600,000	0%
600,001 – 1,200,000	5% of the amount exceeding Rs. 600,000
1,200,001 – 1,800,000	Rs. 30,000 plus 10% of the amount exceeding Rs. 1,200,000
1,800,001 – 2,500,000	Rs. 90,000 plus 15% of the amount exceeding Rs. 1,800,000
2,500,001 – 3,500,000	Rs. 195,000 plus 17.5% of the amount exceeding Rs. 2,500,000
3,500,001 – 5,000,000	Rs. 370,000 plus 20% of the amount exceeding Rs. 3,500,000
5,000,001 – 8,000,000	Rs. 670,000 plus 22.5% of the amount exceeding Rs. 5,000,000
8,000,001 – 12,000,000	Rs. 1,345,000 plus 25% of the amount exceeding Rs. 8,000,000
12,000,001 – 30,000,000	Rs. 2,345,000 plus 27.5% of the amount exceeding Rs. 12,000,000
30,000,001 – 50,000,000	Rs. 7,295,000 plus 30% of the amount exceeding Rs. 30,000,000
50,000,001 – 75,000,000	Rs. 13,295,000 plus 32.5% of the amount exceeding Rs. 50,000,000
75,000,001 and above	Rs. 21,420,000 plus 35% of the amount exceeding Rs. 75,000,000

Rate of tax for individual (non-salaried) and AOP's

Taxable Income	Tax Slabs
0 – 400,000	0%
400,001 – 600,000	5% of the amount above 400,000
600,001 – 1,200,000	Rs. 10,000 + 10% of the amount above Rs. 600,000
1,200,001 – 2,400,000	Rs. 70,000 + 15% of the amount above Rs. 1,200,000
2,400,001 – 3,000,000	Rs. 250,000 + 20% of the amount above Rs. 2,400,000
3,000,001 – 4,000,000	Rs. 370,000 + 25% of the amount above Rs. 3,000,000
4,000,001 – 6,000,000	Rs. 620,000 + 30% of the amount above Rs. 4,000,000
Above 6,000,000	Rs. 1,220,000+35% of the amount above Rs. 6,000,000

Rate of tax for Companies

2019 and onwards	29%
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Rate of tax for small companies

Tax year	Rate of tax
2019	24%
2020	23%
2021	22%
2022	21%
2023	20%

Section 37 Tax on Capital Gains on sale of Securities

Holding Period (months)	Tax Year 2018, 2019 and 2020	
	Acq. Before July 01, 2016	Acq. After July 01, 2016
Less than 12	15%	15%
12 to 24	12.5%	
More than 24 and security acquired before 01.07.13	7.5%	
Security acquired before 01.07.13	0%	0%
Future commodity contracts	5%	5%

Tax on Capital Gains on sale of immovable properties

Amount of gain	Rate of tax
Up to 5,000,000	5%
5000,001 – 10,000,000	10%
10,000,001 – 15,000,000	15%
Above 15,000,000	20%

Note: 100% Gain on sale of open plot and constructed property exempt after 8 years and 4 years respectively while 25% of either gain exempt if sold after one year.

Alternative Corporate Tax

Person(s)	Tax as %age of Accounting Income/Profit
In case of Company only	17%

Section 113 Minimum tax

Person(s)	Tax as %age of annual turnover
a. Oil Marketing companies, refineries, SNGPL and SSGCL (annual turnover exceeds Rs. 1 billion) b. Pakistani airlines; c. Poultry industry d. Dealers and distributors of fertilizers e. Persons running online market place	0.75%
a. Distributors of pharmaceuticals, FMCG and cigarettes b. Petroleum agents and distributors c. (Sales Tax Registered) d. Rice mills and dealers;	0.25%

e. Flour mills; and f. Dealers and sub dealers of sugar, cement and edible oil (only those appearing on ATL)	
Motorcycle dealers (Sales Tax Registered)	0.30%
In all other cases	1.5%

Section 101A Gain in disposal of assets outside Pakistan

Person acquiring asset from Non-resident Company	10% of the FMV of the asset
Resident Company from Non-resident	Higher of 20% of FMV less cost of acquisition; or 10% of FMV of the asset. (Note: the credit for tax deducted as above will be available)

Section 148 Imports

Description	Rate
Industrial undertaking importing remelt-able steel for own use	1% of the import value as increased by customs duty, sales tax and federal excise duty
Manufactured covered under SRO 1125(I)/2011	
Persons importing Gold, Cotton, LNG, Urea, Potassic fertilizers	
Person importing pulses	2% of the import value as increased by customs duty, sales tax and federal excise duty
Commercial importer covered under SRO 1125(I)/2011	3% of the import value as increased by customs duty, sales tax and federal excise duty
Person importing coal	4%
Persons importing finished pharmaceutical that are not manufactured in Pakistan, as certified by DRAP	4%
Ship breakers on import of ship	4.50%
Industrial undertaking not covered above	5.50%
Companies not covered above	5.5%
Persons not covered above	6.00%

Section 150 & 236S (dividend & dividend in specie)

Dividend paid by IPPs where such dividend is a pass through item under Implementation Agreement, or Power Purchase Agreement or Energy Purchase Agreement and is required to be reimbursed by Central Power Purchasing Agency (CPPA-G)	7.50%
Dividend from company where no tax is payable by such company due to exemption of income or carry forward of business losses or claim of tax credits	25%
Mutual funds and all other cases	15%

Section 150-A Status of Sukuk Holder

Where it is a company	25%
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Where it is an individual/AOP and return on investment is less than one Million	10%
Where the it is an individual/AOP and return on investment is more than one Million	12.50%

Section 151 Profit on Debt

If profit does not exceed Rs. 500,000	10.00%
If profit debt exceeds Rs. 500,000	15.00%

Section 7B (charging section for individual & AOP)

If profit on debt does not exceed Rs. 5,000,000	15%
If profit on debt exceeds Rs. 5,000,000 but does not exceed Rs. 25,000,000	17.5%
If profit on debt exceeds Rs.25,000,000 but does not exceeds Rs. 36,000,000	20%

Profit on debt exceeding Rs. 36,000,000 has been excluded from Section 7B and to be taxed income under normal tax regime.

Section 152 Payment to Non-resident

Royalty or Fee for technical services paid to non-resident	15.00%
Fee for offshore digital services paid to non-resident	5.00%
Payment for construction/ advertisement contracts	7.00%
Insurance premium or reinsurance premium	5.00%
Advertisement services from non-resident person relaying from outside Pakistan.	10%
Amount other than above	20.00%
Payment to PE of a non-resident company for sale of goods	4.00%
Payment to PE of a non-resident non-company for sale of goods	4.50%
Payment to PE of a non-resident for transport services	2.00%
Payment to PE of a non-resident company for other services	8.00%
Payment to PE of a non-resident non-company for other services	10.00%
Payment to PE of a non-resident person for contracts	7.00%
Payment to PE of a non-resident sportsperson	10.00%

Section 153 Payment for goods and services

For sale of rice, cotton seed or edible oils	1.50%
For sale of other goods by company	4.00%
For payment to dealers and sub-dealers of sugar, cement and edible oil	0.25%
For sale of FMCG (Fast moving consumer Goods) goods by a distributor company	2.00%
For sale of FMCG (Fast moving consumer Goods) goods by a distributor non-company	2.50%
For sale of other goods by non-company	4.50%
For services as listed below*	3%
For other service provided by Companies	8.00%
For other service provided by non-Companies	10.00%
For advertisement services of print and electronic media by a company	1.50%

For advertisement services of print and electronic media by a non-company	1.50%
Exporter making payment for stitching, dying, printing, embroidery, washing, weaving and sizing	1.00%
For execution of contracts by Companies	7.00%
For execution of contracts by Non-Companies	7.50%
For Payments to sportsperson	10.00%

* Transport services, freight forwarding services, air cargo services, courier services, manpower outsourcing services, hotel services, security guard services, software development services, IT services and IT enables services, tracking services, advertising services (other than print or electronic media), share registrar services, engineering services, car rental services, building maintenance services, services rendered by Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited inspection, certification, testing and training services.

Section 153B Payment of royalty to resident persons

Payment of royalty to resident persons	15%
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Section 154 Exports

Upon realization of foreign exchange proceeds from export of goods	1.00%
Upon realization of foreign exchange proceeds from commission	5.00%

Section 155 Rent

For Individuals and AOPs where annual rent	
does not exceed Rs. 200,000	0.00%
exceeds Rs. 200,000 but does not exceed Rs. 600,000	5% of the amount exceeding Rs. 200,000
exceeds Rs. 600,000 but does not exceed Rs.1,000,000	Rs. 20,000 + 10% of the amount exceeding Rs. 600,000
exceeds Rs. 1,000,000 but does not exceed Rs. 2,000,000	Rs. 60,000 + 15% of the amount exceeding Rs. 1,000,000
exceeds Rs. 2,000,000 but does not exceed Rs.4,000,000	Rs. 210,000 +20% of the amount exceeding Rs. 2,000,000
exceeds Rs. 4,000,000 but does not exceed Rs.6,000,000	Rs. 610,000 + 25% of the amount exceeding Rs. 4,000,000
exceeds Rs. 6,000,000 but does not exceed Rs. 8,000,000	Rs. 1,110,000 + 30% of the amount exceeding Rs. 6,000,000
exceeds Rs. 8,000,000 but does not exceed Rs.8,000,000	Rs. 1,710,000 + 35% of the amount exceeding Rs. 8,000,000
For Companies	15.00 %

Section 156 Prizes and Winnings

Winnings from prize bond or cross word puzzle	15%
Winnings from raffle, lottery, prize on quiz prize offered for sale promotion	20%

Section 156-A Petroleum Products

Petroleum Products	12.00%
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Section 231-A & 231-AA Cash Withdrawals

Cash withdrawal from bank	0.60%
Cash banking transactions'	0.60%

Above rates are only applicable in case of persons not appearing on Active Taxpayers List

Section 231-B Purchase of Car/Jeep

Advance tax on purchase of private motor car/jeep	Rs.
Engine capacity upto 850CC	7,500
851CC to 1,000CC	15,000
1,001CC to 1,300CC	25,000
1,301CC to 1,600CC	50,000
1,601CC to 1,800CC	75,000
1,801CC to 2,000CC	100,000
2,001CC to 2,500CC	150,000
2,501CC to 3,000CC	200,000
more than 3,000CC	250,000

Advance tax on transfer of private motor car/jeep	Rs.
Engine capacity upto 850CC	-
851CC to 1,000CC	5,000
1,001CC to 1,300CC	7,500
1,301CC to 1,600CC	12,500
1,601CC to 1,800CC	18,750
1,801CC to 2,000CC	25,000
2,001CC to 2,500CC	37,500
2,501CC to 3,000CC	50,000
more than 3,000CC	62,500

Section 233 Brokerage & Commission

In case commission is paid to advertising agent	10.00%
In case commission is paid to life insurance agent receiving annual commission of less than 500,000	8.00%
In all other cases	12.00%

Section 233 AA

Tax to be deducted by NCCPL on profit/mark-up/interest	10.00%
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Section 234 Advance Tax on Motor Vehicles

For goods transport vehicle	Rs. 2.5/kg
For goods transport vehicle of 8120 KG or more and after ten years in Pakistan	Rs. 1,200 /Annum
Passenger transport vehicle plying for hire (four or more but less than ten passengers)	50/seat /annum
Passenger transport vehicle plying for hire (10 or more but less than twenty passengers)	100/seat /annum
Passenger transport vehicle plying for hire (more than 20 passengers)	300/seat /annum
For Private motor cars with engine capacity of upto 1000CC	800
1001CC - 1199CC	1,500
1200CC - 1299CC	1,750
1300CC - 1499CC	2,500
1500CC - 1599CC	3,750

1600CC – 1999CC	4,500
2000CC and above	10,000

For lumpsum collection on private motor cars	
For Private motor cars with engine capacity of upto 1000CC	10,000
1001CC – 1199CC	18,000
1200CC – 1299CC	20,000
1300CC – 1499CC	30,000
1500CC – 1599CC	45,000
1600CC – 1999CC	60,000
2000CC and above	120,000

Section 234 A CNG Stations

CNG Stations	4%
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Section 236 Telephone Subscribers and Internet

For Mobile phone and/or internet subscribers	12.50%
For other subscribers where monthly bill is more than 1,000	10% of amount above 1,000

Section 236-A Auction Sales

Advance tax at the time of sale by auction	10.00%
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Section 236-B Domestic Air Tickets

Advance tax on domestic air tickets	5.00%
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Section 236-C Sale of Property

Advance tax at the time of sale or transfer of immovable property	1.00%
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Section 236-D Functions and Gathering

Advance Tax on functions and gatherings	5.00%	
Proviso: Advance tax on functions and gathering (Marriage)	5.00% of the bill ad valorem or Rs.20,000 per function whichever is higher in Major Cities	5.00% of the bill ad valorem or Rs.10,000 per function whichever is higher in remaining Cities

Section 236-G Distributors

Advance tax on sale to distributors, dealers or wholesalers (fertilizers)	0.70%
Advance tax on sale to distributors, dealers or wholesalers (other than fertilizers)	0.10%

Section 236-H Retailers

Advance tax on sale to retailers for electronic Goods	1.00%
Advance tax on sale to retailers for other Goods	0.50%

Section 236-HA Tax on sale of certain petroleum products

Advance tax on ex-depot sale price	0.50% of ex-depot sale price
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Section 236-I Educational Fees

Advance tax on educational fees	5.00%
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Section 236-J Dealer, Arhatis etc.

Group or Class	Amount of tax (per annum)
Group or Class A	Rs. 100,000
Group or Class B	Rs. 75,000
Group or Class C	Rs. 50,000
Any Other Category	Rs. 50,000

Section 236-K Purchase of Property

Advance tax on purchase of property	1% of the fair market value
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Section 236-L International Air Tickets

Advance tax on international air tickets First/Executive class	Rs. 16,000/ person
Advance tax on international air tickets others excluding economy	Rs. 12,000/ person

Section 236-P Banking Transactions

Advance tax on banking transaction other than cash for persons not appearing in the active taxpayers list	0.4%
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Section 236-Q Equipment Rental

Advance tax on payment to resident for use of machinery and equipment	10.00%
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Section 236-R Remittances Abroad

Advance tax on remittance of educational expenses abroad	5.00%
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Section 236-U Insurance Premium

Advance tax on Insurance premium (General insurance)	4.00%
Advance tax on Insurance premium if premium is more than 300,000 per annum (life insurance)	1.00%

The above tax will only be applicable for persons not appearing on active taxpayers list

Section 236-V Extraction of Minerals

Advance tax on value of minerals extracted	5.00%
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The above tax will only be applicable for persons not appearing on active taxpayers list

Section 236-X Advance tax on Tobacco

Advance tax shall be charged on the purchase value of tobacco from every person	5.00%
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The above tax will only be applicable for persons not appearing on active taxpayers list

Section 236-Y Advance tax on amount remitted abroad through debit/credit cards

Advance tax shall be charged on the gross amount remitted abroad	1.00%
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Rules for persons not appearing in the Active Taxpayers' List Where tax is required to be deducted or collected from persons not appearing in the active tax payers' list, the rate of tax required to be deducted or collected shall be increased by 100% of the normal rate.

Section	Nature of Provision
148	Imports
150	Dividend
150A	Return on Sukuks
151	Profit on debt
152(1)	Royalty & FTS to non-resident (NR)
152(1AA)	Insurance or reinsurance premium (NR)
152(2)	Payments not otherwise specified (NR)
152(2A)(b)	Services (PE)
152(2A)(c)	Contracts (PE)
152A	Foreign produced commercials (NR)
153	Supplies, services & contracts
153B	Royalty to resident persons
156	Prizes & winnings
156A	Petroleum Products
231B	Private Motor vehicles purchase, transfer & registration
233	Commission
233A	Tax collection by stock exchange (this section is not applicable from first day of March 2019)
234	Tax on Motor Vehicles
234A	CNG Stations
236A	Sale by auction
236C	Sale of immovable property
236G	Sale to distributors, dealers and wholesalers
236H	Sales to retailers
236HA	Sale of certain petroleum products
236K	Purchase of immovable property
236S	Dividend in specie
236T	Collection by PMEX
236Y	Remittance abroad through debit or credit card

SALES TAX WITHHOLDING RATES

FEDERAL

The Eleventh Schedule

Withholding Agent	Supplier Category	Rate or extent of deduction
Federal and Provincial Government departments, Autonomous bodies and Public sector organizations	Registered Person	1/5 th of the Sales Tax as Shown on invoice

Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001)		
Federal and Provincial Government departments, Autonomous bodies and Public sector organizations	Person registered as a wholesale, dealer or distributor	1/10 th of Sales Tax as shown on invoice
Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001)		
Federal and provincial government departments; autonomous bodies; and public sector organization	Unregistered persons	Whole of the tax involved or as applicable to supplies on the basis of gross value of supplies
Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001)	Unregistered persons	5% of gross value of supplies
Registered persons as recipient of advertisement services	Person providing advertisement services	Whole of sales tax applicable
Registered persons purchasing cane molasses	Unregistered persons	Whole of sales tax applicable

Exemptions

- Electrical energy
- Natural Gas
- Petroleum products as supplied by petroleum production and exploration companies, oil refineries, oil marketing companies and dealer of motor spirit and high-speed diesel
- Registered persons paying sales tax under chapter XI of ST special procedure rules 2007
- Vegetable ghee and cooking oil
- Telecommunication services
- Goods specified in 3rd Sch of ST Act, 1990
- Supplies made by commercial importers who paid VAT at time of import
- Supplies made by active taxpayer as defined in STA 1990 to registered person except for advertisement services

PUNJAB

Withholding Agent

Description	Rate	Amount
Offices and departments of Federal Government	100%	S/Tax
provincial government and local government, public sector projects	100%	S/Tax
Autonomous Bodies	100%	S/Tax
Public sector organization	100%	S/Tax
Organizations funded by budget of Federal/Provincial Government	100%	S/Tax
Recipient of advertisement services registered with PRA or FBR	100%	S/Tax
Company resident in Punjab	100%	S/Tax
Company having place of business in Punjab	100%	S/Tax

PRA registered persons receiving services from unregistered persons	100%	S/Tax
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Exemptions

- Telecommunication
- Banking companies
- Courier Companies
- Insurance companies (other than re-insurance)
- Active Companies (Except Advertisement service providers)

KHYBER PAKHTUNKUWA

Withholding Agent

Description	Rate	Amount
Offices and departments of Federal Government	20%	S/Tax
Provincial government and local government, public sector projects	20%	S/Tax
Autonomous Bodies	20%	S/Tax
Public sector organization	20%	S/Tax
Organizations funded by budget of Federal/Provincial Government	20%	S/Tax
Recipient of advertisement services registered with KPRA and is Active	20%	S/Tax
Recipient of advertisement services registered with KPRA and is In-Active	100%	S/Tax
Service provider registered in KPK and is Active taxpayer	20%	S/Tax
Service provider registered in KPK and is In-Active taxpayer	100%	S/Tax
KPRA registered persons receiving services from unregistered persons	100%	S/Tax

SINDH

Withholding Agent

Description	Rate	Amount
Offices and departments of Federal Government	20%	S/Tax
provincial government and local or district government	20%	S/Tax
Autonomous Bodies	20%	S/Tax
Public sector organization	20%	S/Tax
Organizations funded by budget of Federal/Provincial Government	20%	S/Tax
Company as defined in Sindh Sales tax Act, 2011	20%	S/Tax
Registered persons receiving advertisement services (other than advertisement in newspapers and periodicals) ,auctioneers, renting of immovable property, intercity transport or carriage of goods by road (other than those through pipeline or conduit), advertising agent services from agents who issue release order or book advertisements space in relation to advertisement services. (use tax fraction formula)	100%	S/Tax
Withholding agent receiving taxable services from SRB registered persons	100%	S/Tax

where the amount of sales tax is not indicated on the invoice		
SRB registered persons receiving services from unregistered persons (use tax fraction formula)	100%	S/Tax

Exemptions

- Telecommunication
- Banking companies
- Financial institutions, Insurance companies (other than re-insurance)
- Port operator
- Airport operator
- Terminal operator
- Airport ground services

BALCOHISTAN

Withholding Agent

Description	Rate	Amount
Offices and departments of Federal Government	20%	S/Tax
provincial government and local government, public sector projects	20%	S/Tax
Autonomous Bodies	20%	S/Tax
Public sector organization	20%	S/Tax
Organizations funded by budget of Federal/Provincial Government	20%	S/Tax
Recipient of advertisement services registered with BRA or FBR	100%	S/Tax
Companies as defined in BRA Act 2015	20%	S/Tax
BRA registered persons receiving services from unregistered persons	100%	S/Tax

Exceptions

Description	Rate	Amount
Advertisements	100%	S/ Tax
Auctioneer	100%	S/Tax
Renting of immovable property	100%	S/Tax
Inter city transportation or carriage of goods by road	100%	S/ Tax

Exemptions

- Telecommunication
- Banking companies
- Financial institutions, Insurance and re-insurance companies
- Port operator
- Airport operator
- Terminal operator
- Airport ground services

The above rates are for general guidance purposes only and should not be construed as a legal provision. These rates are subject to revision by authorities from time to time. For confirmation of rate and clarifications, it is advised to seek professional assistance and guidance.

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