

THE PUNJAB SALES TAX ON SERVICES ACT 2012

No. PAP-Legis-2(141)/2012/712, dated June 27, 2011.- The Punjab Sales Tax on Services Bill 2012, having been passed by the Provincial Assembly of the Punjab on 21 June 2012, and assented to by the Governor of the Punjab on 26 June 2012, is hereby published as an Act of the Provincial Assembly of the Punjab.

THE PUNJAB SALES TAX ON SERVICES ACT, 2012

ACT XLII OF 2012

An Act

to provide for the levy of a tax on services provided, rendered, initiated, received, originated, executed or consumed in the Punjab.

Preamble.- Whereas it is expedient to provide for the levy of a tax on services provided, rendered, initiated, originated, executed, received or consumed in the Punjab and to deal with ancillary matters;

It is enacted as follows:

Chapter I PRELIMINARY

1. Short title, extent and commencement.- (1) This Act may be cited as the Punjab Sales Tax on Services Act 2012.

(2) It shall extend to the whole of the Punjab.

(3) This Act shall come into force on and from such date as the Government may, by a notification in the official Gazette, specify.

(4) Notwithstanding sub-section (3), the Government may, by notification in the official Gazette, specify services or class or classes of services in respect of which tax shall be collected and paid with effect from the date subsequent to and different from the date of the commencement of this Act.

2. Definitions.- In this Act:

1[(1) “active taxpayer” means a registered person:

- (i) whose registration has not been suspended or blacklisted by the Authority; and
- (ii) who has filed his tax return for at least one of the preceding three consecutive tax periods;]

2[3(1A)] “Additional Commissioner” means a person appointed as Additional Commissioner of the Authority;

3[(1B)] “Appellate Tribunal” means the Appellate Tribunal established under the Punjab Revenue Authority Act 2012 (XLIII of 2012);]

(2) “arrears”, in relation to a person, shall mean, on any day, the tax due and payable by the person under the Act or the rules before that day but which has not yet been paid;

(3) “Assistant Commissioner” means a person appointed as an Assistant Commissioner of the Authority;

(4) “associates” or “associated persons” refer to:

(a) two persons, where the relationship between them is such that one may reasonably be expected to act in accordance with the intentions of the other, or both persons may reasonably be expected to act in accordance with the intentions of a third person but two persons shall not be associates solely by reason of the fact that one person is an employee of the other or both persons are employees of a third person;

(b) without prejudice to the generality of paragraph (a) and subject to paragraph (c), the following persons shall always be treated as associates:

(i) an individual and a relative of that individual;

(ii) members of an association of persons;

(iii) a member of an association of persons and the association, where the member, either alone or together with an associate or associates under another application of this section controls fifty per cent or more of the rights to income or capital of the association;

(iv) a shareholder in a company and the company, where the shareholder, either alone or together with an associate or associates under another application of this section, controls either directly or through one or more interposed persons:

- a. fifty per cent or more of the voting power in the company;
- b. fifty per cent or more of the rights to dividends; or
- c. fifty per cent or more of the rights to capital; and

(v) two companies, where a person, either alone or together with an associate or associates under another application of this section, controls either directly or through one or more interposed persons:

- a. fifty per cent or more of the voting power in both companies;
- b. fifty per cent or more of the rights to dividends in both companies;
- c. fifty per cent or more of the rights to capital in both companies; and

(c) two persons shall not be associates under sub-paragraph (i) or (ii) of paragraph (b) where the Commissioner is satisfied that neither person may reasonably be expected to act in accordance with the intentions of the other.

Explanation.- The expression 'relative in relation to an individual' means:

(i) an ancestor, a descendant of any of the grandparents, or an adopted child of the individual or of a spouse of the individual; or

(ii) a spouse of the individual or of any person specified at (i);

(5) "association of persons" includes a firm, any artificial or juridical person and body of persons formed under a foreign law, but does not include a company;

(6) "Authority" means Punjab Revenue Authority established under 4[the Punjab Revenue Authority Act 2012 (XLIII of 2012)];

(7) "banking company" means a banking company as defined in the Banking Companies Ordinance, 1962 (LVII of 1962) and includes any body corporate which transacts the business of banking in the Punjab;

(8) "Commissioner" means a person appointed as Commissioner of the Authority;

(9) "Commissioner (Appeals)" means a person appointed as Commissioner (Appeals) of the Authority;

5[(9A) "commission" includes any consideration in whatever form, received or receivable directly or indirectly, by a person acting on behalf of another person for services rendered, not being professional services, in the course of buying or selling of goods or services or in relation to any transaction relating to any asset, valuable article or thing, not being securities;]

6[(9B) "commission agent" means a person who acts for consideration on behalf of another person for sale or purchase of goods or provision or receipt of services, and includes any person who, while acting on behalf of another person:

(a) deals with goods, services or documents of title of such goods or services;

(b) collects payment in lieu of such goods or services;

(c) guarantees for collection or payment for such goods or services; or

(d) undertakes any activity relating to sale or purchase of such goods or provision or receipt of services.]

(10) "common taxpayer identification number" means the registration number or any other number or identification code allocated to a registered person;

(11) "company" means:

(a) a company as defined in 7[the Companies Act, 2017 (XIX of 2017)];

(b) a body corporate formed by or under any law;

(c) a modaraba and any other Islamic financial institution;

(d) a body incorporated outside Pakistan;

(e) a trust, a co-operative society or a finance society or any other society established or constituted by or under any law; or

(f) a foreign association, whether incorporated or not, which the Authority has, by general or special order, declared to be a company for purposes of the Act;

(12) “computerized system” means any comprehensive information technology system, including its development, upgradation or updation, to be used by the Authority or any other office as may be notified by the Authority, for carrying out the purposes of the Act;

(13) “default surcharge” means the default surcharge levied under the Act;

(14) “defaulter” means a person and, in the case of company or firm, every director of the company or partner of the firm and includes guarantors or successors, who fail to pay the arrears of tax under the Act and the rules;

(15) “Deputy Commissioner” means a person appointed as a Deputy Commissioner of the Authority;

(16) “document” includes any electronic data, computer programmes, computer tapes, computer disks, micro-films or any other medium or mode for the storage or conveyance of such data;

(17) “due date” in relation to the furnishing of a return under Chapter VI means the 15th day of the month following the end of the tax period, or such other date as the Authority may, by notification in the official Gazette, specify 8[and different dates may be so specified for furnishing different parts or annexures of the return];

(18) “economic activity” shall have the meaning given to it in section 6;

(19) “e-intermediary” means a person appointed as e-intermediary under the Act;

(20) “exempt service” means a service which is exempt from the tax under section 12;

(21) “FBR” means the Federal Board of Revenue established under the Federal Board of Revenue Act, 2007;

(22) “financial year” means the period from 1st July of a year to 30th June of the following year;

(23) “firm” means the relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all;

(24) “goods” include every kind of movable property other than actionable claims, money, stocks, shares and securities but does not include a service defined under the Act;

(25) “Government” means Government of the Punjab;

(26) “inter-bank rate” means the Karachi inter-bank offered rate prevalent on the first day of each quarter of a financial year;

9[(26A) “non-banking financial institution” includes a company licensed by the Securities and Exchange Commission of Pakistan to carry out any one or more of the following forms of business:

(i) investment finance services;

(ii) leasing;

(iii) housing finance services;

(iv) venture capital investment;

(v) discounting services;

(vi) investment advisory services;

(vii) asset management services; and

(viii) any other form of business which the Federal Government may, from time to time, by notification in the official Gazette specify;]

(27) “officer of the Authority” means any officer of the Authority;

(28) “open market price” shall have the meaning as given to it in section 8;

(29) “ person” means:

(a) an individual;

10[(aa) an association of persons;]

(b) a company;

(c) Federal Government;

(d) a Provincial Government;

(e) a local authority or local government; or

(f) a foreign government, a political subdivision of government, or public international organization; a foreign

Explanation: The use of the word “he” in the Act shall be taken to refer to any or all mentioned from (a) to (f) as required in the context of the relevant provision;

(30) “place of business” means that a person:

(a) owns, rents, shares or in any other manner occupies a space in the Punjab from where he carries on an economic activity whether wholly or partially; or

11[(b) carries on an economic activity, wholly or partially, either

through any other person such as an agent, associate, franchise, branch, office, or otherwise in the Punjab or through virtual presence or a website or a web portal or through any other form of e-Commerce by whatever name called or treated;]

(31) “prescribed” means prescribed by the rules;

(32) “registration number” means the number allocated to a registered person for purposes of the Act;

(33) “registered person” means a person who is registered or is liable to be registered under the Act but the person liable to be registered and has not registered shall not be entitled to any benefit available to a registered person under any of the provisions of the Act or the rules;

(34) “return” means any return required to be furnished under Chapter VI of the Act;

(35) “resident” means:

(a) an individual who, in a financial year, has:

(i) a place of business, whole or part thereof, in the Punjab in any mode, style or manner; or

- (ii) his permanent address, as listed in the individual's national identity card, in the Punjab; or
 - (iii) a permanent representative to act on his behalf or to provide service on his behalf in the Punjab.
- (b) an association of persons or a company which, in a financial year, has:
- (i) its registered office in the Punjab; or
 - (ii) its place of business, whole or part thereof, in the Punjab in any mode, style or manner;
 - (iii) a permanent representative to act on its behalf or to provide service on its behalf in the Punjab; or
 - (iv) the control or management of the affairs of the association of persons is situated in the Punjab at any time during the financial year;
- (36) "rules" means the rules made under the Act;
- (37) "Schedule" means a Schedule appended to the Act;
- (38) "service" or "services" means anything which is not goods or providing of which is not a supply of goods and shall include but not limited to the services listed in First Schedule;
- Explanation: A service shall remain and continue to be treated as service regardless whether or not rendering thereof involves any use, supply 12[, disposition] or consumption of any goods either as an essential or as an incidental aspect of such rendering;
- (39) "short-paid" means where a registered person pays an amount of tax less than the tax due owing to miscalculation or incorrect assessment of the tax amount due for a tax period;
- (40) "similar service" means any other service which is the same as, or closely resembles with, the other service in character, quality, quantity, functionality, materials, or reputation;
- (41) "Special Judge" means a Special Judge appointed under section 42;
- 13[(41A) "Standard Rate" means sixteen percent;]
- (42) "tax" means and includes:
- (a) the tax, additional tax, or default surcharge levied under the Act;
 - (b) a fine, penalty or fee imposed or charged under the Act; and
 - (c) any other sum payable or recoverable under the Act or rules;
- 14[(42A) "taxpayer" means any person who, in the course of an economic activity, provides taxable services for consideration;]
- (43) "tax fraud" means knowingly, dishonestly or fraudulently and without any lawful excuse:
- (a) doing of any act or causing to do any act; or

(b) omitting to take any action or causing the omission of any action, including providing of taxable services without being registered under the Act; or

(c) falsifying or causing falsification of tax invoices or other tax documents or records; or

(d) acting in contravention of the duties or obligations imposed under the Act or rules or instructions issued thereunder-

with the intention of understating or suppressing the tax liability or underpaying 15[or not paying] the tax liability;

(44) “tax period” means a period of one month or such other period as the Authority may, by notification in the official Gazette, specify;

(45) “taxable service” shall have the meaning as given to it in section 3; and

(46) “value of a taxable service” shall have the meaning as given to it in section 7.

1-Clause (1) inserted by Punjab Finance Act, 2021 (Act XIX of 2021).

2-Clause (1) substituted by Punjab Finance Act, 2015.

3-Clauses (1) and (1A) shall be renumbered as (1A) and (1B) respectively by Punjab Finance Act, 2021 (Act XIX of 2021). Earlier clause (1) was substituted for clauses (1) & (1A) by Punjab Finance Act, 2015.

Section 2(1)-Substitution.- Before substitution by Punjab Finance Act, 2015 clause (1) read as follows:- “(1) “Appellate Tribunal” means the Appellate Tribunal established under any law and notified by the Government as the Appellate Tribunal for purposes of the Act;”

4-Substituted for “any law” by Punjab Finance Act, 2014 (Act XVII of 2014).

5-Clause (9A) inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

6-Clause (9B) inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

7-Substituted for “the Companies Ordinance, 1984 (XLVII of 1984)” by Punjab Finance Act, 2021 (Act XIX of 2021).

8-Words inserted by Punjab Finance Act, 2017.

9-Clause (26A) inserted by Punjab Finance Act, 2015

10-Sub-clause (aa) inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

11-Sub-clause (b) substituted by Punjab Finance Act, 2017.

Section 2(30)(b)-Substitution.- Before substitution by Punjab Finance Act, 2017 sub-clause (b) read as follows:-

“(b) carries on an economic activity whether wholly or partially through any other person such as an agent, associate, franchise, branch, office, or otherwise in the Punjab but does not include a liaison office;”

12-Comma and word inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

13-Clause (41A) inserted by Punjab Finance Act, 2021 (Act XIX of 2021).

14- Clause (42A) inserted by Punjab Finance Act, 2015.

15-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

3. Taxable service.- (1) Subject to such exclusion as mentioned in Second Schedule, a taxable service is a service listed in Second Schedule, which is provided by a person from his office or place of business in the Punjab in the course of an economic activity, including the commencement or termination of the activity.

Explanation: This subsection deals with services provided by a person regardless whether such services are provided to a resident person or a non-resident person.

(2) If a service listed in Second Schedule is provided to a resident person by a non-resident person in the course of an economic activity, including the commencement or termination of the activity, it shall be treated as a taxable service.

Explanation: This subsection deals with services provided by a non-resident person to a resident person whether or not the end consumers, if any, of such services are identifiable for purposes of this Act or the rules.

(3) For purposes of subsection (2), where a person has a registered office or place of business in the Punjab and another outside the Punjab, the registered office or place of business in the Punjab and that outside the Punjab shall be treated as separate legal persons.

(4) The Authority may, with prior approval of the Government, by notification in the official Gazette, prescribe rules for determining the conditions under which a particular service or class of service shall be considered to have been provided by a person from his registered office or place of business in the Punjab.

(5) For purposes of this Act and the rules, providing of service shall, where the context so requires, include rendering, supply, initiation, origination, execution, reception, consumption or termination of a service whether in whole or in part.

1(6) The services mentioned in the First Schedule are not exhaustive and all the services mentioned in the Second Schedule, rules and circulars shall be taxable services.]

4. Application of principles of origin and reverse charge in certain situations.- (1) Where a person is providing taxable services in a Province other than the Punjab but the recipient of such services is resident of the Punjab or is otherwise availing such services in the Punjab and has charged tax accordingly, the person providing such services shall pay the amount of tax so charged to the Government.

(2) Where the recipient of a taxable service is a person registered under the Act, he shall deduct the whole amount of tax in respect of the service received and pay the same with the Government.

(3) Where a person is providing taxable services in more than one Province or territory in Pakistan including the Punjab, such person shall be liable to pay tax to the Government to the extent the tax is charged from a person resident in the Punjab or from a person who is otherwise availing such services in the Punjab.

(4) Where rendering of a taxable service originates from the Punjab but terminates outside Pakistan, such person shall be required to pay tax on such service to the Government.

(5) Where a taxable service originates from outside Pakistan but is received or terminates in the Punjab, the recipient of such service shall be liable to pay the tax to the Government.

(6) The persons who are required to pay the tax to the Government in terms of subsections (1), (2), (3), (4) and (5) shall be liable to registration for purposes of this Act and the rules.

(7) All questions or disputes relating to the application of the principle of origin given in this section shall be resolved in terms of the already recorded understanding between the Federal Government and the Provincial Governments on the implementation of reformed General Sales Tax provided that pendency of any such question or dispute shall not absolve the concerned person from his obligation to deposit the tax.

(8) The provisions of this section shall apply notwithstanding any other provision of this Act or the rules and the Government may specify special procedure to regulate the provisions of this section.

5. Amendment in Second Schedule.- (1) The Government may, by notification in the official Gazette, make an amendment in Second Schedule by modifying, adding or deleting any entry or entries with reference to the classification, if any, description of any service or class of services and the rate or rates of tax chargeable on any service or class of services not exceeding the maximum rate prescribed in Second Schedule.

(2) A notification issued under subsection (1) shall be effective from such date as may be specified in the notification but such date shall not be prior to the date on which the notification is published in the official Gazette.

(3) The Government shall at the time of presenting the Annual Budget Statement for the next financial year, lay before the Provincial Assembly of the Punjab all the notifications relating to the amendments in the Second Schedule during the current financial year.

6. Economic activity.- (1) An economic activity means any activity carried on whether continuously, regularly or otherwise by a person that involves or is intended to involve the provision of services to another person and includes:

(a) an activity carried on in the form of a business, including a profession, calling, trade, or undertaking of any kind, whether or not the activity is undertaken for any consideration or profit;

(b) the supply of movable ¹[or immovable] property by way of lease, license or such similar arrangement; and

(c) a one-time transaction or concern in the nature of a business or trade.

(2) Anything done or undertaken during the commencement or termination of an economic activity shall be construed as part of the economic activity.

(3) An economic activity does not include:

(a) the activities of an employee providing services in that capacity to an employer; or

(b) a private recreational pursuit or hobby of an individual.

¹ Words inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

7. Value of a taxable service.- (1) The value of a taxable service is the 1[gross amount of] consideration (by whatever name called such as charges or price) in money including all the Federal and the Provincial duties, taxes or charges, if any, which the person providing a service receives from the recipient of the service but does not include the amount of the tax.

(2) In case the consideration for a service is in kind or is partly in kind and partly in money, the value of the service shall mean the open market price of the service as determined under section 6 excluding the amount of the tax.

(3) In case the person who provides the service and the recipient of the service are associated persons and the service is supplied for no consideration or for a consideration which is lower than the price at which the person provides the service to other persons who are not associated persons, the value of the service shall mean the price at which the service is provided to such other persons but does not include the tax.

(4) In case a person provides a service for no consideration or for a consideration which is lower than the price at which such a service is provided by such person, the value of the service shall mean the open market price for such a service.

(5) In case of trade discounts, the value of the service shall mean the discounted price, excluding the amount of the tax, provided the invoice shows that the discounted price and the related tax and the discount allowed is in conformity with customary business practice.

(6) In case there is reason to believe that the value of a service has not been correctly declared in the invoice or for any special nature of transaction it is difficult to ascertain the value of a service, the value of the service shall be the open market price.

(7) Notwithstanding anything in subsections (1) to (6), where the Authority deems it necessary, it may, by notification in the official Gazette, fix the value of any service or class of services and for that purpose fix different values for different classes or descriptions of the same or similar types of services but if the value at which the service is provided is higher than the value fixed by the Authority, the value of the service shall, unless otherwise directed by the Authority, be the value at which the service is provided.

Explanation: For the purpose of this section, the value of the utilities or facilities, if any, ancillary to providing of taxable services shall be included in the value of such services.

(8) The Authority may, by notification in the official Gazette, issue valuation rules for any service or class of services for purposes of assessment or determination and payment of tax under this Act and prescribe threshold, parameters, standards, methods, formula, criteria or bases for the determination of value of any taxable service or class of taxable services and the assessment of the tax on any service or class of services.

1-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014)

8. Open market price .- (1) The open market price of a service is:

(a) the price, the service would fetch in an open market transaction freely entered into between persons who are not associated persons; or

(b) if it is not possible to determine an amount under paragraph (a), the price a similar service would fetch in an open market transaction freely made between persons who are not associated persons, adjusted to take account of the differences between the similar service and the actual service,

(c) determined on the basis of the market conditions prevailing at the time and place at which the service is provided.

(2) If the open market price of a service cannot be determined under subsection (1), it may be determined by using any method or formula specified by the Authority for calculating an objective approximation of the price, the service would fetch in an open market transaction freely made between persons who are not associates.

9. Provision of services over a period of time.- (1) Where a service is provided over a period of time and payment for the same is made on a periodic basis, the service shall be treated as comprising two or more separate and distinct services each corresponding to the part of the service to which each separate part of the consideration relates.

ILLUSTRATIONS

(a) Where services are provided for a two year period and payment is made on a semi-annual basis, the provision of services for each six month period constitutes a separate service.

(b) Where an insurance company provides an insurance policy over a five year period and receives a premium on an annual basis, each premium relates to a separate service.

Note: The above illustrations are merely explanatory and shall not be construed as conclusive in any manner whatsoever.

(2) This section does not apply to services for which payment is made on installments basis.

Chapter II SCOPE OF TAX

10. Scope of tax and allied matters.- (1) Subject to the provisions of this Act and the rules, there shall be charged, levied, collected and paid the tax on the value of a taxable service at the rate or rates specified in the Second Schedule.

(2) The Government may, on the recommendation of the Authority and subject to such conditions and restrictions as the Government may impose, by notification in the official Gazette, declare that in respect of any taxable service provided by a registered person or a class of registered persons, the tax shall be charged, levied and collected at such higher, lower, fixed or specific rate or rates as may be specified in the said notification.

(3) Notwithstanding other provisions of this Act, the Authority may, with the prior approval of the Government and by notification in the official Gazette and subject to the conditions, restrictions, limitations or otherwise, fix the limit or threshold of annual turnover of any service or class of services provided by any person or class of persons below which such person or class of persons shall be exempt from payment of tax under the Act.

1[***]

2[***]

1-Sub-section (4) omitted by Punjab Finance Act, 2016.

2-Sub-section (5) omitted by Punjab Finance Act, 2016. Earlier it was inserted by Punjab Finance Act, 2015.

Section 10(4) & (5)—Omission.— Before omission by Punjab Finance Act, 2016 sub-section (4) & (5) read as follows:—

“(4) A person required to pay tax under this Act shall be entitled to deduct from the payable amount, the amount of tax already paid by him on the receipt of taxable services used exclusively in connection with taxable services provided by such person subject to the condition that he holds a true and valid tax invoice not older than six tax periods, showing the amount of tax earlier charged and paid under the Act on the services so received but the Authority may, by notification in the official Gazette, disallow or restrict such deduction in case of any service or services as it may deem appropriate.

1[(5) For purposes of subsection (4), the amount of tax entitled to be deducted shall not include any amount of additional tax, default surcharge, fine, penalty or fee imposed or charged under the Act.]”

1-Sub-section (5) inserted by Punjab Finance Act, 2015.

1[10A. Option to charge tax at standard rate.- (1) Where any service or class of services is chargeable at a reduced rate under the Second Schedule, any person or class of persons providing such service or services may, with the permission of the Authority, opt to charge sales tax at the standard rate subject to such conditions, restrictions and limitations as may be specified by the Authority.

(2) The permission granted under subsection (1) shall be irrevocable except with the permission of the Authority.

(3) Where the Authority has reasons to believe that the taxpayer has misused the option, the Authority may withdraw the permission granted under subsection (1) at any time after affording an opportunity of being heard.]

11. Person liable to pay tax.- (1) Where a service is taxable by virtue of subsection (1) of section 3, the liability to pay the tax shall be on the registered person providing the service.

(2) Where a service is taxable by virtue of subsection (2) of section 3, the liability to pay the tax shall be on the person receiving the service.

(3) The Authority may, by notification in the official Gazette, specify the service or services in respect of which the liability to pay tax shall be on any person, other than the person providing the taxable service, or the person receiving the taxable service.

(4) Nothing contained in this section shall prevent the collection of tax from a different person if that person is made separately or jointly or severally liable for the tax under section 19.

1[11A. Liability of a registered person.- Subject to the provisions of subsection (1) of section 11, where a registered person receiving the taxable service fails to make payment of the tax to a service provider within one hundred and eighty days from the date of the tax invoice and such service provider has also not made the payment thereof within the prescribed due date, the person providing and the person receiving taxable service shall, jointly and severally, be liable for payment of such tax.

Explanation I: The tax shall include the total amount of the tax and also the tax as was liable to be withheld or deducted by service recipient as notified under section 14 of the Act.

Explanation II: The registered person shall include a person covered by the “withholding agent” as notified under section 14 of the Act.]

12. Exemptions .- (1) Notwithstanding the provisions of sections 3 and 10, the Authority may, with the approval of the Government and subject to such conditions, limitations or restrictions as it may impose, by notification in the official Gazette, exempt:

(a) taxable service or services from the whole or any part of the tax;

(b) taxable service or services provided by a person or class of persons from the whole or any part of the tax;

(c) recipient or recipients of service or services, including international organizations and institutions, from the payment of the whole or any part of the tax; and

(d) a class of persons, any area or areas of the Punjab from the whole or any part of the tax.

(2) The exemption under subsection (1) may be allowed from any previous date specified in the notification issued under subsection (1).

13. Effect of change in the rate of tax.- If there is a change in the rate of tax, the taxable services shall be charged to tax at such rate as is in force at the time the service is provided.

14. Special procedure and tax withholding provisions.- (1) Notwithstanding anything contained in this Act, the Authority may, by notification in the official Gazette, prescribe a special procedure for the payment of tax, registration, book keeping, invoicing or billing requirements, returns and other related matters in respect of any service or class of services, as may be specified.

(2) Notwithstanding other provisions of this Act, the Authority may require any person or class of persons whether registered or not for the purpose of this Act to withhold full or part of the tax charged from such person or class of persons on the provision of any taxable service or class of taxable services and to deposit the tax so withheld, with the Government within such time and in such manner as it may, by notification in the official Gazette, specify.

1[Explanation: The word “charged” used in this subsection means and includes the tax liable to be charged under this Act or the rules made thereunder.]

2[(3) Where a person or class of persons is required to withhold or deduct full or part of the tax on the provision of any taxable service or class of taxable services and either fails to withhold or deduct the tax or having withheld or deducted the tax, fails to deposit the tax in the Government treasury, such person or class of persons shall be personally liable to pay the amount of tax to the Government in the prescribed manner.]

1-Explanation inserted by Punjab Finance Act, 2019.

2-Sub-section (3) inserted by Punjab Finance Act, 2016.

1[14A. Special procedure for collection of tax, etc.- (1) Notwithstanding anything contained in this Act, the Authority may require any other person or class of persons, not necessarily being a service provider or a service recipient in a particular transaction, to collect full or part of the tax charged from another person or class of persons on the provision of any taxable service or class of taxable services and to deposit the tax so collected, in the Government treasury within such time and in such manner as the Authority may, by notification in the official Gazette, specify.

(2) For purposes of subsection (1), the special procedure prescribed for collection and payment of tax may also provide for registration, book keeping, invoicing or billing requirements, returns and other related matters in respect of any service or class of services, as may be specified.

(3) Where a person or class of persons is required to collect full or part of the tax on the provision of any taxable service or class of taxable services and either fails to collect the tax or having collected the tax, fails to deposit the tax in the Government treasury, such person or class of persons shall be personally liable to pay the amount of tax to the Government in the prescribed manner.]

15. Delegation of power to collect, administer and enforce tax on certain services.- (1) The Government may, in accordance with Article 147 of the Constitution of the Islamic Republic of Pakistan, authorize the Federal Board of Revenue or any other Federal agency or person to administer, collect and enforce the levy of tax on such taxable services as it may notify and in such mode and manner and for such period as may be prescribed and subject to such limitations, restrictions and conditions as it may deem appropriate.

(2) The Government may, by notification in the official Gazette, authorize any Provincial agency, department, organization or person to administer, collect and enforce the levy of tax on such taxable services as it may notify in such mode and manner and for such period as it may prescribe and subject to such restrictions and conditions as it may impose.

(3) At the end of the period prescribed under subsection (1), the tax on taxable services notified under subsection (1) shall be administered, collected and enforced by the Authority in the same mode and manner as all other taxable services.

1[16. Deduction and adjustment of tax on inputs to the business.- (1) A person required to pay tax under this Act shall be entitled to deduct from the payable amount, the amount of tax payable or already paid by him on the receipt of taxable services exclusively used in connection with the taxable services he provides, subject to the condition that he holds a true and valid tax invoice not older than six tax periods, showing the amount of tax charged under the Act on the services so received, but the Authority may disallow or subject to additional conditions may restrict such deduction in cases or with respect to taxable services or goods specified in section 16A or section 16B or the rules.

2[(2) Subject to provisions of section 16A or section 16B or to such conditions and restrictions as may be prescribed, the Authority may allow a registered person to claim adjustment, deduction, or refund in respect of the tax paid or payable under any other law in force for any taxable service or goods or class of taxable service or goods used in connection with the provision of a taxable service by such person, 3[if he holds a valid tax invoice or declaration of import of goods not older than six tax periods bearing his name and National Tax Number].]

(3) For purposes of subsection (2), the Authority may adopt the principles or concepts laid down in such other law in respect of adjustments, deductions or refunds including zero-rating principle.

4[(4) Notwithstanding anything contained in this Act or the rules made thereunder, the Authority, with the approval of the Government, may, by notification in the official Gazette and subject to such conditions, limitations or restrictions as may be specified therein, allow a registered person or class of persons to deduct such amount of input tax from the output tax as may be specified in the notification./]

5[(5) For purposes of subsection (1) or subsection (2), the amount of tax to be deducted or adjusted shall not include any amount of additional tax, further tax, extra tax, default surcharge, fine, penalty or fee imposed or charged under this Act or any other law.]

1 Section 16 substituted by Punjab Finance Act, 2016.

2 Sub-section (2) substituted by Punjab Finance Act, 2017.

Section 16(2)–Substitution.– Before substitution by Punjab Finance Act, 2017 sub-section (2) read as follows:–

“(2) The Authority may, subject to section 16A or section 16B or to such conditions and restrictions as may be prescribed, allow registered persons to claim adjustments or deductions, including refunds arising as a result thereof, in respect of the tax paid or payable under any other law in respect of any taxable service or goods or class of taxable services or goods used in connection with the taxable services such persons provide.”

Section 16–Substitution.– Before substitution by Punjab Finance Act, 2016 section 16 read as follows:–

“16. Adjustments.– (1) The Authority may, subject to such conditions and restrictions as it may specify, allow registered persons to claim adjustments or deductions, including refunds arising as a result thereof, in respect of the tax paid under any other law on any account in respect of any taxable service or goods or class of taxable services or goods provided by them.

(2) For purposes of subsection (1), the Authority may adopt the principles or concepts laid down in such other law in respect of adjustments, deductions or refunds including zero-rating principle.

(3) For the purpose of removal of any doubt it is clarified that no adjustment or deduction of any tax payable under any other law shall be claimed by any person except in the manner and to the extent specified in the notification issued under subsection (1).”

3-Substituted for “on his furnishing a tax invoice or declaration of import of goods in his name which bears his National Tax Number” by Punjab Finance Act, 2020.

4-Sub-section (4) substituted by Punjab Finance Act, 2017.

5-Sub-section (5) inserted by Punjab Finance Act, 2017.

Section 16(4)–Substitution.– Before substitution by Punjab Finance Act, 2017 sub-section (4) read as follows:–

“(4) For purposes of subsections (1) and (2), the amount of tax to be deducted or adjusted shall not include any amount of additional tax, default surcharge, fine, penalty or fee imposed or charged under this Act or any other law.”

1[16A. Certain transactions not admissible.- (1) Notwithstanding anything contained in this Act or any other law for the time being in force, 2[payment of amounts of one or more transactions made to the same person in one tax period where the aggregate of such amounts exceeds fifty thousand rupees including the amount of sales tax but excluding any payments made on account of utilities], shall be made by a crossed cheque drawn on a bank or by crossed bank draft or crossed pay order or any other crossed banking instrument showing transfer of the amount of the sales tax invoice in favour of the service provider from the business bank account of the service recipient.

(2) Online transfer of payment from the business account of service recipient to the business account of service provider as well as payments through credit card shall be treated as transactions through the banking channel, subject to the condition that such transactions are verifiable from the bank statements of the respective service recipient and the service provider.

(3) The service recipient shall not be entitled to claim input tax credit, adjustment or deduction, or refund, repayment or zero-rating of tax under this Act if payment for the amount is made otherwise than in the manner prescribed in subsection (1), provided that payment in case of a transaction on credit is transferred within one hundred and eighty days of issuance of the tax invoice.

(4) The amount transferred in terms of this section shall be deposited in the business bank account of the service provider; otherwise, the service provider shall not be entitled to claim input tax credit, adjustment or deduction, or refund, repayment or zero-rating of tax under this Act.

Explanation.- For purposes of this section, the term "business bank account" means a bank account utilized by the registered person for business transactions, declared to the Authority in the prescribed manner.]

1-Section 16A inserted by Punjab Finance Act, 2016.

2-Substituted for "payment of the tax amount for a transaction exceeding value of fifty thousand rupees" by Punjab Finance Act, 2022

1[16B. Tax credit not allowed.- (1) Notwithstanding anything contained in this Act or the rules, a registered person shall not be entitled to claim input tax adjustment in respect of:

- (a) capital goods (plant, machinery, equipment and others) not exclusively useable or used in providing taxable services;
- (b) goods and services already in use on which the tax is not paid, or, where paid, the input adjustment has been taken before the commencement of the Act or where the input related goods and services were purchased or acquired before such commencement;
- (c) utility bills not in the name of registered person with reference to his registered premises unless evidence of consumption is produced in the matter of such claims;
- (d) the tax claimed as input tax on services where such tax amount has not been deposited by the supplier or the service provider or where the evidence of such payment is not produced;
- (e) carry forward of the input tax adjustment relating to the period prior to the commencement of the Act;
- (f) goods and services received against false, fake, forged, flying, untrue, unreal or unrelated invoices or against purchases from the persons black listed or suspended by the Authority or by the Federal Board of Revenue or by any other Provincial authority;
- (g) goods and services liable to a tax rate lesser than 2[fifteen] per cent of the charges or to a specific rate of tax not based on value when used for providing or rendering any service;
- (h) goods and services used or consumed in a service liable to a rate of tax lesser than the 2[fifteen] per cent of the charges or to a specific rate of tax not based on value;
- (i) vehicles including three and two wheelers;
- (j) food, beverages, garments, fabrics or others and consumption on entertainment, amusement, recreation or enjoyment;
- (k) gift and giveaway;
- (l) goods or services used or to be used for any purpose other than for taxable supplies made or to be made by him;
- (m) goods and services acquired for personal or non-business consumption;
- 3[(n) goods and services not related to the taxable supplies made or services rendered by the registered person;]
- (o) goods and services in respect of which input tax adjustment is barred under the respective federal and provincial sales tax law;
- (p) sales tax paid to the Federal Government or any other Provincial Government for supply of goods or provision of services, if the sales tax law of the Federation or the Province concerned does not allow adjustment of tax paid under this Act;
- (q) from the date to be notified by the Authority, such goods and services which, at the time of filing of return by the buyer, have not been declared by the supplier in his return;

(r) further tax, extra tax and value addition tax levied under the Sales Tax Act, 1990, and the rules or notifications issued thereunder;

(s) goods used in, or permanently attached to, immoveable property, such as building and construction material, paints, electrical and sanitary fittings, pipes, wires, cables, glass products and furniture, furnishings, office equipment, excluding those directly used in the economic activity of registered persons paying sales tax at a rate of not less than sixteen per cent; and

(t) such goods or services as are notified or specified by the Authority to be inadmissible for input tax adjustment.

(2) No person other than a registered person shall make any deduction or reclaim input tax in respect of taxable services made or to be made by him.

(3) Notwithstanding anything contained in any other law for the time being in force or any decision of any court, for purposes of this section, no input tax credit shall be allowed to the persons who paid fixed tax under any provisions of this Act or under the respective federal or provincial sales tax law.]

1-Section 16B inserted by Punjab Finance Act, 2016.

2-Substituted for "sixteen" by Punjab Finance Act, 2019

3-Clause (n) substituted by Punjab Finance Act, 2019

Section 16B(1)(n)-Substitution.- Before substitution by Punjab Finance Act, 2019 clause (n) read as follows:-

"(n) goods and services not related to the taxable supplies made by the registered person;"

1[16C. Extent of adjustment of input tax.- (1) Notwithstanding anything contained in this Act, a registered person shall not be allowed to adjust input tax in a tax period in excess of 2[ninety] percent of the output tax for that tax period.

(2) The Authority may by notification in the official Gazette exclude any person or class of persons from the purview of sub section (1).]

1-Section 16C substituted by Punjab Finance Act, 2020. Earlier it was inserted by Punjab Finance Act, 2017.

2-Substituted for “eighty” by Punjab Finance Act, 2022.

Section 16C—Substitution.— Before substitution by Punjab Finance Act, 2020 Section 16C read as follows:-

“16C. Adjustment of input tax paid on certain goods and services.- Notwithstanding anything contained in this Act, the input tax paid on acquisition of such of the capital goods, machinery and fixed assets as are classified under section XVI, Chapters 84 and 85 of the First Schedule of the Customs Act, 1969 (IV of 1969) shall be adjustable against the output tax in twelve equal monthly instalments.”

1[16D. Refunds.- Notwithstanding anything contained in this Act and subject to the conditions and restrictions as may be prescribed, the Authority or any officer authorized by the Authority, may allow a registered person refund of the tax claimed to have been paid through inadvertence, error or misconstruction.]

Chapter III
PAYMENT AND COLLECTION OF TAX ON TAXABLE SERVICES

17. Collection of excess tax.- (1) Any person who has collected or collects the tax or charge, whether under misapprehension of any provision of this Act or otherwise, which was not payable as tax or charge or which was in excess of the tax or charge actually payable and the incidence of which had been passed on to the person to whom the service was provided, shall pay the amount of tax or charge so collected to the Government.

(2) Any amount payable to the Government under subsection (1) shall be deemed to be an arrear payable under the Act and shall be recovered accordingly.

(3) The burden of proof that the incidence of tax or charge referred to in subsection (1) has been or has not been passed to the person to whom the service is provided shall be on the person collecting the tax or charge.

18. Time, manner and mode of payment.- 1[(1) Notwithstanding anything to the contrary contained in this Act or any other law for the time being in force, tax in respect of a taxable service provided during a tax period shall be paid by a person at the time of filing the return in respect of that period under Chapter VI.]

(2) For purposes of subsection (1), a taxable service shall be considered to have been provided in the tax period during which:

(a) it was provided to the recipient;

(b) an invoice for the value of the taxable service was issued or was due to be issued or sent or due to be sent to the recipient; or

(c) consideration for the same was received-,

whichever is earlier.

(3) Notwithstanding anything contained in subsection (1), the Authority may, by a notification in the official Gazette, direct that the tax in respect of any taxable service or such class of taxable services shall be charged, collected and paid in any other way, mode, manner or time as may be specified in the notification.

(4) The tax due on taxable services shall be paid by any of the following modes:

(a) through deposit in a bank designated by the Authority; or

(b) through such other mode and manner as may be specified by the Authority.

1-Sub-section (1) substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

"Section 18(1)–Substitution.– Before substitution by Punjab Finance Act, 2018 sub-section (1) read as follows:–

"(1) The tax in respect of a taxable service provided during a tax period shall be paid by a person at the time of filing the return in respect of that period under Chapter VI."

19. Joint and several liability of registered persons where tax unpaid.- (1) Where a registered person receiving a taxable service from another registered person is in the knowledge of or has reasonable grounds to suspect that some or all of the tax payable in respect of that taxable service provided would go unpaid as against the requirements of this Act, such person as well as the person providing the taxable service shall be jointly and severally liable for payment of such unpaid amount of the tax.

(2) The Authority may, by notification in the official Gazette, exempt any person, service or transaction or class of persons, services or transactions from the provision of subsection (1).

20. Sales of taxable activity or transfer of ownership .- (1) Where the ownership of any business providing taxable services is sold, transferred or otherwise disposed of as an ongoing concern or activity, the fact of such sale, transfer or other disposition shall be intimated to the Commissioner within one month of the occurrence of such fact by the former owner.

(2) The tax chargeable on the taxable services provided in the business referred to in subsection (1) shall be accounted for and paid by the person to whom sale or other disposition of such business is made or ownership thereof is transferred and every such person shall be liable to registration under this Act.

21. Estate of deceased person.- The tax liability of a deceased registered person under this Act shall be the first charge on his estate in the hands of his successors.

22. Estate in bankruptcy .- (1) Where a registered person is declared bankrupt, the tax liability under this Act shall pass on to the estate in bankruptcy if it continues to operate the business.

(2) Where the tax liability is incurred by an estate in bankruptcy, the tax shall be deemed to be a current expenditure in the operations of the estate in bankruptcy and shall be paid before the claims of all other creditors are settled.

23. Liability for payment of tax in case of private companies or business enterprises.- Where any private company or business enterprise is wound up and any tax chargeable on or payable by the company or business enterprise, whether before, or in the course, or after its liquidation, in respect of any tax period cannot be recovered from the company or business enterprise, every person who was an owner of, or partner in, or director of the company or business enterprise during the relevant period shall, jointly and severally with such persons be liable for payment of such tax.

24. Assessment of tax.- (1) Where on the basis of any information acquired during an audit, inquiry, inspection or otherwise, an officer of the Authority is of the opinion that a registered person has not paid the tax due on taxable services provided by him or has made short payment, the officer shall make an assessment of the tax actually payable by that person and shall impose a penalty and charge default surcharge in accordance with sections 48 and 49.

(2) No order under subsection (1) shall be made unless a notice to show cause is given to the person in default within 1[eight] years from the conclusion of the tax period to which the assessment relates 2[for tax periods ending before 1st of July 2022, and within five years from the end of the financial year in which the tax period to which the assessment relates falls for tax periods ending on or after 1st July 2022] specifying the grounds on which it is intended to proceed against him and the said officer shall take into consideration the representation made by such person and provide him with an opportunity of being heard if the person so desires.

3[(3) An order under subsection (1) shall be made within one year from the end of the financial year in which the show cause notice is issued.]

(4) In computing the period specified in subsection (3), any period during which the proceedings are adjourned on account of a stay order or proceedings under section 69 4[***] shall be excluded.

(5) An order passed by an officer under subsection (1) may be further amended as may be necessary when on the basis of any additional information acquired during an audit, inquiry, inspection or otherwise, the officer is satisfied that:

- (a) any tax has been under-assessed or assessed at a low rate; or
- (b) any taxable service provided by the person has escaped assessment.

(6) The provisions of subsections (2), (3) and (4) shall be applicable to an order passed under subsection (5).

1-Substituted for "five" by Punjab Finance Act, 2017.

2-Substituted for "eighty" by Punjab Finance Act, 2022.

3-Sub-section (3) substituted by Punjab Finance Act, 2022.

4-Words "or the time taken through adjournments by the person" omitted by Punjab Finance Act, 2022.

Section 24(3)–Substitution.– Before substitution by Punjab Finance Act, 2022 sub-section (3) read as follows:–

"(3) An order under subsection (1) shall be made within one hundred and twenty days of issuance of the show cause notice or within such extended period as the officer may, for reasons to be recorded in writing, fix provided that such extended period shall ordinarily not exceed sixty days."

1[24A. Determination of minimum tax liability.- Notwithstanding anything contained in section 24, where a registered person fails to file a return, an officer of the Authority, shall, subject to such conditions as specified by the Authority, determine the minimum tax liability of the registered person.]

Chapter IV REGISTRATION

25. Registration.- (1) A person shall register under this Act, who:

- (a) provides any taxable service from his office or place of business in the Punjab; or
- (b) is otherwise required to be registered under any of the provisions of the Act or the rules; or
- (c) fulfills any other criteria or requirements which the Authority may prescribe under subsection (2).

(2) The registration under this section will be regulated in such manner and subject to such conditions and restrictions as the Authority may, by notification in the official Gazette, prescribe.

(3) A person who receives a service, which is a taxable service by virtue of subsection (2) of section 3, and is not a registered person shall be deemed to be a registered person for the purposes of the tax period in which:

- (a) such person receives the service;
- (b) an invoice for the value of the service is issued or sent to or received by the person; or
- (c) consideration for the service is paid by the person-

whichever is earlier and all the provisions of this Act and the rules shall be applicable to such person for that particular tax period and any matters relating to, arising out of, or concerning that tax period as if that person had provided the service.

(4) The Authority may publish on its website a list of persons registered under this Act.

(5) It shall be reasonable for a person to believe that another person is registered under this Act if that other person is on the list placed on the website of the Authority.

1[Explanation.- Unless otherwise specified, no person shall be absolved of any tax liability for want of registration under this Act or the rules.]

1-Explanation inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

26. Voluntary registration.- (1) A person who carries on an economic activity but is not required to be registered may apply for voluntary registration at any time.

(2) If a person who is not required to be registered applies for voluntary registration, the Authority may register the person if the Authority is satisfied that:

(a) the person is providing, or shall provide a service that is taxable service if the person was registered;

(b) the person has a place of business at which he carries on an economic activity;

(c) there are reasonable grounds to believe that the person shall keep proper records and file regular returns as prescribed under this Act and the rules; and

(d) if the person has commenced carrying on an economic activity, the person has:

(i) kept proper records in relation to his economic activity; and

(ii) complied with his obligations under other applicable taxation laws.

27. Compulsory registration.- (1) If the 1[Commissioner] is satisfied that a person who is required to be registered and has not applied for registration, the 1[Commissioner] shall register the person and shall, not later than fifteen days before the day on which the registration takes effect, notify the person of the registration, the day on which it takes effect, and the registration number issued to the person.

(2) No person shall be registered compulsorily without being given an advance notice and an opportunity of being heard in such manner as the 1[Commissioner] may specify.

2[(3) 3[The Commissioner may, by an order in writing], authorize any other officer to perform any of the functions under this section relating to compulsory registration of a person for any of the taxable services.]

1-Substituted for "Authority" by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

2-Sub-section (3) substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

3-Substituted for "The Authority may, by notification in the official Gazette" by Punjab Finance Act, 2022.

Section 27(3)–Substitution.– Before substitution by Punjab Finance Act, 2018 sub-section (3) read as follows:–

"(3) The Authority may, by notification in the official Gazette, authorize any officer to perform any of the functions under this section relating to compulsory registration of a person for any of the taxable services."

28. Suspension of registration.- (1) Subject to subsection (3), the Authority may temporarily inactivate the registration of a person if it is satisfied that the person:

(a) is not entitled to be registered; or

(b) has failed to comply with obligations under this Act or the rules.

(2) The Authority shall give notice to a registered person stating the reasons for temporary inactivation of the person's registration and the remedial actions required to be taken by the person in such time as may be specified in the notice.

(3) In case the Authority is not satisfied with the response of the person or the remedial action taken by him or does not receive any response in the specified time, the Authority may suspend that person's registration.

(4) The suspension of registration shall be effected by removing the name of the person from the list of registered persons published on the Authority's website.

(5) At any time within a period of sixty days of suspension, the Authority may withdraw the suspension if it is satisfied with the remedial actions taken by the person.

(6) Where, after sixty days, the suspension has not been withdrawn, the Authority may:

(a) institute proceedings against the person in respect of the alleged non-compliance under this Act;

(b) reinstate the person's registration; or

(c) if neither of the actions in clauses (a) and (b) is done, cancel the person's registration.

(7) No registration shall be cancelled unless the Authority either through enquiry, investigation or audit is satisfied that circumstances exist necessitating such cancellation and under no circumstances, the cancellation of registration shall absolve the person of his other obligations and liabilities under the Act or the rules.

1[29. De-registration.- (1) The 1[Commissioner] may de-register a registered person or such class of registered persons not required to be registered under this Act.

(2) Where any person registered under this Act believes that he does not satisfy the requirements for registration specified in section 25, he may make an application to the 1[Commissioner] to be de-registered.

(3) If upon receiving such an application, the 1[Commissioner] is satisfied that the person is not required to be registered under this Act and has fulfilled the obligations under the Act, it shall de-register such person.

(4) Where the 1[Commissioner] receives an application under subsection (2), it shall dispose of the application within a period of three months from the date of the receipt of the application, or within such extended period, not exceeding sixty days, as the 1[Commissioner] may, for reasons to be recorded in writing, fix.

1[29A. Restoration of registrations.- The Authority may, subject to conditions as may be prescribed, reactivate, revive, reinstate or restore any registration which has been de-activated, suspended or cancelled for any reason or under any circumstances.]

Chapter V
BOOK KEEPING AND AUDIT PROCEEDINGS

30. Issuance of tax invoices.- (1) A registered person providing a taxable service shall issue a numbered and dated tax invoice containing the following particulars:

- (a) name, address and registration number of the service provider;
- (b) name, address and registration number, if any, of the service recipient;
- (c) description of service or services;
- (d) value exclusive of the tax;
- (e) amount of the tax; and
- (f) value inclusive of the tax.

1[(2) The Authority may, by notification in the official Gazette, specify a format of invoices to be issued by a registered person or a class of registered persons and prescribe a procedure for authentication of such invoices.

(3) The Authority or an officer authorized by the Authority in this behalf, may require a registered person or a class of registered persons to issue invoices electronically in such manner as may be prescribed, and to transmit such invoices to the Authority, subject to such conditions and restrictions as the Authority may specify by notification in the official Gazette.]

1-Sub-sections (2) & (3) substituted by Punjab Finance Act, 2020.

Section 30(2)&(3)-Substitution.- Before substitution by Punjab Finance Act, 2020 sub-sections (2) & (3) read as follows:-

“(2) The Authority may, by notification in the official Gazette, specify such modified invoices for different services or persons and prescribe the manner and procedure for regulating the issuance and authentication of tax invoices.

(3) A registered person providing a taxable service may, subject to such conditions and restrictions as the Authority may, by notification in the official Gazette, specify, issue invoices to another registered person or other recipient of taxable service electronically and transmit images or statements of such invoices to the Authority as well as to the Commissioner, as may be specified.”

31. Records.- (1) A registered person providing taxable service 1[or a person required to pay tax under this Act or rules] shall maintain and keep at his business premises or registered office in English or Urdu the following records of taxable service (including exempt service) provided by him or by his agent acting on his behalf in such form and manner as would permit ready ascertainment of his tax liability during a tax period:

2[(a) record of services provided, including exempt services, indicating the description, quantity and value of service, name, registration number and address of the person to whom services were rendered and the amount of tax charged;

(b) record of goods and services received, including exempt goods and services, indicating description, quantity and value of goods and services, name, address and registration number of the service provider or supplier of goods and the amount of the tax charged;

(c) record of goods imported indicating the description, quantity and value of goods and the amount of tax paid on imports;

(d) double entry accounts;

(e) bank statements and banking instruments;

(f) inventory records, utility bills, salary and labor bills, rent deeds and agreements;

(g) record required to be maintained and the declarations filed under any other law for the time being in force; and

(h) such other record as may be specified by the Authority.]

(2) The Authority may, by notification in the official Gazette, require a registered person or class of registered persons to declare and use as many number of business bank accounts as may be specified by the Authority in such notification to make or receive payments on account of providing 3[or receiving] services for the purpose of this Act and the rules and to make payment of due tax from such accounts.

(3) The Authority may, by notification in the official Gazette, specify that any person or class of persons registered under this Act shall use such electronic fiscal cash registers in such manner as are approved by the Authority.

(4) The Authority may, by notification in the official Gazette, prescribe the procedure or software for electronic invoicing or billing, maintenance of records, filing of tax returns and for any other matter or approve any software for electronic invoicing or billing, maintenance of records and filing of returns by a registered person or class of such persons under this Act.

(5) The registered persons, whose accounts are subject to audit under the 4[Companies Act, 2017 (XIX OF 2017)], shall be required to submit a copy of the annual audited accounts, along with a certificate by the auditors certifying the payment of the tax due and any deficiency in the tax paid by the registered person.

1-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

2-Clauses (a), (b) & (c) substituted for clauses (a) to (h) by Punjab Finance Act, 2020.

Section 31(1)(a), (b)&(c)- Substitution.— Before substitution by Punjab Finance Act, 2020 clauses (a), (b) & (c) read as follows:—

“(a) records of taxable service provided indicating:

(i) the description and type of service;

(ii) the value of the service;

(iii) the particulars of the person to whom the service was provided; and

(iv) any other information as may be specified by the Authority;

(b) records of exempt service; and

(c) such other records as may be specified by the Authority.”

3-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

4-Substituted for “Companies Ordinance, 1984 (XLVII of 1984)” by Punjab Finance Act, 2018 w.e.f. November 1, 2018.

32. Retention and production of records and documents.- (1) A person, who is required to maintain any record or documents under this Act, shall retain the record and documents for a period of 1[eight] years after the end of the tax period to which such record or documents relate 2[for tax periods before July 2022, and six years from the end of the financial year to which such record or documents relate for tax periods after 1st July 2022] or till the final decision in any proceedings including proceedings for assessment, appeal, revision, reference or petition, whichever is later.

(2) A person who is required to maintain any record or documents under this Act or any other law shall, as and when required by an officer not below the rank of the Assistant Commissioner, produce records or documents which are in his possession or control or in the possession or control of his agent, and where such records or documents have been stored as electronic data, he shall allow to such officer full and free access to, and use of, such data of any machine.

1-Substituted for "six" by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018. Earlier "six" was substituted for "five" by Punjab Finance Act, 2015.

2-Words etc. inserted by Punjab Finance Act, 2022.

33. Audit proceedings.- (1) An officer authorized by the Authority or the Commissioner may, on the basis of the return or returns submitted by a registered person or the records maintained [or obtained] under this Act and the rules, conduct an audit of such person.

(2) In case the Authority or the Commissioner has any information showing that any registered person is involved in tax fraud or evasion of tax, it or as the case may be, he may authorize an officer not below the rank of the Assistant Commissioner, to conduct an inquiry or investigation, which may or may not be in addition to any audit carried out for the same period.

(3) Where the officer is to conduct an audit under subsection (1), he shall issue a notice of audit to the person informing him of the audit proceedings and direct him to produce any records or documents which such officer may require for conducting the audit.

2[(3a) The officer authorized under subsection (1) may conduct audit proceedings electronically through video links or any other facility as may be notified by the Authority.]

(4) The officer shall conduct audit and issue an audit observation or observations pointing out the contraventions of this Act or the rules and the amount of the tax evaded or short paid, and the registered person may, within a period of twenty one days of the receipt of the audit observation, submit his reply in writing.

(5) If no reply is received within the specified time or the reply furnished by the registered person is found unsatisfactory, the officer shall issue an audit report specifying the amount of the tax or charge that has not been levied or has been short levied or any other violation of any provision of the Act or the rules.

(6) After completion of the audit under this section or any other provision of this Act or the rules, an officer having pecuniary jurisdiction in terms of section 60 shall, if required, pass an order determining the correct amount of payable tax, charging default surcharge and imposing a penalty.

(7) Notwithstanding the penalties prescribed in section 48:

(a) if a registered person wishes to deposit the amount of the tax short paid or evaded along with default surcharge voluntarily, whenever it comes to his notice, he may, before receipt of notice of audit, file a revised return and may deposit the amount of tax short paid or evaded along with default surcharge, in which case no penalty shall be recovered from him;

(b) if a registered person wishes to deposit the amount of the tax short paid or evaded along with default surcharge during the audit, or at any time before issuance of show cause notice in lieu of the audit report, he may file a revised return and may deposit the short paid or evaded amount of the tax, default surcharge under section 49 and twenty per cent of the penalty payable under section 48, in which case the show cause notice in lieu of the audit report shall not be issued in the matter;

(c) if a registered person wishes to deposit the amount of tax short paid or evaded along with default surcharge after issuance of show cause notice, he may file a revised return and may deposit the short paid or evaded amount of the tax, default surcharge under section 49, and fifty per cent of the penalty payable under section 48 and, thereafter, the show cause notice shall abate.

1-Words inserted by Punjab Finance Act, 2015.

2-Sub-section (3a) inserted by Punjab Finance Act, 2020.

34. Special audit by chartered accountants or cost accountants.-

1[(1) The Authority may, by notification in the official Gazette, appoint a Chartered Accountant as defined under Chartered Accountants Ordinance, 1961 (X of 1961) or a firm of Chartered Accountants or a Cost and Management Accountant within the meaning of the Cost and Management Accountants Act, 1966 (XIV of 1966), or a firm of Cost and Management Accountants or a person or a firm having expertise in forensic audit, for conducting a special audit or forensic audit or both of the records of any registered person.]

(2) Notwithstanding that the records of a registered person have been audited by an officer appointed under section 39, the Authority or a Commissioner may direct an auditor appointed under subsection (1) to audit the records of any registered person for the same period.

(3) An auditor appointed under subsection (1), shall have such powers of an officer as may be conferred by the Authority to such auditor under any of the provisions of this Act or the rules.

2[(3A) The Authority may require that such officers of the Authority as the Authority may nominate, shall be associated in the special audit or the forensic audit conducted under subsection (1) and the Authority may also get the special audit or the forensic audit conducted jointly with similar audit of a registered person being conducted by FBR or any other provincial administrations of sales tax on services.]

(4) For purposes of this section or section 33, the audit of records includes audit of the tax affairs of the registered person under this Act and the rules.

1 Sub-section (1) substituted by Punjab Finance Act, 2015.

2 Sub-section (3A) inserted by Punjab Finance Act, 2015.

Section 34(1)–Substitution.– Before substitution by Punjab Finance Act, 2015 clause (1) read as follows:–

“(1) The Authority may, by notification in the official Gazette, appoint a Chartered Accountant as defined under Chartered Accountants Ordinance, 1961 (X of 1961) or a firm of Chartered Accountants or a Cost and Management Accountant within the meaning of the Cost and Management Accountants Act, 1966 (XIV of 1966) or a firm of Cost and Management Accountants, for conducting a special audit of the records of any registered person.”

Chapter VI RETURNS

35. Return.- 1[(1) Every registered person shall furnish to the Authority, not later than the due date, a true, correct and properly filled-up return in the form notified by the Authority, indicating the tax due and paid during a tax period and such other information or particulars as may be notified by the Authority.]

2[(1A) A statement, in the prescribed manner, filed by a person who is only obliged to withhold or deduct tax, shall be treated as a return of that person, provided that such a statement shall not be a substitute for the return required to be filed by a person providing taxable services.]

(2) Notwithstanding anything in subsection (1), the Authority may, by notification in the official Gazette, require any registered person or class of registered persons to submit returns on a quarterly, six monthly or annual basis in lieu of monthly return.

(3) Notwithstanding anything in subsection (1), the Authority may, by notification in the official Gazette, require any registered person to submit such returns, as may be prescribed, on any period basis in addition to other returns required to be filed by such person.

(4) A return filed electronically on the web or any magnetic media or any other computer readable media as may be specified by the Authority shall be deemed to be a return for the purpose of subsections (1), (2) or (3) and the Authority may, by notification in the official Gazette, prescribe the criteria for eligibility of the data of such returns and e-intermediaries who shall digitize the data of such returns and transmit the same electronically under their digital signatures.

(5) If there is a change in the rate of the tax during a tax period, a separate return in respect of each portion of tax period showing the application of different rates of tax shall be furnished.

(6) 3[Subject to rules, a registered person may], after prior permission from the Commissioner, file a revised return within one hundred and twenty days of filing a return under subsections (1), (2) or (3), to correct any omission or wrong declaration made therein and to deposit any amount of the tax not paid or short paid.

1-Sub-section (1) substituted by Punjab Finance Act, 2020.

2-Sub-section (1A) inserted by Punjab Finance Act, 2016.

3-Substituted for "A registered person may" by Punjab Finance Act, 2015.

Section 35(1)–Substitution.— Before substitution by Punjab Finance Act, 2020 sub-section (1) read as follows:–

"(1) Every registered person shall furnish, not later than the due date, a true, correct and properly filled-up return in the prescribed form to a[***] the Authority, indicating the tax due and paid during a tax period and such other information or particulars as may be prescribed by the Authority."

a-Words "a designated bank or any other office specified by" omitted by Punjab Finance Act, 2018.

36. Special returns.- In addition to the return or returns specified under section 35, the Commissioner may require any person, whether registered or not, to furnish a return (whether on his own behalf or as an agent or trustee) in a prescribed form and such person shall furnish the return not later than the date specified in this regard.

37. Final return.- If a person applies for de-registration in terms of section 29, he shall before such de-registration, furnish a final return to the Authority or the Commissioner in the specified form in such manner and at such time as may be directed by the Authority or the Commissioner.

38. Return deemed to have been made.- A return purporting to be made on behalf of a person by his duly appointed representative or agent shall, for all purposes of this Act or the rules, be deemed to have been made by such person or under his authority unless proved to the contrary.

Chapter VII

APPOINTMENT OF AUTHORITIES AND THEIR POWERS

39. Appointment of authorities .- (1) For purposes of this Act and the rules, the Authority may, in the prescribed manner and by notification in the official Gazette, appoint in relation to any area or cases specified in the notification, any person to be a:

- (a) Commissioner;
- (b) Commissioner (Appeals);
- (c) Additional Commissioner 1[***];
- (d) Deputy Commissioner;
- (e) Assistant Commissioner;
- (f) Audit Officer 1[***];
- 2[(ff) Audit-cum-Risk Compliance Officer;]
- 3[(fff) Enforcement Officer 1[***];]
- (g) Inspector 1[***]; or
- (h) An officer of the Authority with any other designation.

(2) The Commissioner (Appeals) and the Commissioner shall be subordinate to the Authority.

(3) The Additional Commissioners, Deputy Commissioners and the Assistant Commissioners shall be subordinate to the Commissioner and unless otherwise directed by the Authority or the Commissioner, both the Deputy Commissioner and the Assistant Commissioner shall also be subordinate to the Additional Commissioner.

4[(4) Risk Compliance Officers, Enforcement Officers, Audit Officers, Inspectors and other officers of equal or lower designations, if any, shall be subordinate to the Deputy Commissioner or, as the case may be, to the Assistant Commissioner or as the Authority may, from time to time, specify.]

(5) The Authority may designate any Deputy Commissioner supervisory incharge of any Assistant Commissioner either by name or by designation in any of its subordinate offices or formations.

(6) The Authority may distribute the work and related functions amongst the above designations in a manner it deems appropriate and make changes in such work distribution as and when deemed proper.

(7) The Authority may, by notification in the official Gazette, prescribe uniform including shoulder strips and badges for different classes of the officers or officials of the Authority.

(8) All jurisdictional and competency issues arising under this Act or the rules shall be decided by the Authority in such manner as it thinks fit.

1-Substituted for "of the Authority" by Punjab Finance Act, 2020.

2-Clause "(ff) Risk Compliance Officer of the Authority" substituted by Punjab Finance Act, 2020. Earlier it was inserted by Punjab Finance Act, 2017.

3-Clause (fff) inserted by Punjab Finance Act, 2017.

4-Sub-section (4) substituted by Punjab Finance Act, 2017.

Section 39(4)–Substitution.– Before substitution by Punjab Finance Act, 2017 sub-section (4) read as follows:–

"(4) The Audit Officers and Inspectors and the officers of other such equal or lower designations, if any, shall be subordinate to the Deputy Commissioner or to the Assistant Commissioner."

40. Powers.- (1) An officer appointed under section 39 shall exercise such powers and discharge such duties as are conferred on him under this Act and the rules and he shall also be empowered and competent to exercise all powers and discharge all duties or functions conferred upon any officer subordinate to him.

(2) The Authority may, by general or special order, impose such limitations, restrictions or conditions on the exercise of such powers and discharge of such duties or functions as it deems fit.

41. Distribution of powers.- (1) The Authority may, by notification in the official Gazette, and subject to such limitations or conditions, empower by name or by designation:

(a) an Additional Commissioner to exercise or perform any of the powers or functions of a Commissioner;

(b) a Deputy Commissioner to exercise or perform any of the powers or functions of an Additional Commissioner;

(c) an Assistant Commissioner to exercise or perform any of the powers or functions of a Deputy Commissioner;
and

(d) any other officer to exercise or perform any of the powers or functions of an Assistant Commissioner.

(2) The Authority may confer powers and functions of any officer as additional duties to any officer of the same rank or a step senior or junior in rank.

(3) An officer to whom any powers or functions are conferred under this section shall not assign such powers or functions to any other officer except with the prior permission of the Authority.

42. Special Judges.- (1) The Government may, by notification in the official Gazette, appoint any person who is serving or has served as District and Sessions Judge for a period of at least five years as Special Judge and, where it appoints more than one Special Judge, it shall specify in the notification the headquarters of each Special Judge and the territorial limits within which he shall exercise jurisdiction under this Act and the rules.

(2) If a Special Judge is, for any reasons, unable to perform his duties under this Act or the rules, the District and Sessions Judge of the District shall perform the duties of the Special Judge for the District.

43. Cognizance of offence.- (1) The Special Judge may, within the limits of his jurisdiction, take cognizance of any offence punishable by him upon:

(a) a report in writing made by an officer, not below the rank of Assistant Commissioner with the approval of the Commissioner or by an officer especially authorized in this behalf by the Authority;

(b) receiving a complaint or information of facts constituting such offence made or communicated by any person;
or

(c) his knowledge acquired during any proceedings before him.

(2) If the Special Judge receives a report under clause (a) of subsection (1), the Special Judge shall proceed with the trial of the accused.

(3) If the Special Judge receives a complaint or information under clause (b) of subsection (1), on the basis of his own knowledge, the Special Judge shall, before issuing a summon or warrant for appearance of the person hold a preliminary inquiry for purposes of ascertaining the truth or falsehood of the complaint, information or knowledge or direct any Magistrate or any officer to hold such inquiry and submit a report, and such Magistrate or officer, shall conduct such inquiry and make a report accordingly.

(4) If, after conducting such an inquiry or after considering the report of such Magistrate or officer, the Special Judge may dismiss the complaint if there are no grounds to proceed further, or may decide to proceed against the person in accordance with law.

(5) A Special Judge or a Magistrate or an officer holding an inquiry under subsection (3) may hold such inquiry, as nearly as possible, in accordance with the provisions of section 202 of the Code of Criminal Procedure, 1898 (V of 1898).

44. Application of the Code of Criminal Procedure, 1898.- (1) The provisions of the Code of Criminal Procedure, 1898 (V of 1898), so far as they are not inconsistent with the provisions of this Act, shall apply to all proceedings of the court of a Special Judge and such court shall be deemed to be a Court of Session for the purposes of the said Code and the provisions of Chapter XXII-A of the Code, so far as applicable and with necessary modifications, shall apply to the trial of cases by the Special Judge under the Act.

(2) For purposes of subsection (1), the Code of Criminal Procedure, 1898 (V of 1898) shall have effect as if an offence punishable under this Act was one of the offences referred to in subsection (1) of section 337 of the Code.

45. Exclusive jurisdiction of Special Judge.- No court other than the Special Judge having jurisdiction, shall try an offence punishable by the Special Judge under this Act.

46. Place of sitting.- A Special Judge shall ordinarily hold sittings at his headquarters provided that keeping in view the general convenience of the parties or the witnesses, he may hold sittings at any other place.

47. Persons who may conduct prosecution .- (1) An officer not below the rank of an Assistant Commissioner shall be competent to conduct prosecution before a Special Judge for and on behalf of the Government.

(2) A prosecution conducted under this Act before the Special Judge may only be withdrawn by the Authority on the direction or after concurrence of the Government.

Chapter VIII
OFFENCES AND PENALTIES

48. Offences and penalties.- (1) If a person commits any offence described in column 2 of the Table below shall, in addition to and not in derogation of any punishment to which he may be liable under any other law, be liable to the penalty mentioned against that offence in column 3.

(2) The sections referred to in column 4 of the said Table shall be deemed to be meant for illustrative purposes only and the corresponding offence described in column 2 may fall and be prosecuted under other sections of this Act as well.

TABLE

S.No.	Offences	Penalties	Section
1	2	3	4
1.	Any person who is required to apply for registration under this Act fails to make an application for registration before providing any taxable services	Such person shall be liable to pay a penalty of 1[fifty thousand] rupees or five per cent of the amount of the tax he would have been liable to pay had he been registered, whichever is higher. In the case of non- compliance of compulsory registration, the minimum penalty 2[for a company shall be one hundred thousand rupees and for a person, other than a company, shall be fifty thousand rupees]: If such person who is required to get himself registered under this Act, fails to get registered within ninety days of providing taxable services, he shall be further liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to one year, or with fine which may extend to the amount of the tax he would have been liable to pay had he been registered, or with both.	3[25 and 27]
2.	Where any person fails to furnish a return within the due date.	Such person shall be liable to pay a penalty of 4[ten] thousand rupees provided 5[further] if a return is not filed within fifteen days of the due date, a penalty of 6[two hundred] rupees for each day of default shall be levied.	35
3.	Where any person fails to deposit the amount of the tax due or any part thereof in the time or manner laid down under this Act or the rules.	(a) Such person shall be liable to pay a penalty of ten thousand rupees or five per cent of the tax payable for that period, whichever is higher 7[:] 8[Provided that if the amount of tax or any part thereof is paid within ten days from the due date, the defaulter shall	3, 4, 10, 11, 17, 18 and 68

		pay a penalty of five hundred rupees for each day of default.] (b) If the amount of the tax due is not paid even after the expiry of a period of sixty days of issuance of the notice for such payment by an officer, not below the rank of Assistant Commissioner, the person shall be further liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to three years, or with fine which may extend to the amount of the unpaid tax, or with both. (c) No penalty shall be levied if any miscalculation is made for the first time during a year.	
4.	Any person who fails to maintain records required under the Act or the rules.	9[Such person shall be liable to pay a penalty which may range from ten thousand rupees to one hundred thousand rupees or five percent of the total tax payable for the period for which he has failed to maintain the required record, whichever is higher.]	30, 31 and 32
10[5.	Where a person, without any reasonable cause, fails to produce the record or information despite receipt of a notice from the Authority or any officer of the Authority directing him to produce such record or information 3[:] 12[Provided that if the record is not produced despite issuance of three notices, it shall be considered as sufficient evidence that the person has failed to maintain the record.]	13[Such person shall pay a penalty of twenty five thousand rupees for the first default and one hundred thousand rupees for each subsequent default.]	30, 32, 53 and 57]
6.	Any person who knowingly or fraudulently: (a) submits a false or forged document to any officer of the Authority; or (b) destroys, alters, mutilates or falsifies the records; or (c) makes a false statement, false declaration, false representation, false personification, or gives any false information 14[; or] 15[(d) fails to pay, recover, or deposit the actual amount of tax, or claims inadmissible tax credit or adjustment or deduction or refund.]	Such person shall be liable to pay a penalty of 16[fifty] thousand rupees or one hundred per cent of the tax payable for the tax period to which the offence relates, whichever is higher. Such person shall further be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to five years or with fine which may extend to an amount equal to the tax payable for the tax period to which the offence relates, or with both.	General
7.	Where any person who denies or obstructs the access of an authorized officer to the business premises, registered office or to any other place where records are kept, or	Such person shall be liable to pay a penalty of twenty five thousand rupees or one hundred per cent of the tax payable for the tax period to which the	31, 32 and 56

	otherwise refuses access to accounts or records.	offence relates, whichever is higher. Such persons shall, further be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to five years, or with a fine which may extend to an amount equal to the tax payable for the tax period to which the offence relates, or with both.	
8.	Where any person commits, causes to commit or attempts to commit tax fraud, or abets or connives in the commission of tax fraud equal to twenty five thousand rupees or more	Such person shall be liable to pay a penalty of up to five hundred thousand rupees, but not less than twenty five thousand rupees, or one hundred per cent of the tax payable for the tax period to which the offence relates, whichever is higher. Such person shall, further be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to five years, or with fine which may extend to an amount equal to the tax payable for the tax period to which the offence relates, or with both.	2(43)
9.	Where any person violates any embargo placed on providing of service 17[or tempers a seal placed by an officer of the Authority].	Such person shall be liable to pay a penalty of 18[one hundred] thousand rupees or 19[equal to] the amount of the tax sought to be recovered, whichever is higher. Such person shall, further be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to one year, or with fine which may extend to amount equal to the amount of the tax sought to be recovered, or with both.	70
10.	Where any person obstructs any officer of the Authority in the performance of his official duties under this Act or the rules.	Such person shall be liable to pay a penalty of 20[one hundred thousand] rupees or one hundred per cent of the tax payable for the tax period to which the offence relates, whichever is higher. Such person shall be further liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to one year or with fine not exceeding fifty thousand rupees or with both 21[:] 22[Provided that where any recipient of a service does not pay the amount of tax due to be paid to a service provider, such recipient shall also be liable to	23[General and section 59 and section 70]

		action for obstruction under this provision.]	
11.	Where any person who fails to fulfill any of the conditions, limitations or restrictions prescribed in a notification issued under any of the provisions of the Act or the rules.	Such person shall be liable to pay a penalty of 8[ten thousand rupees or five per cent of the amount of tax involved], whichever is higher.	General
12.	Where any person who contravenes any provision of this Act or the rules for which no penalty has specifically been provided in this section.	Such person shall be liable to pay a penalty of ten thousand rupees or 24[five] per cent of the tax payable for the tax period to which the offence relates, whichever is higher.	General
13.	Where any person repeats an offence for which a penalty is provided under this Act.	Such person shall be liable to pay twice the amount of penalty provided under the Act for the said offence.	General
14.	Where any person: (a) knowingly and without lawful authority gains access to or attempts to gain access to the computerized system; or (b) unauthorizedly uses or discloses or publishes or otherwise disseminates information obtained from the computerized system; or (c) falsifies any record or information stored in the computerized system; or (d) knowingly or dishonestly damages or impairs the computerized system; or (e) knowingly or dishonestly damages or impairs any duplicate tape or disc or other medium on which any information obtained from the computerized system is kept or stored; or (f) unauthorizedly uses unique user identifier of any other registered user to authenticate a transmission of information to the computerized system; or (g) fails to comply with or contravenes any of the conditions prescribed for security of unique user identifier.	Such person shall pay a penalty of twenty five thousand rupees or one hundred per cent of the amount equal to the loss caused to the tax revenue. Such person shall further be liable, upon conviction by the Special Judge, to imprisonment for a term which may extend to one year, or with fine which may extend to an amount equal to the loss caused to the tax revenue, or with both.	General
25[15.	Where any person: (a) avoids, denies or obstructs installation of electronic invoice monitoring system at a business premises; or (b) fails to comply with the electronic invoice monitoring system or issues invoices bypassing the system.	Such person shall be liable to pay a penalty of up to one hundred thousand rupees, but not less than twenty five thousand rupees. In case of three acts of commission or omission, the business premises of such person may further be liable to be sealed for a period which may extend to one month.	General
26[16	Where any person: (a) causes intentional damage to or intervention in the electronic invoice monitoring system; or	Such person shall be liable to pay a penalty of one hundred thousand rupees for each act of commission. In case of three acts of such commission,	General

	(b) impedes or obstructs transmission of invoice data to the Authority.	the business premises of such person shall be liable to be sealed for a period which may extend to one month and such person shall further be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to one year, or with fine which may extend to the amount equal to the tax payable for the tax period to which the offence relates, or with both.	
27[17.	Where any person fails or refuses to issue a tax invoice.	Such person shall be liable to pay a penalty of twenty thousand rupees on first default and fifty thousand rupees for each subsequent default. In case of three acts of such default, the business premises shall be liable to be sealed for a period which may extend to one month.	30]
28[18.	Where any person fails to intimate any change in particulars of registration including the particulars relating to business address, 30[business bank account, changes in taxable/economic activity etc. in accordance with the requirements prescribed under this Act and rules made thereunder within fourteen days of such change].	29[Such person shall be liable to a penalty which may range from fifty thousand rupees to one hundred thousand rupees.]	25]
31[19.	Where any person fails to declare, conceals any of business bank accounts or gives misleading declaration or fails to intimate any change in business bank account within fourteen days of such change.	Such person shall be liable to pay a penalty which may range from one hundred thousand rupees to five hundred thousand rupees.	25]
20.	Where any person either avoids, defies, fails to comply with electronic invoicing system or issues invoices bypassing the electronic invoicing system.	Such person shall be liable to pay a penalty of up to one hundred thousand rupees, but not less than twenty five thousand rupees. In case of three consecutive defaults, the business premises of such person may further be liable to sealing for a period which may extend to one month.	32[59B]]
33[21.	Where a registered person charges sales tax in excess to the rate provided in the Second Schedule	35[Such person shall be liable to pay a penalty of twenty thousand rupees on first default and fifty thousand rupees for each subsequent default: Provided that in case of three defaults, the business premises of such person may be liable to sealing for a period which may extend to one month.]	10]
34[22.	Where any person unauthorizedly issues an invoice in which an amount of tax is specified.	Such person shall be liable to pay a penalty of ten thousand rupees per	30]

		invoice or five percent of the amount of tax involved, whichever is higher.	
36[23.	Where a bank fails to attach, or delays in attaching the bank account of a person, specified in the notice issued by an officer of the Authority, from whom tax is sought to be recovered, or fails to pay or delays payment of such amount.	Such bank shall be liable to pay a penalty of one hundred thousand rupees or one hundred percent of the tax sought to be recovered, whichever is higher. The concerned manager or officer incharge such bank shall further be liable, upon conviction by a Special Judge, to imprisonment, which may extend to one year or with fine, which may extend to an amount equal to the amount of tax sought to be recovered or with both.	
3724.	Where any person refuses to receive any notice or order issued by an officer of the Authority.	Such person shall be liable to pay a penalty of fifty thousand rupees or one hundred percent of the tax payable for the tax period to which the offence relates, whichever is higher.	

1-Substituted for "ten thousand" by Punjab Finance Act, 2014 (Act XVII of 2014).

2-Substituted for "shall be ten thousand rupees" by Punjab Finance Act, 2015.

3-Substituted for "25" by Punjab Finance Act, 2015.

4-Substituted for "five" by Punjab Finance Act, 2016.

5-Word inserted by Punjab Finance Act, 2019.

6-Substituted for "hundred" by Punjab Finance Act, 2016.

7-Substituted for full stop by Punjab Finance Act, 2022.

8-Proviso inserted by Punjab Finance Act, 2022.

9-Substituted for "Such person shall pay a penalty of ten thousand rupees or five per cent of the total tax payable for the tax period for which he has failed to maintain the required record, whichever is higher." by Punjab Finance Act, 2022.

10-Serial No. 5 substituted by Punjab Finance Act, 2015.

11-Substituted for full stop by Punjab Finance Act, 2022.

12-Proviso inserted by Punjab Finance Act, 2022.

13-Substituted for "Such person shall pay a penalty of twenty five thousand rupees for the first default and fifty thousand rupees or each subsequent default." by Punjab Finance Act, 2022.

14-Substituted for full stop by Punjab Finance Act, 2022.

15-Clause (d) inserted by Punjab Finance Act, 2022.

16-Substituted for "twenty five" by Punjab Finance Act, 2022

17-Substituted for "in connection with recovery of the tax" by Punjab Finance Act, 2019.

18-Substituted for "twenty five" by Punjab Finance Act, 2022.

19-Substituted for "ten percent of" by Punjab Finance Act, 2022.

20-Substituted for "twenty five thousand" by Punjab Finance Act, 2017.

21-Substituted for full stop by Punjab Finance Act, 2014 (Act XVII of 2014).

22-Proviso inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

23-Substituted for "General and section 59" by Punjab Finance Act, 2017. Earlier "General and section 59" was substituted for "General" by Punjab Finance Act, 2015.

24-Substituted for "five thousand rupees or three per cent of the tax payable for the tax period to which the offence relates" by Punjab Finance Act, 2022.

25-Substituted for "three" by Punjab Finance Act, 2022

26-Serial No. 15 inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

27-Serial No. 16 inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

28-Serial No. 17 inserted by Punjab Finance Act, 2019.

29-Serial No. 18 inserted by Punjab Finance Act, 2019.

30-Substituted for "Such person shall be liable to pay a minimum penalty of fifty thousand rupees." by Punjab Finance Act, 2022

31-Substituted for "branches etc. within fourteen days" by Punjab Finance Act, 2022.

32-Serial Nos. 19 & 20 inserted by Punjab Finance Act, 2019.

33-Substituted for "59A" by Punjab Finance Act, 2021.

34-Serial No. 21 inserted by Punjab Finance Act, 2021.

35-Substituted for "Such person shall be liable to pay a penalty of rupees ten thousand per invoice or ten percent of the invoice amount, whichever is higher" by Punjab Finance Act, 2022.

36-Serial No. 22 inserted by Punjab Finance Act, 2022.

37-Serial No. 23 inserted by Punjab Finance Act, 2022.

38-Serial No. 24 inserted by Punjab Finance Act, 2022

49. Default surcharge.- (1) Notwithstanding the provisions of a registered person does not pay the tax due or any part thereof,

(a) the person liable to pay any amount of tax or charge shall pay default surcharge at the rate of inter-bank rate plus three per cent per annum of the amount of the tax due; and

(b) in case, the default is on account of tax fraud, the person who has committed tax fraud shall pay default surcharge at the rate of two per cent per month, of the amount of tax evaded, till such time the entire liability including the amount of default surcharge is paid.

(2) For the purpose of calculation of default surcharge, the period of default shall be reckoned from the sixteenth day following the due date of the tax period to which the default relates, to the day preceding the date on which the tax due is actually paid.

Explanation: For purposes of this section, the tax due does not include the amount of penalty.

50. Exemption from penalty and default surcharge.- The Government may, by a notification in the official Gazette, exempt any registered person or any taxable service from payment of the whole or any part of the penalty and default surcharge subject to such conditions and limitations as may be specified.

51. Compounding of offences.- Notwithstanding anything contained in any other provision of this Act, where any person has committed any offence warranting prosecution under the Act, the Authority may, either before or after the institution of any proceedings for the prosecution of such offence, compound the offence and terminate the proceedings if such person pays the amount of the tax due along with such default surcharge and penalty as is determined by the Authority under the provisions of this Act and the rules.

52. Recovery of tax not levied or short-levied.- (1) Where by reason of inadvertence, error, misconstruction or for any other reason, any tax or charge has not been levied or has been short levied, the person liable to pay such amount of the tax or charge shall be served with a notice, within 1[2]eight] years] of the relevant tax period 3[for periods before 1st of July 2022 and within five years from the end of the financial year in which the relevant tax period falls for tax periods after 1st July 2022,] requiring him to show cause for payment of the amount specified in the notice.

(2) Where by reason of some collusion, abetment, deliberate attempt, mis-statement, fraud, forgery, false or fake documents:

(a) any tax or charge has not been paid or is, short paid, the person liable to pay such tax shall be served with a notice within 2[eight] years of relevant tax period 3[for periods before 1st of July 2022 and within five years from the end of the financial year in which the relevant tax period falls for tax periods after 1st July 2022,], requiring him to show cause for non-payment of such tax; and

(b) any amount of the tax is refunded which is not due, the person obtaining such refund shall be served with a notice within 4[five years from the end of the financial year in which the refund was received] to show cause for recovery of such refund.

(3) The officer shall, after considering the objections of the person served with a notice under subsections (1) or (2) or if the objections are not received within the stipulated period, determine the amount of the tax or charge payable by him and such person shall pay the amount so determined.

5[(4) Any order under subsection (3) shall be made within one year from the end of the financial year in which the show cause notice is issued.]

(5) In computing the period specified in subsection (4), any period during which the proceedings are adjourned on account of a stay order or proceedings under section 69 6[***] shall be excluded.

1-Substituted for "three years" by Punjab Finance Act, 2014 (Act XVII of 2014).

2-Substituted for "five" by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

3-Words etc. inserted by Punjab Finance Act, 2022.

4-Substituted for "*[eight] years of the receipt of such refund" by Punjab Finance Act, 2022.

* Substituted for "five" by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

5-Sub-section (4) substituted by Punjab Finance Act, 2022.

6-Words "or the time taken through adjournments by the petitioner not exceeding thirty days" omitted by Punjab Finance Act, 2022.

Section 52(4)-Substitution.- Before substitution by Punjab Finance Act, 2022 sub-section (4) read as follows:-

"(4) Any order under subsection (3) shall be made within one hundred and twenty days of issuance of the notice to show cause or within such extended period as the officer may, for reasons to be recorded in writing, fix provided that such extended period shall not ordinarily exceed sixty days.

53. Power to summon persons to give evidence and produce documents.- An officer may summon any person whose attendance he considers necessary either to tender evidence or to produce documents or any other thing in any audit, inquiry, investigation or proceedings which such officer is making for any of the purposes of this Act and the rules.

(2) Any person summoned under subsection (1) shall be bound to attend either in person or by an authorized agent, as the officer may direct.

(3) Notwithstanding anything in subsections (1) and (2), a person who is exempt from personal appearance in a Court under sections 132 and 133 of the Code of Civil Procedure (V of 1908), shall not be required to appear in person.

(4) Any proceedings under this Act or the rules before an officer shall be deemed to be judicial proceedings within the meaning of sections 193 and 228 of the Pakistan Penal Code (XLV of 1860).

54. Power to arrest and prosecute.- (1) An officer authorized by the Authority by notification in the official Gazette in this behalf, who on the basis of material evidence has reasonable cause to believe that any person has committed a tax fraud or any offence warranting prosecution under this Act, may cause arrest of such person.

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

(3) Where the person suspected of tax fraud or any offence warranting prosecution under this Act is a company, every director or officer of that company whom the officer has reason to believe is personally responsible for actions of the company contributing to the tax fraud or any offence warranting prosecution under this Act shall be liable to arrest provided that such arrest shall not absolve the company from the liabilities of payment of the tax, default surcharge and any penalty imposed or due under this Act.

55. Procedure to be followed on arrest of a person.- (1) When an officer arrests a person under section 54, he shall immediately intimate the fact of 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.

(2) Notwithstanding anything contained in subsection (1), any person arrested under this Act shall be produced before the Special Judge or, if there is no Special Judge within a reasonable distance, to the nearest 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 of the Magistrate.

(3) When any person is produced under subsection (2) before the Special Judge, the Special Judge 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.

(4) Nothing contained herein 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 purpose of this Act.

(5) When such person is produced under subsection (2) before a Magistrate, such Magistrate may, after authorizing 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 or produced.

(6) Nothing in subsections (2), (3) and (4) shall preclude the Special Judge or the Magistrate from remanding any such person to the custody of the officer holding an inquiry or investigation against that person if such officer makes a request in writing to that effect, and the Special Judge or the 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 but the total period of such custody shall not exceed fourteen days.

(7) When any person is arrested under this Act, the arresting officer shall record the fact of arrest and other relevant particulars in the register specified in subsection (11) and shall immediately proceed to inquire into the charge against such person and if he completes the inquiry within twenty- four hours of his arrest, and he may, after producing such person before the Special Judge or the Magistrate, make a request for his further detention in his custody.

(8) While holding an inquiry under subsection (7), the officer shall exercise the same powers as are conferred upon or exercisable by an officer in charge of a police station under the Code of Criminal Procedure, 1898 (V of 1898), but such officer shall exercise such powers subject to the foregoing provisions of this section while holding an inquiry under this Act.

(9) If the officer, after holding an inquiry, 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.

(10) The Special Judge to whom a report has been made under subsection (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.

(11) The officer holding an inquiry under this section shall maintain a register to be called register of arrests and detentions in the form prescribed by the Government in which he shall enter the name and other particulars of every person arrested under this Act, 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 entries shall be produced before the Special Judge, whenever it is directed by the Special Judge.

(12) After completing the inquiry, the officer shall, as early as possible, submit to the 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.

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

56. Authorized officers to have access to premises, stocks, accounts and records.- (1) Any officer, authorized in this behalf by the Authority by notification in the official Gazette, shall have free and full access to the business premises, registered office or any other place where any business records or documents required under this Act and the rules are kept or maintained by any registered person or a person liable for registration or whose business activities are covered under this Act and the rules or who may be required for any inquiry or investigation in any tax fraud committed by him or his agent or any other person; and such officer may, at any time, inspect the records, data, documents, correspondence, accounts, statements, utility bills, bank statements, information regarding nature and sources of funds or assets with which his business is financed, and any other records or documents, including those which are required under any other law maintained in any form or mode and may take into his custody such records, statements, diskettes or documents, in original or copies, in such form as the officer may deem fit against a signed receipt.

(2) The registered person, his agent or any other person specified in subsection (1) shall answer any question or furnish such information or explanation as may be asked by the authorized officer.

(3) All other Government departments, local bodies, autonomous bodies, corporations or such other institutions shall supply requisite information and render necessary assistance to the authorized officer in the course of inquiry or investigation under this section.

57. Obligation to produce documents and provide information.- (1) Notwithstanding anything contained in this Act or any other law, any person required to maintain any record under this Act and the rules, shall, on demand by an officer, 1[***] by notice in writing, as and when specified in the notice:

(a) produce for examination, such documents or records which the officer considers necessary or relevant to the audit, inquiry or investigation under this Act;

(b) allow the officer to take extracts from or make copies of such documents or records; and

(c) appear before the officer and answer any question put to him concerning the documents and records relating to the audit, inquiry or investigation referred to in clause (a).

2[(2) An officer conducting an audit, enquiry, investigation or otherwise for the purposes of the Act or the rules may require in writing any person to furnish any information as is held by the person.]

(3) The Authority may require, in writing, any person, department, company or organization, to provide any information or data held by that person, department, company or organization, which, in the opinion of the Authority 3[or an officer authorized by the Authority], is required for purposes of formulation of policy or administering or implementing this Act and the rules.

(4) Every person, department, company or organization shall furnish the information requisitioned by the Authority or the officer under subsections (2) or (3), within the time specified in the notice issued by the Authority.

1 Words & comma "not below the rank of a Assistant Commissioner," omitted by Punjab Finance Act, 2020.

2 Sub-section (2) substituted by Punjab Finance Act, 2015.

3 Words inserted by Punjab Finance Act, 2015.

Section 57(2)-Substitution.- Before substitution by Punjab Finance Act, 2015 sub-section (2) read as follows:-

"(2) An officer conducting an audit, inquiry or an investigation under the Act and the rules, may require in writing any person, department, company or organization to furnish such information as is held by that person, department, company or organization, which, in the opinion of the officer, is relevant to such audit, inquiry or investigation."

58. Searches under warrants.- (1) Where any officer has reason to believe that any documents or things which in his opinion, may be useful for, or relevant to, any proceedings under this Act are kept in any place, he may after obtaining a warrant from the Magistrate or from the Commissioner, enter that place and cause a search to be made at any time.

(2) All searches made under subsection (1) shall be carried out in accordance with the relevant provisions of the Code of Criminal Procedure, 1898 (V of 1898).

59. Posting of an officer to business premises.- (1) Subject to such conditions and restrictions as it deems fit to impose, the Authority may post an officer to the premises of a registered person to monitor the provision 1[and receipt] of services by such registered person.

(2) Notwithstanding anything contained in subsection (1), if a Commissioner, on the basis of material evidence, has reasonable cause to believe that a registered person is involved in evasion of the tax or tax fraud, he may, by recording the grounds in writing, post an officer of the Authority to the premises of such registered person to monitor provision 2[and receipt] of services by such person.

(3) A person to whose premises, an officer of the Authority is posted under this section shall provide on his own cost, all facilities required to meet the departmental requirements of such posting as determined by the Authority or the Commissioner.

1-Words inserted by Punjab Finance Act, 2021 (Act XIX of 2021).

2-Words inserted by Punjab Finance Act, 2021 (Act XIX of 2021).

1[59A. Power to Seal the Business Premises.- (1) When an officer of the Authority not below the rank of Commissioner has reason to believe that the Act or the rules made thereunder are not obeyed and observed at a business premises, he may by an order in writing, seal that premises for a period which may extend to one month upon giving a notice in writing to this effect.]

1[59B. Monitoring or Tracking by Electronic or other Means.- (1) Subject to such conditions, restrictions and procedures, as it deems fit to impose, the Authority may, by notification in the official Gazette, determine any registered person or class of registered persons or any of the services or class of services in respect of which monitoring or tracking of provision of service or services may be enforced through electronic or other means.]

(2) The Authority may, in the prescribed manner, devise and enforce an electronic system for monitoring and capturing the transactions recorded or the invoices issued by a registered person or a class of registered persons or service or services or class of services, and for transferring the electronic information so obtained to its computer system at such times as it deems fit.

2[(2A) The Authority may, in the prescribed manner, devise, implement and declare mandatory an electronic invoicing system for issuance of tax invoices by a registered person or a class of registered persons or a service or a class of services.]

(3) The Commissioner may order, as and when required, video vigilance of the economic activity of a registered person or class of registered persons to monitor provision of taxable services including counting of heads of visiting customers, occupancy of sitting space and regularity of issuance of invoices.

(4) For the purpose of this section, the Authority shall, in the prescribed manner, take measures for the security protection and processing of personal data of natural persons.

(5) From such date as may be specified by the Authority, the persons providing or rendering taxable services shall compulsorily use such electronic means, modes or systems, as may be prescribed by the Authority for issuance of tax invoice.]

1-Section 59B inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

2-Sub-section (2A) inserted by Punjab Finance Act, 2019.

60. Powers of adjudication.- (1) In respect of cases involving determination of tax liability, assessment of the tax, charging of default surcharge, imposition of penalty and recovery of amount erroneously refunded or any other contravention or violation including tax fraud under this Act or the rules, the jurisdiction and powers of adjudication of the officers shall be as follows:

(a) Additional Commissioner: Cases without any restriction as to the amount of the tax involved 1[***];

2[(b) Assistant Commissioner/Deputy Commissioner: Cases where the amount of the tax involved does not exceed ten million rupees;]

3[(c) Enforcement Officer/Audit-cum-Risk Compliance Officer: Cases where the amount of the tax involved does not exceed five million rupees; and]

4[(d) Other officers of the Authority: Such cases or class of cases as may be prescribed by the Authority.]

(2) The Commissioner may adjudicate any case falling in the jurisdiction and powers of any officer subordinate to him 5[or falling in jurisdiction specifically assigned to him by the Authority] and appeal against the order passed by the Commissioner in such case shall lie to the Appellate Tribunal.

(3) The Authority may regulate the system of adjudication including transfer of cases and extension of time limit.

6[(4) Notwithstanding the provisions of subsection (1), the Authority may assign a case or class of cases to any of its officers involving any amount of tax involved.]

Explanation: For purposes of this section, the tax means the principal amount of the tax other than default surcharge and in case where only default surcharge is involved, the amount of default surcharge.

1-Words "or amount erroneously refunded" omitted by Punjab Finance Act, 2020.

2-Clause (b) substituted by Punjab Finance Act, 2020.

3-Clause (c) substituted by Punjab Finance Act, 2020.

Section 60(1)(b)–Substitution.– Before substitution by Punjab Finance Act, 2020 clause (b) read as follows:–

"(b) Deputy Commissioner: Cases where the amount of the tax involved or the amount erroneously refunded a[] does not exceed two and a half million rupees;"

a-Words and comma "exceeds one million rupees, but" omitted by Punjab Finance Act, 2016.

Section 60(1)(c)–Substitution.– Before substitution by Punjab Finance Act, 2020 clause (c) read as follows:–

"(c) Assistant Commissioner: Cases where the amount of the tax involved or the amount erroneously refunded does not exceed one million rupees; and

4-Clause (d) substituted by Punjab Finance Act, 2019.

5-Words inserted by Punjab Finance Act, 2020.

6-Sub-section (4) inserted by Punjab Finance Act, 2020.

Section 60(1)(d)–Substitution.– Before substitution by Punjab Finance Act, 2019 clause (d) read as follows:–

"(d) other officers of the Authority: such cases, other than those mentioned above, as may be prescribed."

61. Revision by the Commissioner.- (1) The Commissioner may, of his own motion or on an application made in writing by a registered person for revision, call for and examine the record of any proceedings under this Act in which an order has been passed by an officer subordinate to him.

(2) If after examining the record under subsection (1), the Commissioner is not satisfied with the legality or propriety of any order passed by an officer, the Commissioner may make such revision to the order as he may think fit.

(3) No order imposing or enhancing any penalty or fine requiring payment of a greater amount of the tax than the originally levied amount shall be passed unless the person affected by such order has been given an opportunity of showing cause and of being heard.

(4) The Commissioner shall not revise any order under subsection (2) if:

(a) an appeal under section 63 is pending or the matter has been referred for resolution under section 69;

(b) where an appeal against the order lies under section 63, the time within which such appeal can be made has not expired or the person has not waived in writing his right of appeal;

(c) in the case of an application made by a person, the application has not been made within ninety days of the date on which such order was served on the person, unless the Commissioner is satisfied that the person was prevented by sufficient cause from making the application within the time allowed; and

(d) in the case where the Commissioner has on his own motion called for and examined an order passed by a subordinate officer, more than five years have lapsed from the date of the original order.

(5) No application for revision of an assessment shall be made under subsection (1) unless the amount of the tax due under the assessment, as is not in dispute, has been paid by the taxpayer.

62. Revision by the Authority.- (1) The Authority may, of its own motion, call for and examine the record of any departmental proceedings under this Act or the rules for the purpose of satisfying itself as to the legality or propriety of any decision or order passed therein by an officer.

(2) If after examining the record under subsection (1), the Authority is not satisfied with the legality or propriety of any decision or order passed by an officer, it may pass such order as it may think fit.

(3) No order imposing or enhancing any penalty or fine requiring payment of a greater amount of the tax than the originally levied amount shall be passed unless the person affected by such order has been given an opportunity of showing cause and of being heard.

(4) No proceeding under this section shall be initiated in a case where an appeal under section 66 is pending or the matter has been referred for resolution under section 69.

(5) No order shall be made under this section after the expiry of five years from the date of the original decision or order of the subordinate officer referred to in subsection (1).

Chapter IX APPEALS

63. Appeals.- (1) Any person, other than the Authority or any of its employees, aggrieved by any decision or order passed under section 60 by an officer Authority other than Commissioner may, within thirty days of the date of receipt of such decision or order, prefer an appeal to the Commissioner (Appeals).

(2) An appeal under subsection (1) shall:

- (a) be in the prescribed form;
- (b) be verified in the prescribed manner;
- (c) state precisely the grounds upon which the appeal is made;
- (d) be accompanied by the fee specified in subsection (3); and
- (e) be lodged with the Commissioner (Appeals) within the time set out in subsection (4).

(3) The prescribed fee shall be:

- (a) where the appellant is a company, one thousand rupees; or
- (b) where the appellant is not a company, two hundred rupees.

1[(4) An appeal under subsection (1) may be filed manually or electronically as may be specified by the Authority.]

(5) The Commissioner (Appeals) may, upon application in writing by the appellant, admit an appeal after the expiration of the period specified in subsection (4) if the Commissioner (Appeals) is satisfied that the appellant was prevented by sufficient cause from lodging the appeal within that period.

1-Sub-section (4) substituted by Punjab Finance Act, 2020.

Section 63(4)–Substitution.— Before substitution by Punjab Finance Act, 2020 sub-section (4) read as follows:–

“(4) An appeal shall be preferred to the Commissioner (Appeals) within thirty days of the receipt of the decision or order passed under section 60.”

64. Procedure in appeal.- (1) The Commissioner (Appeals) shall give notice of the day fixed for the hearing of the appeal to the appellant and to the officer of the Authority against whose order the appeal has been made.

(2) The Commissioner (Appeals) may adjourn the hearing of the appeal from time to time.

(3) The Commissioner (Appeals) may, before the hearing of an appeal, allow the appellant to file any new ground of appeal not specified in the grounds of appeal already filed by the appellant where the Commissioner (Appeals) is satisfied that the omission of the ground from the form of the appeal was not willful or unreasonable.

(4) The Commissioner (Appeals) may stay the recovery of any tax due by virtue of the decision or order being appealed against and any such order made by the Commissioner (Appeals) shall remain operative for not more than fifteen days during which period a notice shall be issued to the respondent and after hearing the parties, the order staying recovery may be confirmed, varied or vacated as the Commissioner (Appeals) deems fit but the stay order so confirmed or varied shall remain operative for not more than sixty days, including any period for which the recovery may have been stayed prior to the confirmation or variation of the stay order.

(5) The Commissioner (Appeals) may, before disposing of an appeal, call for such particulars, documents, records or information as the Commissioner (Appeals) may require respecting the matters arising in the appeal or cause further inquiry to be made by the officer of the Authority.

65. Decision in appeal.- (1) In disposing of an appeal lodged under section 63, the Commissioner (Appeals) may pass such order as he thinks fit, confirming, varying, altering, setting aside or annulling the decision or order appealed against.

(2) In deciding an appeal, the Commissioner (Appeals) may make such further inquiry as may be necessary provided that he shall not remand the case for de novo consideration.

(3) The Commissioner (Appeals) shall not increase the amount of any tax payable by the appellant unless the appellant has been given an opportunity of showing cause against such increase.

(4) The Commissioner (Appeals) shall communicate his order to the appellant and the Authority.

(5) An order passed by the Commissioner (Appeals) under subsection (1) shall be passed not later than one hundred and twenty days from the date of filing of appeal or within such extended period, not exceeding sixty days, as the Commissioner (Appeals) may, for reasons to be recorded in writing, fix.

(6) In computing the aforesaid time period, any period during which the proceedings are adjourned on account of a stay order or proceedings under section 69 or the time taken through adjournments by the appellant shall be excluded.

1[***]

(9) For purposes of subsection (5), any period during which the hearing of an appeal is adjourned on the request of the appellant shall be excluded in the computation of the period mentioned in the subsection.

66. Appeal to the Appellate Tribunal.- 1[(1) Any person including an officer of the Authority not below the rank of an Additional Commissioner, aggrieved by any order passed by the:

(a) Commissioner (Appeals) under subsection (4) of section 64 or section 65;

(b) Commissioner through adjudication under section 60 or 61; or

(c) Authority under section 62,

may, within 2[sixty] days of the receipt of such decision or order, prefer an appeal to the Appellate Tribunal.]

(2) An appeal under subsection (1) shall be:

(a) in the prescribed form;

(b) verified in the prescribed manner; 3[and]

(c) accompanied, except in case of an appeal preferred by an officer by the fee specified in subsection (3) 4[.]

5[***]

(3) The fee for an appeal shall be two thousand rupees.

(4) The Appellate Tribunal may, upon application in writing, admit an appeal after the expiration of the period specified in 6[subsection (1)] if it is satisfied that the person appealing was prevented by sufficient cause from filing the appeal within that period.

1-Sub-section (1) substituted by Punjab Finance Act, 2019.

2-Substituted for "thirty" by Punjab Finance Act, 2020.

3-Word inserted by Punjab Finance Act, 2020.

4-Substituted for "; and" by Punjab Finance Act, 2020.

5-Clause (d) omitted by Punjab Finance Act, 2020.

6-Substituted for "clause (d) of subsection (2)" by Punjab Finance Act, 2020.

Section 66(2)(d)–Omission.— Before omission by Punjab Finance Act, 2020 clause (d) read as follows:–

"(d) preferred to the Appellate Tribunal within sixty days of the date of receipt of the order of the Commissioner (Appeals) by the taxpayer or the officer."

67. Disposal of appeals by the Appellate Tribunal.- (1) The Appellate Tribunal may, before disposing of an appeal, call for such particulars, documents, records or information as it may require in respect of the matters arising from the appeal or cause further inquiry to be made by the officer of the Authority.

(2) The Appellate Tribunal shall afford an opportunity of being heard to the parties to the appeal and, in case of default by any of the parties on the date of hearing, the Tribunal may, if it deems fit, dismiss the appeal in default, or may proceed ex-parte to decide the appeal on the basis of the available record but the Appellate Tribunal shall decide the appeal within six months from the date of filing of the appeal.

(3) The Appellate Tribunal may stay the recovery of any tax due by virtue of the decision or order being appealed against and any such order made by the Appellate Tribunal shall remain operative for no more than thirty days during which period a notice shall be issued to the respondent and after hearing the parties, the order staying recovery may be confirmed, varied or vacated as the Appellate Tribunal deems fit but the stay order so confirmed or varied shall remain operative for not more than ninety days including any period for which the recovery may have been stayed prior to the confirmation or variation of the stay order.

(4) In deciding the appeal, the Appellate Tribunal may, without prejudice to the powers specified in subsection (2), make an order to:

(a) affirm, modify or annul the order being appealed against; or

(b) remand the case to the officer or the Commissioner (Appeals) for making such inquiry or taking such action as the Tribunal may direct.

(5) The Appellate Tribunal shall not increase the amount of any tax payable, penalty or default surcharge unless the taxpayer has been given a reasonable opportunity of showing cause against such increase.

(6) The Appellate Tribunal shall communicate its order to the taxpayer and the Commissioner.

(7) Save as provided in any other law, the decision of the Appellate Tribunal on an appeal shall be final.

1[67A. Reference to the High Court.- (1) A reference to the High Court shall lie only if a question of law is involved in a case.

(2) Notwithstanding anything contained in section 67, a taxpayer or the officer not below the rank of Additional Commissioner, aggrieved by any decision or order of the Appellate Tribunal may, within sixty days of communication of such decision or order, prefer a reference, in the prescribed form, along with a statement of the facts of the case and the question of law involved in that case to the Lahore High Court Lahore.

(3) The reference under this section shall be heard by a Bench of at least two Judges of the High Court and the provisions of section 98 of the Code of Civil Procedure 1908 (V of 1908) shall apply mutatis mutandis to such reference.

(4) The High Court shall send a copy of its judgment under the seal of the Court to the Appellate Tribunal.

(5) Notwithstanding a reference preferred in the High Court under this section, the tax shall be paid in accordance with the order of the Appellate Tribunal.

(6) If the tax liability is reduced by the High Court and the Authority decides to seek leave to appeal to the Supreme Court, the Authority may, within thirty days of the receipt of the judgment in the reference, apply to the High Court to postpone the refund of tax until the decision by the Supreme Court.

(7) Section 5 of the Limitation Act 1908 (IX of 1908) shall apply to a reference under this section.

(8) A court fee of rupees one thousand shall be paid for a reference under this section except when it is filed by the Authority.]

68. Deposit of the tax demand while appeal is pending.- Where in any appeal, the decision or order appealed against relates to any tax demanded under this Act, the person who has filed the appeal shall, pending the appeal, deposit the admitted amount of the tax based on the return filed under section 35 or as may be determined by the Commissioner (Appeals) or the Appellate Tribunal where such return has not been filed.

69. Alternate dispute resolution.- (1) Notwithstanding any other provisions of this Act or the rules, any registered person aggrieved in connection with any dispute pertaining to:

- (a) the liability of the tax against the registered person;
- (b) the extent of waiver of default surcharge and penalty;
- (c) relaxation of any procedural or technical irregularities and condonation of any prescribed time limitation; and
- (d) any other specific relief required to resolve the dispute, may apply to the Authority for the appointment of a committee for the resolution of any dispute mentioned in detail in the application.

(2) Notwithstanding anything contained in subsection (1), the Authority shall not accept an application under subsection (1) where criminal proceedings have been initiated or where the Authority is of the opinion that the interpretation of a question of law having a larger impact on revenue or on a number of similar cases is involved.

(3) The Authority may, after examination of the application of a registered person, appoint a committee of not less than three persons within thirty days of receipt of such application, consisting of an officer of the Authority not below the rank of an Additional Commissioner and nominees from the notified panel consisting of chartered or cost accountants, advocates, representatives of trade bodies or associations, retired officers of the rank of not less than BS-20, retired judges, or any other reputable taxpayers, for the resolution of the dispute.

(4) The committee constituted under subsection (3) shall examine the issue and may, if it deems fit, conduct an inquiry, seek expert opinions, direct any officer of the Authority or any other person to conduct an audit and shall make recommendations to the Authority within ninety days of its constitution in respect of the dispute.

(5) If the committee fails to make recommendations within the said period, the Authority may dissolve the committee and constitute a new committee which shall decide the matter within a further period of ninety days and even if after the expiry of that period the dispute is not resolved, the matter shall be taken up before the appropriate forum provided under this Act for decision.

(6) The Authority may, on the recommendation of the committee, pass such order, as it may deem appropriate within forty-five days of the receipt of the recommendations of the committee.

(7) The registered person may make payment of the tax as determined by the Authority in its order under subsection (6), and such order of the Authority shall be submitted before the forum, Appellate Tribunal or the Court where the matter is pending adjudication for consideration of orders as deemed appropriate.

Chapter X

RECOVERY OF ARREARS

70. Recovery of arrears of tax.- (1) Subject to subsection (2), where any amount of the tax is due from any person, the officer of the Authority 1[appointed under section 39] may:

(a) deduct the amount from any money owing to the person from whom such amount is recoverable and which may be at the disposal or in the control of such officer or any officer of the Authority;

(b) require by a notice in writing any person who holds or may subsequently hold any money for or on account of the person from whom tax is recoverable to pay to such officer the amount specified in the notice;

2[(bb) require by a notice in writing payment of money owed to a taxpayer by any person on account of legally enforceable relations created between the taxpayer and the other person including but not limited to purchase contracts, contracts with credit or financial institutions or with banking companies 3[including running and demand finance], lease contracts, loan agreements, building loan contracts, life insurance contracts, employment or work contracts.]

(c) require by a notice in writing any bank to attach that person's bank accounts 4[and recover the amount payable or recover such amount without attachment];

(d) seal the person's business premises till such time as the amount of the tax is paid or recovered in full;

(e) attach and sell or sell without attachment any movable or immovable property of the person from whom the tax is due; and

(f) recover such amount by attachment and sale of any movable or immovable property of the guarantor, person, company, bank or financial institution where a guarantor or any other person, company, bank or financial institution fails to make payment under such guarantee, bond or instrument 5[:]

6[(g) arrest or cause to arrest a defaulter and cause his detention in prison for a period not exceeding six months subject to the condition that the adjudged amount has been upheld by the Appellate Tribunal.]

7[Provided that no action shall be taken against the person during the pendency of the appeal, if any, under section 63 of the Act if he deposits at least 8[ten] per cent the amount of the tax demanded from him.]

(2) If any arrears of tax, default surcharge, penalty or any other amount which is payable by any person cannot be recovered in any manner whatsoever, the Authority or the Commissioner if so authorized by the Authority, may for reasons to be recorded in writing write off the arrears or amount in the manner in the prescribed manner.

9[(3) For the purpose of recovery of tax, penalty or any other demand or sum under this Act or the rules, the Authority or the officer of the Authority may exercise the powers of a Civil Court under the Code of Civil Procedure, 1908 (V of 1908) for recovery of an amount due under a decree and, in such an eventuality, the Authority or the officer of the Authority shall be deemed to be a Civil Court.]

1-Words and figure inserted by Punjab Finance Act, 2016.

2-Clause (bb) inserted by Punjab Finance Act, 2017.

3-Words inserted by Punjab Finance Act, 2020.

- 4-Words inserted by Punjab Finance Act, 2019.
- 5-Substituted for full stop by Punjab Finance Act, 2017.
- 6-Clause (g) inserted by Punjab Finance Act, 2020
- 7-Proviso inserted by Punjab Finance Act, 2017.
- 8-Substituted for “twenty five” by Punjab Finance Act, 2020.
- 9-Sub-section (3) inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

Chapter XI
AGENTS, REPRESENTATIVES AND E-INTERMEDIARIES

71. Agent.- (1) For purposes of this Act and subject to subsections (2) and (3), the expression 'agent' in respect of a registered person, means:

(a) where the person is an individual under a legal disability, the guardian or manager who receives or is entitled to receive income, financial gains or benefits, funds, money or property on behalf, or for the benefit of, the individual;

(b) where the person is a company (other than a Trust, a Provincial Government, or local authority in Pakistan), a director or a manager or secretary or accountant or any similar officer of the company;

(c) where the person is a Trust declared by a duly executed instrument in writing, whether testamentary or otherwise, any trustee of the trust;

(d) where the person is a Provincial Government, or local authority in Pakistan, any individual responsible for accounting for the receipt and payment of money or funds on behalf of the Provincial Government or the local authority;

(e) where the person is an association of persons, a director or a manager or secretary or accountant or any similar officer of the association or, in the case of a firm, any partner in the firm;

(f) where the person is the Federal Government, any individual responsible for accounting for the receipt and payment of moneys or funds on behalf of the Federal Government; or

(g) where the person is a public international organization, or a foreign government or political sub-division of a foreign government, any individual responsible for accounting for the receipt and payment of moneys or funds in Pakistan on behalf of the organization, government, or political subdivision of the government; or

(h) when any person is expressly or impliedly authorized by a registered person to be his agent for all or any of the purposes of this Act.

(2) Where Court of Wards, Administrator General, Official Trustee, or any receiver or manager appointed by, or under any order of a Court receives or is entitled to receive income on behalf, or for the benefit of any person, such Court of Wards, Administrator General, Official Trustee, receiver or manager shall be the agent of the person for purposes of this Act.

(3) Notwithstanding anything in this section, any registered person may expressly or impliedly authorize another person to be his agent for all or any of the purposes this Act.

72. Liability and obligations of agents.- (1) Every agent of a person shall be responsible for performing any duties or obligations imposed by or under this Act and the rules on the person, including the payment of the tax.

(2) Subject to subsection (5) of this section, the tax that by virtue of subsection (1), is payable by an agent of a registered person shall be recoverable from the agent only to the extent of any assets of the registered person that are in the possession or under the control of the agent.

(3) Every agent of a registered person who pays any tax owing to the registered person shall be entitled to recover the amount so paid from the registered person or to retain the amount so paid out of any moneys of the registered person that are in the agent's possession or under the agent's control.

(4) Any agent, or any person who apprehends that he may be assessed as an agent, may retain out of any money payable by him to the person on whose behalf he is liable to pay the tax (hereinafter in this section referred to as the 'principal'), a sum equal to his estimated liability under this Act, and in the event of disagreement between the principal and such an agent or a person as to the amount to be so retained, such agent or person may obtain from the Commissioner a certificate stating the amount to be so retained pending final determination of the tax liability and the certificate so obtained shall be his conclusive authority for retaining that amount.

(5) Every agent shall be personally liable for the payment of any tax due by the agent if, while the amount remains unpaid, the agent:

(a) alienates, charges or disposes of any moneys received or accrued in respect of which the tax is payable; or

(b) disposes of or parts with any moneys or funds belonging to the registered person that is in the possession of the agent or which comes to the agent after the tax is payable, if such tax could legally have been paid from or out of such moneys or funds.

(6) Nothing in this section shall relieve any person from performing any duties imposed by or under this Act on the person which the agent of the person has failed to perform.

73. Liability of the registered person for the acts of his agent.- A registered person shall be responsible for any and all acts done by his agent.

74. Appearance by authorized representative.- A registered person required to appear before the Appellate Tribunal or an officer in connection with any proceedings under this Act may, in writing, authorize any person having such qualification as may be prescribed by the Authority, to represent him or appear on his behalf.

75. E-intermediaries to be appointed.- (1) Subject to such conditions, limitations and restrictions as the Authority may impose, the Authority may, by a notification in the official Gazette, appoint a person as e- intermediary to electronically file returns and other electronic documents under this Act and the rules on behalf of a registered person.

(2) A registered person may authorize an e-intermediary to electronically file returns or any other documents on his behalf as specified in subsection (1).

(3) The return or such other documents filed by an e-intermediary on behalf of a registered person shall be deemed to have been filed by that registered person.

(4) Where this Act requires anything to be done by a registered person and if such thing is done by an e-intermediary authorized by the registered person under subsection (2), unless the contrary is proved, such thing shall be deemed to have been done with the knowledge and consent of the registered person so that in any proceedings under this Act, the registered person shall be liable as if the thing has been done by him.

(5) Where an e-intermediary, authorized by a registered person under subsection (2) to act on his behalf, knowingly or willfully submits false or incorrect information or document or declaration with an intent to avoid payment of the tax due or any part thereof, such e-intermediary shall be jointly and severally responsible for recovery of the amount of tax short paid as a result of such incorrect or false information or document or declaration, without prejudice to any other action that may be taken against him or the registered person under the relevant provisions of the law.

(6) The Authority may, by notification in the official Gazette, prescribe rules for the conduct and transaction of business of e-intermediaries, including their appointment, suspension and cancellation of appointment, subject to such conditions and restrictions as specified in such rules.

Chapter XII
GENERAL ADMINISTRATION

76. Power to make rules.- (1) The Authority may, with the approval of the Government and by notification in the official Gazette, make the rules for carrying out the purposes of any of the provisions of this Act.

(2) All rules made under subsection (1) during a financial year shall be laid in Provincial Assembly of the Punjab at the time of presentation of the Annual Budget for the next financial year.

(3) The rules made under this Act shall be collected, arranged and published along with general orders and departmental instructions, directions, notifications and rulings, if any, at appropriate intervals and sold to the public at a reasonable price.

1[76A. Power to restrain certain authorities.- The Authority may, with the approval of the Government and by notification in the official Gazette, require that any authority competent to issue or renew a license or to grant permission to any person to engage in an economic activity which is a taxable service, shall not issue or renew such license or grant permission unless the licensee or the grantee furnishes the evidence that he is a duly registered person under section 25, section 26 or section 27 of the Act.]

77. Computerized system.- (1) The Authority may prescribe the use of a computerized system for carrying out the purposes of this Act and the rules including the receipt of applications for registration, returns and such other declarations or information required to be provided under this Act and the rules from such date and for such registered persons or class of persons as the Authority may, by notification in the official Gazette, specify.

(2) The Authority may regulate the conduct and transaction of business in relation to the submission of returns or other information to the Authority by the persons required to transmit or receive any information through the computerized system, including matters such as the grant of authorization, suspension and cancellation of authorization and for security of the information transmitted or received through the computerized system.

(3) The information received in the computerized system from or on behalf of any registered person shall, for all official and legal purposes, be deemed to have been furnished by and received from such registered person.

(4) The business information gathered through computerized system shall be confidential to be used only for official and legal purposes and no unauthorized person shall claim or be provided any access to such information.

78. Service of orders and decisions.- (1) Subject to this Act, any notice, order or requisition required to be served on an individual for the purposes of this Act shall be treated as properly served on the individual if:

(a) personally served on the individual or, in the case of an individual under a legal disability the agent of the individual;

(b) sent by registered post or courier service to the individual's usual or last known address in Pakistan; or

(c) served on the individual in the manner prescribed for service of a summons under the Code of Civil Procedure, 1908 (V of 1908).

(2) Subject to this Act, any notice order or requisition required to be served on any person, other than an individual to whom subsection (1) applies, for the purposes of this Act, shall be treated as properly served on the person if:

(a) personally served on the agent of the person;

(b) sent by registered post or courier service to the person's registered office or address for service of notices under this Act in Pakistan or where the person does not have such office or address, the notice is sent by registered post to any office or place of business of the person in Pakistan; or

(c) served in the manner prescribed for service of a summons under the Code of Civil Procedure, 1908 (V of 1908).

(3) Where an association of persons is dissolved, any notice, order or requisition required to be served under this Act, on the association or a member of the association may be served on any person who was the principal officer or a member of the association immediately before such dissolution.

(4) Where a business stands discontinued, any notice order or requisition required to be served under this Act, on the person discontinuing the business may be served on the person personally or on any individual who was the person's agent at the time of discontinuance.

(5) The validity of any notice issued under this Act or the validity of any service of a notice shall not be called into question after the notice has been complied with in any manner.

(6) Any registered person may indicate, in the manner prescribed by the Authority, that he wishes to electronically receive all or specific communications, including notifications, orders, assessments and requisitions from the Authority, the Appellate Tribunal or any officer of the Authority.

(7) The Authority may, by notification in the official Gazette, direct that all or specific communications, including notifications, orders, assessments and requisitions 1[including notices and show cause notices] from the Authority, the Appellate Tribunal or any officer to a specific registered person or class of registered persons shall be made electronically.

(8) For purposes of subsections (6) and (7), a registered person shall be considered to have received the electronic communication within seventy two hours of the sending of the electronic communication by the Authority, Appellate Tribunal or the officer of the Authority.

(9) For purposes of subsections (6), (7) and (8), an electronic communication includes a communication sent by email.

1-Words inserted by Punjab Finance Act, 2017.

79. Correction of clerical errors.- (1) Any clerical or arithmetical error in any assessment, adjudication order or decision may, at any time, be corrected by the officer of the Authority who made the assessment or adjudication or passed such order or decision or by his successor in office, through an order made under this section.

(2) Before any correction is made under subsection (1), a notice shall be given to the registered person likely to be affected by such correction.

80. Issuance of duplicate of the tax documents.- An officer of the Authority not below the rank of the Assistant Commissioner may, on payment of one hundred rupees, issue an attested copy of any document filed by a registered person with the Authority.

81. Power to issue orders, instructions and directions.- The Authority may issue such orders, instructions and directions, not inconsistent with this Act and the rules, to all officers of the Authority, as it may deem necessary to implement, administer or enforce the provisions of this Act and the rules.

82. Officers of the Authority to follow orders.- (1) All officers of the Authority and other persons employed in the administration of this Act and the rules shall observe and follow the orders, instructions and directions of the Authority.

(2) No such orders, instructions or directions shall be given so as to interfere with the powers or discretion of officers of the Authority in the exercise of their judicial or quasi-judicial functions.

Chapter XIII
MISCELLANEOUS

83. Computation of limitation period.- In computing the period of limitation prescribed for any appeal or application under this Act, the day on which the order complained of was served and, if the concerned person was not furnished with a copy of the order, the time requisite for obtaining a copy of such order shall be excluded.

84. Condonation of time-limit.- (1) Where any time or period has been specified under any of the provisions of the Act or the rules within which any act or thing, including submission of an application, filing of a return or payment of tax, is to be done, the Authority may permit such application to be made or such act or thing to be done within such time or period as it may consider appropriate.

1[Explanation.- The expression “act or thing to be done” includes an act or thing to be done by a registered person or by an authority specified in section 39 of the Act.]

(2) The Authority may, by notification in the official Gazette, and subject to such limitations or conditions as may be specified therein, empower any Commissioner or the officer of the Authority to exercise the powers under this section in any case or class of cases.

85. Bar of suits, prosecution and other legal proceedings.- (1) No suit shall be brought in any civil court to set aside or modify any order passed, any assessment made, any tax levied, any penalty or default surcharge imposed or collection of any tax made under this Act.

(2) No suit, prosecution or other legal proceeding shall lie against the Government or against any public servant in respect of any order passed in good faith under this Act.

(3) Notwithstanding anything in any other law, no investigation or inquiry shall be undertaken or initiated by any government agency against any officer or official for anything done in his official capacity under this Act, except with the permission of the Authority.

86. Removal of difficulties.- (1) The Government may pass such order for removing any difficulty or for bringing the provisions of this Act into effective operation direct that provisions of this Act shall, during such period as may be specified in the order, have effect subject to such adaptations whether by way of modification or addition or omission as it may deem to be necessary or expedient.

(2) The power under this section shall not be exercised after the expiry of two years from the commencement of this Act.

87. Repeal and savings.- (1) The Punjab Sales Tax Ordinance, 2000 (II of 2000) is hereby repealed.

(2) Any proceeding under the repealed Ordinance pending on the date notified under subsection (3) of section 1 before any authority, forum or any court by way of adjudication, assessment, appeal, reference, revision or prosecution shall be continued and disposed of as if this Act has not come into force.

(3) Where the Government or the Authority takes any action, makes any decision or orders, issues any instructions, directions, clarifications or notifications in pursuance of or in exercising of powers conferred under any provision of any law in respect of any matter relating to the tax and allied issues covered under this Act or the rules, such actions, decisions, orders, instructions, directions, clarifications and notifications shall be deemed to have been validly issued to serve the purposes of this Act and the rules.

(4) Where so directed by the Government, any tax payable but not paid under the Punjab Sales Tax Ordinance, 2000 (II of 2000) may be recovered under this Act, but without prejudice to any action already taken for the recovery of the amount under the said Ordinance.

1[88. Prize schemes to promote tax culture.- The Authority may, with the approval of the Government, prescribe prize schemes to encourage the general public to make purchases only from registered persons issuing tax invoices.]

1[89. Reward to whistleblowers.- (1) The Authority may, with the approval of the Government, sanction reward to a whistleblower.

(2) The Authority may, by notification, prescribe the procedure in this behalf and also specify the apportionment of reward sanctioned under this section for a whistleblower.

(3) The claim for reward by the whistleblower shall be rejected if-

(a) the information provided is of no value;

(b) the Authority already had the information;

(c) the information was available in public records; or

(d) no collection of tax is made from the information provided by a whistleblower.

(4) Where, after providing an opportunity of being heard, it is found that a whistleblower has provided false, misleading or frivolous information, he shall be liable to a penalty of one hundred thousand rupees.

(5) In this section, 'whistleblower' means a person who reports concealment or evasion of tax or tax fraud leading to detection or collection of the tax.]

FIRST SCHEDULE
(Classification of Services)
(see subsection (38) of section 2)

Classification	Description
(1)	(2)
98.0100	Services provided by hotels, restaurants, marriage halls, lawns, clubs and caterers.
9801.1000	Services provided by hotels
9801.2000	Services provided by restaurants
9801.3000	Services provided by marriage halls and lawns
9801.4000	Services provided by clubs
9801.5000	Services provided by caterers, suppliers of food and drinks
9801.6000	Ancillary services provided by hotels, restaurants, marriage halls, lawns, caterers
9801.7000	Services provided by messes and hostels
9801.9000	Other
98.0200	Advertisements
9802.1000	Advertisements on T.V.
9802.2000	Advertisements on radio
9802.3000	Advertisements on closed circuit T.V.
9802.4000	Advertisements in newspapers and periodicals
9802.5000	Advertisements on cable T.V. network
	Advertisements on poles
	Advertisements on bill boards
9802.9000	Other
98.0300	Facilities for travel
9803.1000	Travel by air of passengers within the territorial jurisdiction of Pakistan
9803.1100	Travel by air of passengers embarking on international journey from Pakistan
9803.2000	Domestic travel by train
9803.2100	International travel by train
9803.9000	Other
98.0400	Services provided for inland carriage of goods.
9804.1000	Carriage of goods by air
9804.2000	Carriage of goods by train
9804.9000	Other
98.0500	Services provided by persons authorized to transact business on behalf of others.
9805.1000	Shipping agents
9805.2000	Stevedores
9805.2100	Ship management service
9805.3000	Freight forwarding agents
9805.4000	Customs agents
9805.5000	Travel agents
9805.5100	Tour operators
9805.6000	Recruiting agents
9805.7000	Advertising agents
9805.8000	Ship chandlers

9805.9000	Share transfer agent
9805.9100	Sponsorship services
9805.9200	Business support services
9805.9090	Other
98.0600	Services provided in matters of hire.
9806.1000	Purchase or sale of moveable or immovable goods or property
9806.2000	Property dealers
9806.3000	Car/automobiles dealers
9806.9000	Dealers of second hand goods other than automobiles other
9807.0000	Services provided by property developers and promoters.
9808.0000	Courier services
9809.0000	Services provided by persons engaged in contractual execution of 1[works] or furnishing supplies.
9810.0000	Services provided for personal care by beauty parlors/clinics, slimming clinics and others.
9811.0000	Services provided by laundries, dry cleaners.
98.1200	Telecommunication services.
9812.1000	Telephone services
9812.1100	Fixed line voice telephone service
9812.1200	Wireless telephone
9812.1210	Cellular telephone
9812.1220	Wireless Local Loop telephone
9812.1300	Video telephone
9812.1400	Payphone cards
9812.1500	Prepaid calling cards
9812.1600	Voice mail service
9812.1700	Messaging service
9812.1710	Short Message service (SMS)
9812.1720	Multimedia message service (MMS)
9812.1910	Shifting of telephone connection
9812.1920	Installation of telephone extension
9812.1930	Provision of telephone extension
9812.1940	Changing of telephone connection
9812.1950	Conversion of NWD connection to non NWD or vice versa
9812.1960	Cost of telephone set
9812.1970	Restoration of telephone connection
9812.1990	Others
9812.2000	Bandwidth services
9812.2100	Copper line based
9812.2200	Fibre-optic based
9812.2300	Co-axial cable based
9812.2400	Microwave based
9812.2500	Satellite based
9812.2900	Others
9812.3000	Telegraph
9812.4000	Telex
9812.5000	Telefax

9812.5010	Store and forward fax services
9812.5090	Others
9812.6000	Internet services
9812.6100	Internet services including email services
9812.6110	Dial-up internet services
9812.6120	Broadband services for DSL connection
9812.6121	Copper line based
9812.6122	Fibre-optic based
9812.6123	Co-axial cable based
9812.6124	Wireless based
9812.6125	Satellite based
9812.6129	Others
9812.6130	Internet/email/Data/SMS/MMS services on WLL networks
9812.6140	Internet/email/Data/SMS/MMS services on cellular mobile networks
9812.6190	Others
9812.6200	Data Communication Network services (DCNS)
9812.6210	Copper Line based
9812.6220	Co-axial cable based
9812.6230	Fibre-optic based
9812.6240	Wireless/Radio based
9812.6250	Satellite based
9812.6290	Others
9812.6300	Value added data services
9812.6310	Virtual private Network services (VPN)
9812.6320	Digital Signature service
9812.6390	Others
9812.9000	Audio text services
9812.9100	Tele-text services
9812.9200	Trunk radio services
9812.9300	Paging services
9812.9400	Voice paging services
9812.9410	Radio paging services
9812.9490	Vehicle tracking services
9812.9500	Burglar alarm services
9812.9090	Others
98.1300	Services provided by banking companies, insurance companies, cooperative financing societies modarbas, musharikas, leasing companies, foreign exchange dealers, non-banking financial institutions and other persons dealing in any such services.
9813.1000	Services provided in respect of insurance to a policy holder by an insurer, including a reinsure.
9813.1100	Goods insurance
9813.1200	Fire insurance
9813.1300	Theft insurance
9813.1400	Marine insurance
9813.1500	Life insurance
9813.1600	Other insurance
9813.2000	Services provided in respect of advances and loans

9813.3000	Services provided in respect of leasing
9813.3010	Financial leasing
9813.3020	Commodity or equipment leasing
9813.3030	Hire-purchase leasing
9813.3090	Other
9813.3900	Services provided in respect of musharika financing
9813.4000	Services provided by banking companies in relation to:
9813.4100	Guarantee
9813.4200	Brokerage
9813.4300	Letter of credit
9813.4400	Issuance of pay order and demand draft
9813.4500	Bill of exchange
9813.4600	Transfer of money including telegraphic transfer, mail transfer and electronic transfer
9813.4700	Bank guarantee
9813.4800	Bill discounting commission
9813.4900	Safe deposit lockers
9813.4910	Safe vaults
9813.5000	Issuance,, processing and operation of credit and debit cards
9813.6000	Commission and brokerage of foreign exchange dealings
9813.7000	Automated Teller Machine operations, maintenance and management
9813.8000	Service provided as banker to an issue
9813.8100	Other
9813.9000	Service provided by a foreign exchange dealer or exchange company or money changer
98.1400	Services provided by architects, town planners, contractors, property developers or promoters, interior decorators.
9814.1000	Architects or town planners
9814.2000	Contractors of building (including water supply, gas supply and sanitary works), roads and bridges, electrical and mechanical works (including air conditioning), horticultural works, multi-discipline works (including turnkey projects) and similar other works.
9814.3000	Property developers or promoters
9814.4000	Landscape designers
9814.9000	Other
98.1500	Services provided by professionals and consultants etc.
9815.1000	Medical practitioners and consultants
9815.2000	Legal practitioners and consultants
9815.3000	Accountants and auditors
9815.4000	Management consultants
9815.5000	Technical, scientific, engineering consultants
9815.6000	Software or IT based system development consultants
9815.9000	Other consultants
9816.0000	Services provided by pathological laboratories.
98.1700	Services provided by medical diagnostic laboratories including X- Rays, CT Scan, M.R. Imaging etc.
9817.1000	Scientific laboratories
9817.2000	Mechanical laboratories
9817.3000	Chemical laboratories

9817.4000	Electrical or electronic laboratories
9817.9000	Other such laboratories
98.1800	Services provided by specialized agencies.
9818.1000	Security agency
9818.2000	Credit rating agency
9818.3000	Market research agency
9818.9000	Other such agencies
98.1900	Services provided by specified persons or businesses
9819.1000	Stockbrokers
9819.1100	Under writers
9819.1200	Indenters
9819.1300	Commission agents
9819.1400	Packers
9819.2000	Money exchanger
9819.3000	Rent a car
9819.4000	Prize bond dealers
9819.5000	Surveyors
9819.6000	Designers
9819.7000	Outdoor photographer
9819.8000	Art painter
9819.9000	Cable TV operators
9819.9100	Auctioneers
9819.9200	Public relations services
9819.9300	Management consultants
9819.9400	Technical testing and analysis service
9819.9500	Service provided by a registrar to an issue
9819.9090	Others
98.2000	Services provided by specialized workshops or undertakings
9820.1000	Auto-workshop s
9820.2000	Workshops for industrial machinery construction and earth-moving machinery or other special purpose machinery etc.
9820.3000	Workshops for electric or electronic equipments or appliances etc including computer hardware
9820.4000	Car washing or similar service stations
9820.9000	Other workshops
98.2100	Services provided in specified fields.
9821.1000	Healthcare center, gyms or physical fitness center etc.
9821.2000	Indoor sports and games center
9821.3000	Baby care center
9821.4000	Body massage center
9821.5000	Pedicure center
98.2200	Services provided for specified purposes.
9822.1000	Fumigation services
9822.2000	Maintenance or cleaning services
9822.3000	Janitorial services
9822.4000	Dredging or desilting services
9822.9000	Other similar services

9823.0000	Franchise services
9824.0000	Construction services
9825.0000	Consultancy services
9826.0000	Management services including fund and asset management services
9827.0000	Market research agencies
9828.0000	Program producers
9829.0000	Brokerage (other than stock) and indenting services
9830.0000	Race Clubs
9831.0000	General insurance agents
9832.0000	Exhibition or convention services
9833.0000	Data processing and provision of information, services of engineers, handling and storage of goods
9834.0000	Fashion designers
9835.0000	Cable operators
9836.0000	Internet cafe
9837.0000	Pandal and shamiana service
9838.0000	Airport services
9839.0000	Intellectual property services
9840.0000	Forward contract services
9841.0000	Packaging services
9842.0000	Services provided in matters of hire
9843.0000	Purchase or sale of moveable or immovable goods or property
9844.0000	Property dealers and realtors
9845.0000	Automobile dealers
9846.0000	Dealers of second hand goods other than automobiles
9847.0000	Cosmetic and plastic surgery
9848.0000	Beauty parlor and beauty clinics
9849.0000	HR consultants
9850.0000	Corporate law consultants
9851.0000	Tax consultants
9852.0000	Human resources & personnel development services
9853.0000	Coaching centers
9854.0000	Vocational centers
9855.0000	Actuarial services
9856.0000	Training services
9857.0000	Tracking services
9858.0000	Security alarm services
9859.0000	Human resource development
9860.0000	Building maintenance and service provider
9861.0000	Quality control services (ISO certification authority)
9862.0000	Services provided by motels, guest houses and farm houses.
9863.0000	Debt collection agencies
9864.0000	Amusement parks
9865.0000	Call centres
9866.0000	Film and drama studios including mobile stage shows or cinemas
9867.0000	Entertainment services

9868.0000	Services provided in respect of manufacturing or processing on toll basis.
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1-Substituted for “work” by Punjab Finance Act, 2016.

SECOND SCHEDULE
(Taxable Services)
(see section 3)

S.No.	Description	1[Classification, if applicable]	Rate of Tax
(1)	(2)	(3)	(4)
2[1	Hotels, motels and guest houses.	9801.1000	(i). Five percent without input tax adjustment for non-corporate, non-franchise, non-chain businesses with less than 20 rooms; and (ii). Sixteen percent for others
	Marriage halls and lawns (by whatever name called) including pandal and shamiana services.	9801.3000	Five percent without input tax adjustment
	Clubs including race clubs and their membership services including services, facilities or advantages, for a subscription or any other amount, to their members.	9801.4000	Sixteen percent
	Catering services (including all ancillary/allied services such as floral or other decoration, furnishing of space whether or not involving rental of equipment and accessories).	9801.5000	Five percent without input tax adjustment]
2	3[Advertisement on television and radio or advertisement services showcasing of any product or service in video programmes, television programmes or motion pictures or music albums, excluding advertisements: (a) sponsored by an agency of the Federal or Provincial Government for health education; or (b) financed out of funds provided by a Government under an agreement of foreign grant-in-aid; or (c) conveying public service message, if telecast on television by the World Wide Fund for Nature (WWF) or United Nations Children's Fund (UNICEF).]	4[9802.1000, 9802.2000 and respective headings]	Sixteen per cent
3	Services provided by persons authorized to transact business on behalf of others- (a) customs agents; (b) ship chandlers; and (c) stevedores.	9805.4000 9805.8000 and 9805.2000	Sixteen per cent
4	Courier services 5[including 6[express cargo or logistic services or] cargo services by road passenger transportation businesses 7[including any cash collection incidental thereto]	9808.0000 8[and 9804.9000]	Sixteen per cent

	and transportation through pipeline and conduit services].		
5	Advertisement on a cable television.	9802.5000	Sixteen per cent
6	Telecommunication services- (a) telephone services; (b) fixed line voice telephone service; (c) wireless telephone; (d) cellular telephone; (e) wireless Local Loop telephone; (f) video telephone; (g) payphone cards; (h) pre-paid calling cards; (i) voice mail service; (j) messaging service; (k) short message service (SMS); (l) multimedia message service (MMS); (m) bandwidth services used for voice and video telecommunication services; (i) copper line based; (ii) fiber-optic based; (iii) co-axial cable based; (iv) microwave based; (v) satellite based; (n) telegraph; (o) telex; (p) telefax; (q) store and forward fax services; (r) audio-text services; (s) tele-text services; (t) trunk radio services; (u) paging services; (v) voice paging services; (w) radio paging services; (x) vehicle 11[and other] tracking services; and (y) burglar 12[and security] alarm services; 13[(z) (i) internet services, whether dialup or broadband, including email services, data communication network services (DCNS) and value added data services; (ii) such charges payable on the international leased lines or bandwidth services used by:	9[98.12 10[***], 985.0000 and 9858.0000]	Nineteen and a half per cent

	(a) software exporting firms registered with Pakistan Software Export Board; and (b) data and internet service providers licensed by the Pakistan Telecommunication Authority; and (iii) such charges payable on the international leased lines used by the software exporting firms registered with Pakistan Software Export Board for software exports.] 14[***] 15[***]		
7	16[Services provided in respect of insurance to a policy holder by an insurer, including a re-insurer for: (a) fire insurance; (b) goods insurance; (c) health insurance; (d) life insurance; (e) marine insurance; (f) theft insurance; and (g) any other insurance EXCLUDING: (a) marine insurance for export; and (b) crop insurance;]	98.13	17[(a) Zero percent without input tax adjustment for health insurance for individuals; and 18[(aa) Five percent for insurance agents and insurance brokers/ (b) Sixteen percent of gross premium paid, for others.]
8	19[Services provided by banking companies, cooperative financing societies, modarbas, musharikas, ijarahs, leasing companies, non-banking financial institutions and other persons, businesses or enterprises providing or dealing in any such services.]	98.13	Sixteen percent
9	Services provided by the stock brokers.	9819.1000	Sixteen percent
10	Services provided by shipping agents	9805.1000	Sixteen percent
20[11	Services provided by restaurants 21[including cafes, food (including ice-cream) parlors, coffee houses, coffee shops, deras, food huts, eateries, resorts and similar cooked, prepared or ready-to-eat food service outlets etc].	9801.2000 22[and 9801.9000]	23[(a) Five percent without input tax adjustment where payment against services is received through debit or credit cards 24[, mobile wallets or QR scanning]; and (b) Sixteen percent for others.]
12	25[12 26[All kinds of advertisement services including advertisements on hoarding boards, pole signs and sign boards and on closed circuit TV, websites or internet, advertisements	27[9802.3000, 9802.5000, 9802.9000 and respective headings.]	Sixteen percent]

	through brand activation in any mode, advertisement on moving vehicles, aerial advertising, advertisement through provision of space or time, or on bill-boards, public places, buildings, conveyances, cell phones, automated teller machines, or through offering product exclusivity in any manner.]		
13	Franchise service 28[including intellectual property rights services] 29[and licensing services].	30[9823.0000, 9839.0000 and respective headings]	30a[(a) Zero percent without input tax adjustment for services relating to educational institutions for information technology; (b) Five percent without input tax adjustment for services relating to educational institutions other than educational institutions for information technology; and (c) Sixteen percent for others.
31[14	32[Construction services and services provided by contractors of building (including water supply, gas supply and sanitary works), roads and bridges, electrical and mechanical works (including air conditioning), horticultural works, multi-discipline works (including turn-key projects) and similar other works but: EXCLUDING: (i) where the tax is otherwise paid by registered persons as property developers, builders or promoters for building construction; or (ii) where the construction work is funded under an agreement of foreign grant-in-aid or involves construction of consular buildings; or (iii) residential construction projects where the covered area does not exceed 10,000 square feet for a house and 20,000 square feet for an apartment except where construction services are provided to construct more than one house or more than one apartment building 34[; or]] 35[(iv) where the construction services are provided to any registered person who is otherwise liable to pay sales tax as a property developer, builder and promoter.]	9824.0000 and 9814.2000	33[five percent without input tax credit/adjustment in respect of Government civil works and sixteen percent with input tax credit/adjustment for others]]

	36[Explanation– Notwithstanding the rate of 5% fixed in column 4, the following further reduced rates shall be applicable: (a) one per cent for all services specified at S.No.14 without input tax credit or adjustment to the extent of Government civil works including those of cantonment boards involved in the ongoing development schemes and projects launched during Financial Year 2016-17 and funded under the Annual Development Plan of the Punjab Government or funded through foreign loans where the negotiations were finalized after 1st of July 2016 or funded under Public Sector Development Program of the Federal Government or funded by the Cantonment Boards; and (b) zero per cent for all services specified at S.No.14 without input tax credit/adjustment to the extent of Government civil works including those of cantonment boards involved in the ongoing development schemes and projects launched prior to Financial Year 2016-17 and funded under the Annual Development Plan of the Punjab Government or funded through foreign loans where the negotiations were finalized as on 1st of July 2016 or funded under Public Sector Development Program of the Federal Government or funded by Cantonment Boards.]		
37[15]	38[Services provided by property developers, builders and promoters (including their allied services); Excluding: Affordable housing services provided under Government sponsored housing programs.]	9807.0000 and respective subheadings of heading 98.14	39[Rs.100 per square yard for land development and Rs.50 per square feet for building construction.]
40[16]	Services provided by persons engaged in contractual execution of 41[works] or furnishing supplies. EXCLUDING: 42[***] (ii) the contracts involving printing or supplies of books.	9809.0000	Sixteen per cent]
43[17]	44[***]		]
45[18]	46[Services provided for personal care by beauty parlors, salons, clinics, sliming	9810.0000 9848.0000	49[Five percent without input tax adjustment]

	clinics, spas (including saunas, Turkish baths and Jacuzzi) and similar other establishments 47[]. EXCLUDING: Services provided in a parlour, salon or clinic where the facility of air-conditioning is not installed or is not available in the premises on any day of the financial year.]	9847.0000 9821.2100 and 9821.5000 48[and 9815.7000 and respective headings]	
50[19]	Management consultancy services including fund and asset 51[(including investment)] management services.	9815.4000 and 9826.0000	sixteen per cent]
52[20]	Services provided by port operators (including airports and dryports) and allied services provided at ports and services provided by terminal operators including services in respect of public bonded warehouses. EXCLUDING: The amounts received by way of fee under any law or by-law.	9838.0000 and respective headings	sixteen per cent]
53[21]	Freight forwarding agents	9805.3000	Rs. 54[1000] per bill of lading]
55[22]	56[Information technology-enabled or information technology based services including software development, software customization, software maintenance, system support, system assembly, system integration, system designing and architecture, system analysis, system development, system operation, system maintenance, system up-gradation and modification, data warehousing or management, data entry operations, data migration or transfer, system security or protection, web designing, web development, web hosting, network designing, services relating to enterprise resource or management planning (including marketing of products), development and sale of smart phone applications or games, graphics designing, medical transcription, remote monitoring, telemedicine, insurance claim processing, online retrieval and database access or retrieval service.] 59[Explanation: This entry includes and shall be deemed to have always included real estate aggregators 59a[and streaming/over-the-top (OTT) services.]]	9815.6000 57[and respective headings]	58[(a) Zero percent without input tax adjustment for services provided by software or information technology based system development persons; and (b)Five percent without input tax adjustment for others.]

23	Services provided by technical, scientific & engineering consultants 60[including technical inspection and certification services, quality control (standards' certification), technical analysis and testing, erection, commissioning and installation services].	9815.5000 9819.9400 61[9861.0000, 9815.5000]	Sixteen percent
24	62[Services provided by other consultants (by whatever name called or treated, whether as consultant or otherwise) including human resource and personnel development services, exhibition or convention services 63[including provision of space, equipment, accessories and other allied services], event management services (whole range and variety of their services regardless of separate or individual classification thereof), valuation services, evaluation services (including competency and eligibility testing services), certification, verification and equivalence services, market research services, marketing or sales services (including marketing agencies and on line marketing or sales services), surveyors services, training or coaching services (other than general education services) and credit rating services.]	9815.9000 64[9832.0000, 9827.0000, 9818.3000, 9818.2000, 9819.9300, 9852.0000 and 9859.0000] 65[, 9825.0000, 9819.5000, 9849.0000, 9818.9000, 9853.0000, 9856.0000 and respective headings]	65a[(a) Zero percent without input tax adjustment for training services related to information technology; and (b) Sixteen percent for others.]
25	Services provided by tour operators 66[and travel agents including all their allied services or facilities] (other than Hajj and Umrah 67[including Ziyarat])	9805.5100 68[9805.5000 and 9803.9000]	69[Five percent without input tax adjustment]
26	Manpower recruitment agents 70[including labour and manpower supplies].	9805.6000	69[(a) Five percent without input tax adjustment for services where the value of service is fixed by the Bureau of Emigration and Overseas Employment; and (b) Sixteen percent for others.]
27	Services provided by security agency.	9818.1000	Sixteen percent
28	Services provided in respect of mining of minerals, oil & gas including related surveys and allied activities.	-	Sixteen percent
29	Services provided by advertising agents	9805.7000	Sixteen percent
30	71[Services provided by a registrar to an issue, share transfer or depository services including services provided through manual or electronic book-entry system used to record and maintain securities and to register the	72[9819.9500, 9819.9090 and respective headings]	Sixteen percent

	transfer of shares, securities and derivatives (including investor account services, trustee or custodial services, share registrar services and their allied or connected services).]		
31	Services provided by business support services 73[including business auxiliary services].	74[9805.9200, 9805.9090 and respective headings]	Sixteen percent
32	Services provided by property dealers 75[and realtors].	9806.2000 76[and 9844.0000]	77[Five percent without input tax adjustment]
33	Services provided by fashion designers 78[including use of brand name, logo or house mark (whether or not registered) in the manufacturing or trading of products] 79[whether relating to textile, leather, jewellery or other product regimes including allied services such as cutting, stitching, printing, manufacturing, fabrication, assembly, embellishment, adornments, display (including marketing, packing and delivery etc.)].	9834.0000 80[and 9819.6000] 81[, 9839.0000 and respective headings]	82[Five percent without input tax adjustment]
34	Services provided by architects, town planners 81[landscapers, landscape designers] 83[interior decorators and interior designers].	9814.1000 9814.9000 81[, 9814.4000 and respective headings]	82[Five percent without input tax adjustment]
35	Services provided in respect of rent-a-car 84[(including renting of all categories of vehicles meant for transportation of persons)].	85[9819.3000 and respective headings]	86[(a) Five percent without input tax adjustment for services provided to end consumers; and (b) Sixteen percent for others.]
36	Services provided by car/automobile dealers.	9806.3000 87[and 9845.0000]	86[(a) Sixteen percent for services provided by companies or authorized dealers; and (b) Five percent without input tax adjustment, for others.]
86[37			]
90[38	Services provided by specialized workshops or undertakings (autoworkshops; workshops for industrial machinery, construction and earth-moving machinery or other special purpose machinery etc; workshops for electric or electronic equipments or appliances etc. including computer hardware; car washing or similar service stations and other workshops).	98.20	Sixteen percent

39	Services provided for specified purposes including fumigation services, maintenance and repair (including building and equipment maintenance and repair including after sale services) or cleaning services 91[including collection and processing of domestic waste and street cleaning services], janitorial services, dredging or desilting services and other similar services etc.	92[98.22, 9860.0000 and respective headings]	Sixteen percent
40	Services provided for specified purposes including fumigation services, maintenance and repair (including building and equipment maintenance and repair including after sale services) or cleaning services 1[including collection and processing of domestic waste and street cleaning services], janitorial services, dredging or desilting services and other similar services etc.	9829.0000, 9819.1200, 9819.1100, 9819.1300 and 9819.9100	93[(a) Five percent without input tax adjustment for services provided in respect of agricultural produce 94[and home chefs]; and (b) Sixteen percent for others.]
41	Call centres.	9865.0000	95[Sixteen] percent
42	Services provided by laboratories other than services relating to pathological or diagnostic tests 96[exclusively for medical treatment purposes].	9816.0000 and 98.17	Sixteen percent
43	Services provided in specified fields such as health care, gym, physical fitness, indoor sports, games 97[, amusement parks, arcades and other recreation facilities,] and body or sauna massage etc.	9821.1000 and 9821.2000 9821.4000	98[Five percent without input tax adjustment]
44	Services provided by laundries and dry cleaners.	9811.0000	99[Five percent without input tax adjustment]
45	Services provided by cable TV operators.	9819.9000	98[Five percent without input tax adjustment]
46	Services provided by TV or radio program producers or production houses.	9828.0000	Sixteen percent
47	100[		]]
101[47	Services in relation to transport of goods other than water, through pipeline, conduit 102[, transmission lines] or any other medium (other than inland carriage of goods by road otherwise taxable or chargeable to tax as such).	Respective headings	Sixteen percent
48	Services provided by persons for 103[***] carriage of goods by rail or road. 104[***]	98.04, 9804.2000, 9804.9000 and respective headings	105[Fifteen percent]

49	Visa processing services including advisory or consultancy services for foreign education or for migration, visa application filing, services provided by document collection centres and subsequent assistance in visa processing (including all ancillary services).	Respective headings	Sixteen percent
50	Services in relation to supply of tangible goods including machinery, equipment and appliances for use, without transferring right of possession and effective control of such machinery, equipment and appliances.	Respective headings	106[Five percent without input tax adjustment]
51	Public relation services including communication services and services provided by public relations or media management businesses, communication specialists, media researchers, and services provided by opinion poll agencies.	9819.9200 and respective headings	Sixteen percent
52	Services provided by accountants (including practicing chartered or cost accountants), auditors, actuaries, tax consultants (by whatever name called), practicing company secretaries, receivers, liquidators, auctioneers and corporate law consultants, whether individual or otherwise.	9815.2000 9815.3000 9850.0000 9851.0000 9855.0000 and respective headings	107[(a) Five percent without input tax adjustment for services relating to accountancy, audit, tax or corporate law consultancy; and (b) Sixteen percent for others.]
53	Domestic transportation of goods by air (other than courier services otherwise taxable or chargeable to tax as such)	Respective headings	Sixteen percent
108[54	Facilities for travel originating from Punjab by Air for domestic and international travel. EXCLUDING: Air travel services provided to Hajj or Umrah passengers, diplomats and supernumerary crew.	9803.1000 9803.1100	Sixteen percent
55	Chartered flight services within or originating from the Punjab.	9803.1000 9803.9000	Sixteen percent
56	109[Debt Collection, rent collection and similar other recovery or collection services including right to collect the toll or fee or regulatory fee or duty or any other similar collection.]	9863.0000	Sixteen percent
57	Supply chain management or distribution (including delivery) services.	Respective headings	Sixteen percent
58	Services provided by photography studios and event or occasion photographers/ filmmakers	9819.7000 and respective headings	110[Five percent without input tax adjustment]

	EXCLUDING: Non-corporate (individual) photographers operating from small road-side shops declared as such by the Authority.		
59	Sponsorship services.	9805.9100	Sixteen percent
111[60]	112[Services provided by skin and laser clinics, cosmetic and plastic surgeons and hair transplant services including consultation services. Excluding: Services provided to acid or burn victims.]	9847.0000 and respective headings	110[Five percent without input tax adjustment]
61	113[Services provided by warehouses or depots for storage or cold storages including letting of space for storages. Excluding: Storage of agriculture produce for the person's own consumption.]	9833.0000 and respective headings	110[Five percent without input tax adjustment]
62	Services provided by Packers including handling and packaging services.	9819.1400, 9833.0000, 9841.0000 and respective headings	Sixteen percent]
114[63]	Parking services	Respective headings	115[Five percent without input tax adjustment]]
116[64]	Dress designing and stitching services.	Respective headings	110[Five percent without input tax adjustment]]
117[65]	Rental of bulldozers, excavators, cranes, construction equipment, Scaffolding, framework and shuttering, generators, storage containers, Refrigerator, shelf or rack renting, etc	Respective headings	110[Five percent without input tax adjustment]]
118[66]	Services in respect of treatment of textile, leather but not limited to Dyeing services, Edging and cutting, cloth treating, water proofing, Embroidery, Engraving, Fabric bleaching, Knitting, Leather staining, Leather working, Pre-shrinking, Colour separation services, pattern printing and shoe making services.	Respective headings	4[Five percent without input tax adjustment]]
119[67]	Apartment house management, real estate management and services of rent collection.	Respective headings	110[Five percent without input tax adjustment]]
120[68]	(i) Medical consultation/ visit fee exceeding Rs.1,500 per consultation/ visit of doctors, medical practitioners and medical specialists. (ii) Bed/room charges of Hospitals exceeding Rs.6,000/- per day per bed/room	9815.1000 and other Respective headings.	121[Zero percent without input tax adjustment]]

122[69	Ride-Hailing Services 123[Explanation: This entry includes and shall be deemed to have always included cab aggregators.]	-	Four percent without input tax adjustment]
124[70	Entertainment services (including cinemas, theatres, concerts, circus, sports events, races, film, fashion shows and mobile stage shows)	-	Zero percent without input tax adjustment]

STATEMENT OF OBJECTS AND REASONS

In order to improve administration of sales tax on services and to enhance yield of this important source of revenue, Government has decided to collect this tax through its own revenue collection agency. It is, therefore, expedient to substitute Punjab Sales Tax on Services Ordinance, 2000 with a more comprehensive law covering imposition, collection, management and enforcement of the tax, without changing its scope and rate. Hence, the Bill.

Minister Incharge

- 1-Substituted for "Classification" by Punjab Finance Act, 2015.
- 2-Serial No. 1 substituted by Punjab Finance Act, 2020.
- 3-Entry in Column No. 2 of Serial No. 2 substituted by Punjab Finance Act, 2016.
- 4-Substituted for "9802.1000 and 9802.2000" by Punjab Finance Act, 2016.
- 5-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
- 6-Words inserted by Punjab Finance Act, 2015.
- 7-Words inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.
- 8-Word and figure inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
- 9-Substituted for "98.12" by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.
- 10-Words etc. "(all sub-headings under 98.12 of the First Schedule)" omitted by Notification No.SO(TAX)1-1/2014-15, dated November 25, 2015. Earlier these were inserted by No.SO(TAX)1-1/2014-15 (Vol-I), dated May 28, 2015
- 11-Words inserted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.
- 12-Words inserted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.
- 13-Clause (z) inserted by Punjab Finance Act, 2017
- 14-Expression omitted by Punjab Finance Act, 2022.
- 15-Item No. (c) omitted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.
- 16-Entry in column 2 substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.
- 17-Substituted for "Sixteen per cent of the gross premium paid" by Punjab Finance Act, 2020.
- 18-Category (aa) inserted by Punjab Finance Act, 2021 (Act XIX of 2021).
- 19-Substituted for "Services provided by Banking Companies or Non-Banking Financial Institutions including but not limited to all non-interest based services provided against a consideration in form or a fee or commission or charge." by Punjab Finance Act, 2014 (Act XVII of 2014).
- 20-Entry No. 11 substituted for "Entry No 11, 12 & 13" by Notification No. SO(TAX)I-9/2011, dated October 6, 2012.
- 21-Words and brackets inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
- 22-Word and figure inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
- 23-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.
- 24-Comma & words inserted by Punjab Finance Act, 2021 (Act XIX of 2021)
- 25-Entry in Column No. 2 of Serial No. 12 substituted by Punjab Finance Act, 2016.
- 26-Substituted for "Respective" by Punjab Finance Act, 2016.
- 27-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

28-Words inserted by Punjab Finance Act, 2015.

29-Substituted for "9823.0000 *[and 9839.0000]" by Punjab Finance Act, 2015.

* Word and figure inserted by Punjab Finance Act, 2014.

30-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.

30a-For the entry substituted by Notification No. SO(TAX-2/97 Pt.XIV), dated 12-09-2023. Before substitution read as:

(a) Five percent without input tax adjustment for services relating to educational institutions; and

(b) Sixteen percent for others.]

31-S. No. 14 and entries relating thereto inserted by Notification No. SO(TAX)1-1/2013-14, dated May 22, 2013.

32-Entry in Column No. 2 of Serial No. 14 substituted by Punjab Finance Act, 2016.

33-Substituted for "five percent without input tax credit/adjustment" by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018. Earlier "five percent without input tax credit/adjustment" was substituted for "Sixteen percent" by Punjab Finance Act, 2017. Earlier "Sixteen percent" was substituted for "(i) @ Rs.100 per square yard for land development and, (ii) @ Rs.50 per square feet for building construction." by Notification No. SO(TAX)1-1/2013-14, dated February 12, 2014.

34-Substituted for full stop by Punjab Finance Act, 2020

35-Clause (iv) inserted by Punjab Finance Act, 2020.

36-Explanation inserted by Punjab Finance Act, 2017

37-S.No. 15 substituted by Punjab Finance Act, 2019. Earlier it was inserted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.

38-Entry in Column No. 2 of Sr. No. 15 substituted by Punjab Finance Act, 2020.

39-Entry in Column No. 4 of Sr. No. 15 substituted by Punjab Finance Act, 2020.

40-S.No. 16 inserted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.

41-Substituted for "work" by Punjab Finance Act, 2016.

42-Clause (i) omitted by Punjab Finance Act, 2017.

43-S.No. 17 inserted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.

44-Entries in Columns Nos. 2 to 4 of Serial No. 17 deleted by Notification NO.SO(TAX)1-1/2013-14, dated May 13, 2014.

45-S.No. 18 inserted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.

46-Entries in Column No. 2 of Serial No. 18 substituted by Punjab Finance Act, 2015.

47-Words "including cosmetic and plastic surgery and hair transplants" omitted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

48-ords etc. inserted by Punjab Finance Act, 2015.

49-Entries in column No. 4 of Serial No. 18 substituted by Punjab Finance Act, 2021 (Act XIX of 2021). Earlier these were substituted for "Sixteen percent" by Punjab Finance Act, 2020.

50-S.No. 19 inserted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.

51-Bracket and words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

52-S.No. 20 inserted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.

53-S.No. 21 inserted by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.

54-Substituted for "400" by Punjab Finance Act, 2015.

55-S.Nos. 22 to 37 inserted by Notification No. SO (TAX) 1-2/97 (Pt.VIII), dated July 1, 2013 w.e.f. July 1, 2013.

56-Substituted for "Services provided by software or IT-based system development consultants." by Punjab Finance Act, 2015.

57-Words inserted by Punjab Finance Act, 2015.

58-58-For the entry substituted by Notification No. SO(TAX-2/97 Pt.XIV), dated 12-09-2023. Before substitution read as:

"Five percent without input tax adjustment"

59-Explanation inserted by Punjab Finance Act, 2022.

59a-Words inserted by Notification No. SO(TAX-2/97 Pt.XIV), dated 12-09-2023.

60-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

61-Figures and comma inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

62-Substituted for "Services provided by other consultants *[including but not limited to human resource and personnel development services, exhibition or convention services, event management services, valuation services (including competency and eligibility testing services), market research services and credit rating services]." by Punjab Finance Act, 2015.

* Words inserted by Punjab Finance Act, 2014.

63-Words inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

64-Figures, commas and word inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

65-Words etc. inserted by Punjab Finance Act, 2015.

65a-For the entry substituted by Notification No. SO(TAX-2/97 Pt.XIV), dated 12-09-2023. Before substitution read as:

"(a) Zero percent without input tax adjustment for training services related to information technology; and

(b) Sixteen percent for others."

66-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
67-Words inserted by No.SO(TAX)1-9/2014, dated September 30, 2014.
68-Figures and word inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
69-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.
70-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
71-Substituted for "Share transfer or depository agents including services provided through manual or electronic book-entry system used to record and maintain securities and to register the transfer of shares, securities and derivatives." by Finance Act, 2015. Earlier these were substituted for "Services provided by share transfer agents." by Punjab Finance Act, 2014.
72-Substituted for "respective headings" by Punjab Finance Act, 2015. Earlier "respective headings" was substituted for "9805.9000" by Punjab Finance Act, 2014.
73-Words inserted by Punjab Finance Act, 2016.
74-Substituted for "9805.9200" by Punjab Finance Act, 2016.
75-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
76-Word and figure inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
77-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.
78-Words and brackets inserted by Punjab Finance Act, 2015.
79-Words and brackets inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
80-Word and figure inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
81-Words etc. inserted by Punjab Finance Act, 2015.
82-Substituted for "Sixteen percent" by Punjab Finance Act, 2021 (Act XIX of 2021).
83-Substituted for "and interior decorators" by Punjab Finance Act, 2019.
84-Words and brackets inserted by Punjab Finance Act, 2015.
85-Substituted for "9819.3000" by Punjab Finance Act, 2015.
86-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.
86-Entry omitted by Notification No. SO(TAX-2/97 Pt.XIV), dated 12-09-2023. Before omission read as:

37	Services provided in respect of manufacturing or processing on toll or job basis (against processing on conversion charges) including industrial and commercial packaging services and similar outsourcing of industrial or commercial processes.	9868.0000 9841.0000 and 9819.1400	Five percent without input tax adjustment
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87-Word and figure inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
88-Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
89-Figures and word inserted by Punjab Finance Act, 2014 (Act XVII of 2014).
90-S.Nos. 38 to 47 inserted by Punjab Finance Act, 2014 (Act XVII of 2014)
91-Words inserted by Punjab Finance Act, 2016.
92-Substituted for "98.22 and 9860.0000" by Punjab Finance Act, 2016.
93-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.
94-Words inserted by Punjab Finance Act, 2021 (Act XIX of 2021).
95-Substituted for "Nineteen and a half" by Punjab Finance Act, 2021 (Act XIX of 2021).
96-Substituted for "for patients" by Punjab Finance Act, 2015.
97-Commas & word inserted by Punjab Finance Act, 2019.
98-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.
99-Substituted for "Sixteen percent" by Punjab Finance Act, 2021 (Act XIX of 2021).
100-Entries in Column Nos. (2) to (4) of Serial No. 47 omitted by Notification No.SO(TAX)1-2/97, dated September 23, 2014.
101-S. Nos. 47 to 59 inserted by Punjab Finance Act, 2015.
102-Comma and words inserted by Punjab Finance Act, 2016.
103-Expression "inter-city" omitted by Punjab Finance Act, 2021 (Act XIX of 2021).
104-Words etc. "EXCLUDING: Services provided by an individual owner of a vehicle for carriage of goods" omitted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.
105-Substituted for "Sixteen percent" by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.
106-Substituted for "Sixteen percent" by Punjab Finance Act, 2021 (Act XIX of 2021).
107-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.

108-Serial No. 54 substituted by Punjab Finance Act, 2019.

109-Substituted for "Debt collection and similar other recovery services." by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

110-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.

111-Serial No. 60, 61 and 62 inserted by Punjab Finance Act, 2016.

112-Substituted for "Services provided by cosmetic and plastic surgeons and hair transplant services but: EXCLUDING: Services provided to acid or burn victims." by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

113-Substituted for "Services provided by warehouses or depots for storage including cold storages." by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

114-Serial No. 63 inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

115-Substituted for "Sixteen percent" by Punjab Finance Act, 2020.

116-Serial No. 64 inserted by Punjab Finance Act, 2019.

117-Serial No. 65 inserted by Punjab Finance Act, 2019.

118-Serial No. 66 inserted by Punjab Finance Act, 2019

119-Serial No. 67 inserted by Punjab Finance Act, 2019.

120-Serial No. 68 inserted by Punjab Finance Act, 2019.

121-Substituted for "Five percent without input tax adjustment" by Punjab Finance Act, 2020.

122-Serial No. 69 inserted by Punjab Finance Act, 2020.

123-Explanation inserted by Punjab Finance Act, 2022.

124-Serial No. 70 inserted by Punjab Finance Act, 2021 (Act XIX of 2021)

THE PUNJAB SALES TAX ON SERVICES RULES 2012

THE PUNJAB SALES TAX ON SERVICES (RECOVERY) RULES 2012

No.PRA/Orders.06/2012, the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Recovery) Rules 2012.

(2) They shall come into force at once.

Chapter II

GENERAL

2. Appeal period to be foregone.- Where the tax has been determination through an adjudication order or order-in-appeal, recovery action shall not be initiated during the period prescribed for filing appeal against such order.

3. No recovery in stay period.- Recovery action shall not be taken where a competent authority or court has granted stay against the recovery of the tax unless the stay has expired constitutionally or otherwise.

4. Recovery of declared short or non-payments.- Where a registered person has filed tax return but has either short paid or not paid the amount of tax shown in the return, immediate direct recovery action shall be taken for the principal amount of tax without issuance of any show cause notice provided that the liabilities on account of default surcharge and penalty, if any, shall be determined through adjudication and recovered thereafter.

5. Referring officer.- The Assistant Commissioner in whose jurisdiction the case involving recovery of the tax falls shall act as referring officer provided that in the absence of such Assistant Commissioner, the officer next higher in rank shall perform the functions of the referring officer.

6. Nomination of recovery officer.- Every Commissioner shall nominate an officer not below the rank of the Assistant Commissioner as recovery officer for the recovery of the tax in his jurisdiction and where needed, the Commissioner may nominate more than one recovery officer specifying their respective sub-jurisdictions.

7. Issue of certificate.- (1) The referring officer shall issue to the recovery officer a certificate for recovery of the tax covering amongst other things, the following:

(i) name, business address and registration number of the defaulter;

(ii) CNIC number in case of sole proprietorship and partnership and CNIC numbers of all directors in case of corporate entity along with their known residential addresses;

(iii) details of the known bank accounts of the defaulter or defaulters;

(iv) details of the tax separately for principal amount of tax, default surcharge, penalty and fine, if any;

- (v) particulars of the adjudication order, appellate order or orders of the Appellate Tribunal or Court;
 - (vi) full details of the properties (both moveable and immovable) owned by the defaulter or defaulters;
 - (vii) clarification about the clear recoverability of the tax and non application of any stay; and
 - (viii) any other relevant information needed to facilitate the recovery officer.
- (2) Attested copies of all relevant documents and orders in support of the information incorporated in the certificate issued under sub-rule (1) shall be sent to the recovery officer.
- (3) The referring officer shall maintain proper account of all the certificates issued to the recovery officer under sub-rule (1).

Chapter III

MEASURES BY RECOVERY OFFICER

8. Maintenance of a register.- (1) Every recovery officer shall maintain a register in appropriate form (in hard form as well as in his computer) and enter all the details of the certificates together with particulars of the documents received from the referring officers.
- (2) Every measure taken and results achieved by the recovery officer shall be invariably recorded in the remarks column of the register maintained under sub-rule (1).
9. Statutory actions.- The recovery officer shall attempt to take recovery measures specified in clauses (a) to (f) in sub-section (1) of section 70 of the Act preferably in sequential order provided that a bonafide non-observance of the sequence mentioned therein shall not vitiate the action of the recovery officer.
10. Power to require information.- The recovery officer may, by requisition in writing, require any person, organization, institution or department whether registered or not to furnish any information, documents or records required for the proceedings under these rules.
11. Resolution of a dispute.- Any disputed question arising between by the referring officer and the recovery officer or between the defaulter and the recovery officer shall be resolved by the Commissioner in such manner as he may deem proper.

Chapter IV

ATTACHMENT OF PROPERTY

12. Issue of notice.- For the purpose of attachment of any property, the recovery officer shall cause notice to be served upon the defaulter requiring the defaulter to pay the amount specified in the notice within seven days from the date of its service and intimate that in default, his property particulars of which have been given in the notice, may be attached.
13. Attachment of property.- If the amount mentioned in the notice issued in terms of rule 12 is not paid within seven days from the date of service of the notice, the recovery officer may proceed to realise the amount by attachment and sale of defaulter's property and for this purpose, the recovery officer may detain the defaulter's property until the amount mentioned in the notice together with the cost of detention is paid by the defaulter.

14. Reasonableness of attachment.- (1) Attachment of the property of the defaulter shall not be excessive, that is to say, the property attached shall be as nearer as possible proportionate to the amount specified in the notice.

(2) The attachment of the property shall only be made after sunrise and before sunset.

15. Preparation of inventory.- After attachment of the property of the defaulter, the recovery officer shall prepare an inventory of the property attached and specify in it the place where it is lodged or kept and shall hand over a copy of the same to the defaulter or the person from whose charge the property is distrained.

16. Private alienation to be void.- (1) Where a notice has been served on a defaulter under rule 12, the defaulter or his representative in interest shall not be competent to mortgage, charge, lease or otherwise deal with any property belonging to him except with the written permission of the recovery officer.

(2) Where an attachment has been made under these rules, any private transfer or delivery of the property attached or of any debt, dividend or other moneys contrary to such attachment shall be void as against all claims enforceable under the attachment.

17. Share in property.- Where the property to be attached consists of the share or interest of the defaulter in property belonging to him and another as co-owners, the attachment shall be made by a notice to the defaulter prohibiting him from transferring the share or interest or charging it in any way.

18. Property in custody of court or public officer.- (1) Where the property to be attached is in the custody of any court or public officer, the attachment shall be made by a requisition in writing to such court or officer, requesting that such property, and any interest or dividend becoming payable thereon, may be held subject to further orders of the recovery officer by whom the requisition is issued.

(2) Where such property is in the custody of a court, any question of title or priority arising between the recovery officer and any other person, not being the defaulter, claiming to be interested in such property by virtue of any assignment, attachment or otherwise, shall be determined by such court.

19. Service of attachment notice.- A copy of the order of attachment shall be served on the defaulter in the same manner as prescribed for the service of order or decision under the Act.

20. Proclamation of attachment.- (1) The order of attachment shall be proclaimed at some place on or adjacent to the property attached by beat of drum or other customary mode and a copy of the order shall be affixed on a conspicuous part of the property and on the notice board of the office of the recovery officer.

(2) The proclamation of attachment may be published in any two of the newspapers circulated in the district where attached property is distrained and cost of such publication shall be deemed to be the cost of the sale.

21. Property Exemption from attachment.- (1) All such property as is exempted by the Code of Civil Procedure, 1908 (V of 1908) from attachment and sale for execution of a decree of a civil court shall be exempt from attachment and sale under these rules.

(2) The decision of the recovery officer as to what property is so entitled to exemption shall be final.

Chapter V

SALE OF MOVEABLE PROPERTY

22. Sale of moveable property.- (1) If the amount mentioned in the notice together with the cost of detention of the property is not paid within a period of thirty days from the date of attachment of the property, the Commissioner may authorize the recovery officer to proceed to realise the amount by sale of the defaulter's property in public auction.

(2) The Commissioner shall be competent to fix the reserve price in respect of any property of the defaulter to be sold in public auction and order that any bid shall be accepted only on the condition that it is not less than such reserve price.

23. Negotiable instruments and shares in a corporation.-

Notwithstanding anything contained in these rules, where the property to be sold is a negotiable instrument or a share in a corporation, the recovery officer may, instead of directing the sale to be made by public auction, authorise the sale of such instrument or share through a broker.

Chapter VI

SALE OF IMMOVABLE PROPERTY

24. Proclamation of sale.- Where any immovable property is ordered to be sold, the recovery officer shall cause a proclamation of the intended sale to be made in the national and local language.

25. Contents of proclamation.- A proclamation of sale of immovable property shall be drawn up after notice to the defaulter, and shall state the time and place of sale, and shall specify, as fairly and accurately as possible:

(a) the property to be sold;

(b) the amount for the recovery of which sale is ordered;

(c) the reserve price, if any, below which the property may not be sold; and

(d) any other thing which the recovery officer considers it material for a purchaser to know in order to judge the nature and value of the property.

26. Mode of making proclamation.- (1) Every proclamation for the sale of immovable property shall be made at some place on or near such property by beat of drum or other customary mode, and a copy of the proclamation shall be affixed on a conspicuous part of the property and also upon a conspicuous part of the office of the recovery officer.

(2) Where the recovery officer so directs, such proclamation shall also be published in any two of the newspapers circulated in the district where such property is located and the cost of such publication shall be deemed to be cost of the sale.

(3) Where the property is divided into lots for the purpose of being sold separately, it shall not be necessary to make a separate proclamation for each lot, unless proper notice of the sale cannot, in the opinion of the recovery officer, otherwise be given.

27. Setting aside of sale where defaulter has not saleable interest.- At any time within thirty days of the sale, the purchaser may apply to the recovery officer to set aside the sale on the ground that the defaulter has no saleable interest in the property sold.

28. Confirmation of sale.- (1) Where no application is made for setting aside the sale under rule 27 or where such an application is made and disallowed by the recovery officer, the recovery officer shall (if the full amount of the purchase money has been paid) make an order confirming the sale, and, thereupon, the sale shall become absolute.

(2) Where such application is made and allowed and where, in the case of any application made to set aside the sale on deposit of the amount and penalty and charges, the deposit is made within thirty days from the date of the sale, the recovery officer shall make an order setting aside the sale:

Provided that no order shall be made unless notice of the application has been given to the person affected thereby.

29. Sale certificate.- (1) Where sale of any immovable property has become absolute under these rules, the recovery officer shall grant a certificate specifying the property sold and the name of the person who at the time of sale is declared to be the purchaser.

(2) Such certificate shall state the date on which the sale became absolute.

30. Purchaser's title.- (1) Where any property is sold in terms of these rules, there shall vest in the purchaser's, the right, title and interest of the defaulter at the time of the sale.

(2) Where immovable property is sold in terms of these rules and such sale has become absolute, the purchaser's right, title and interest shall be deemed to have vested in him from the time when the property is sold, and not from the time when the sale becomes absolute.

(3) The purchaser shall have a right to take possession of the immovable property sold to him under these rules and where any difficulty arises in taking such possession, the recovery officer shall extend all necessary assistance to the purchaser to ensure that the purchaser obtains the possession.

31. Irregularity not to vitiate sale, but any person injured may sue.- No irregularity in the conduction of sale of any property shall vitiate the sale but any person sustaining substantial injury by reason of such irregularity at the hand of any other person may institute a suit in a competent court against him for compensation, or if (such other person is the purchaser), for the recovery of specific property and for compensation in default of such recovery.

32. Prohibition against bidding or purchase by officer.- No officer or other person having any duty to perform in connection with any sale under these rules, either directly or indirectly, shall bid for, acquire or attempt to acquire any interest in the property sold.

33. Prohibition against sale on holidays.- No sale under these rules shall take place on a Sunday or other general holidays recognized by the Government or on any day which has been notified by the Government as a local holiday for the area in which the sale is to take place.

Chapter VII

MISCELLANEOUS

34. Disposal of the sale proceeds.- The sale proceeds of the property of the defaulter shall be utilised in the following manner:

(a) the sale proceeds shall first be utilised for meeting the cost of sale;

(b) the balance shall be utilised for satisfaction of the tax mentioned in the notice issued under rule 12 together with the cost of detention of the property;

(c) the balance, if any, shall be utilised for recovery of any other Government dues payable by the defaulter under any other law; and

(d) the balance, if any, shall be paid to the defaulter.

35. Allied action of the recovery officer.- All bona fide and good- faith allied actions and measures taken by the recovery officer towards the recovery of the tax under these rules shall be deemed to be covered under these rules.

36. Procedure on death of defaulter.- If at any time after the certificate has been issued by the Assistant Commissioner under rule 11, the defaulter dies, the proceedings under these rules may be continued against the legal representatives of the defaulter, and the provisions of these rules shall apply as if the legal representatives were the defaulter.

CHAIRPERSON PUNJAB REVENUE AUTHORITY

Provincial & ICT Tax Laws of Pakistan

THE PUNJAB SALES TAX ON SERVICES (REGISTRATION AND DE-REGISTRATION) RULES 2012

No.PRA/Orders.06/2012 (1), the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Registration and De-registration) Rules 2012.

(2) They shall come into force at once.

Chapter II

REGISTRATION

2. Requirement of registration.- (1) Every person engaged in providing taxable service or services or pay tax under the Act is required to be registered in the manner specified in these rules.

(2) Where a person provides one or more taxable services from one or more premises and has a centralized billing or invoicing system or centralized accounting system in the Punjab, such person shall be entitled to apply for and take one registration.

(3) Where a person is providing more than one taxable services, he may make a single application mentioning therein all the taxable services provided by him and certificate of registration in such case shall indicate details of all taxable services provided by him.

(4) Where a person carrying out business of providing taxable services simultaneously in more than one province including the Punjab, such person is required to take a separate registration for the Punjab and pay tax accordingly in respect of the services rendered by him in the Punjab.

(5) Every registered person shall invariably and conspicuously mention his registration number on his invoices, bills, vouchers or other similar documents and on his correspondence with the Authority or any of the officers of the Authority.

3. Application for registration.- (1) A person required to be registered under the Act shall apply electronically or manually to the Authority in the prescribed Form PST-01 as appended to these rules and the applicant shall immediately be issued provisional certificate of registration.

(2) The Authority may cause further verification or inquiry to ascertain the accuracy of information or particulars declared in the application for registration for genuineness of the documents, if any, attached therewith and on completion of such verification or inquiry, it may register the applicant and issue a certificate of registration in PST-03 as annexed with these rules with specific number of the applicant in the prescribed form preferably within thirty days of application.

(3) In case of rejection, the Authority shall inform the applicant specifying the reasons for such rejection within thirty days from the date on which complete application is received in the office of the Authority.

4. Sanctity of registration.- No person except the person to whom registration has been issued can use the registration or its number for any lawful purpose and no person holding registration in his name can dispose of his registration in any manner.

Chapter III

DE-REGISTRATION

5. De-registration.- Every registered person who ceases to provide taxable service shall apply to the Authority through an application for the cancellation of the registration on a prescribed Form PST-02 as annexed to these rules and the Authority after making such audit or enquiries as may be necessary shall de-register such person from such date as may be specified by the Authority or the date on which the tax, if outstanding, against such person are deposited by him, whichever is later.

6. Suspension and cancellation of the registration.- Where a registered person commits any tax fraud, deliberate and intentional non-payment or short payment of tax or evasion of tax, his registration may, without prejudice to any other action under the law, be suspended by the Authority, the reasons or basis whereof shall be communicated to him and after necessary inquiry and after giving an opportunity of being heard, his registration may be cancelled.

7. Revival of cancelled registration.- (1) Where it is proved that a registration has been cancelled on account of any incorrect comprehension of facts or wrong understanding of the circumstances leading to cancellation, the Authority may revive the cancelled registration subject to such conditions and with effect from such date as it may deem appropriate to specify.

(2) The person whose cancelled registration is revived, shall be entitled to such benefits and privileges under the Act and rules made thereunder as may be specified by the Authority.

8. Treatment of invoices.- During the period of suspension of a registration, the invoices issued by a person whose registration has been cancelled shall not be eligible for the purpose of tax credit, adjustment or refund or any other similar benefit under the Act.

9. Undischarged tax liability.- Suspension or cancellation of a registration shall not absolve the person of any tax liability which he has not discharged during the period of his registration.

Chapter IV

MISCELLANEOUS

10. Automatic grant of registration.- The existing taxpayers already registered with the Federal Board of Revenue shall not be required to file any new application for registration, they shall be automatically registered for the purpose of the Act and shall receive an intimation from the Authority either through email or SMS or by courier or post, assigning them "P" as prefix to NTN(P+NTN).

11. Change in particulars of registration.- In case there is a change in the name, address or other particulars as stated in the registration certificate, including the cases covered under rule 10, the registered person shall intimate the proposed change in the prescribed form (PST-01) to the Authority, which may either approve or reject the request for change preferably within thirty days of the receipt of such intimation.

12. Transfer of registration.- (1) The Authority may either subject to conditions or otherwise order the transfer of the registration of any person from the jurisdiction of one office or officer to the other office or officer of the Authority.

(2) In case a registered person intends to shift his business activity from the jurisdiction of one office or officer to another or he has any other valid reason for such transfer, he shall apply to the Authority for transfer of his registration along with necessary documents, if any, and the Authority shall after necessary verifications, decide such application under intimation to the registered person and concerned officer.

(3) The Authority may on its own motion transfer any registration from one office or officer of the Authority to another under intimation to the concerned registered person.

13. Treatment of a wrong compulsory registration.- Where a person has been compulsorily registered and it is subsequently proved that such person is not liable to registration for the purposes of the Act, the Authority may cancel such registration ab initio and a person whose such registration is cancelled shall not be subjected to any tax liability for the period of his such compulsory registration.

14. Sale of registered business or economic activity.- (1) No business or economic activity involving providing of taxable service or services for which registration has been obtained from the Authority shall be sold or disposed off without prior permission from the Commissioner.

(2) The buyer of a registered business or economic activity shall obtain a new registration certificate or if allowed by the Authority seek changes in the existing registration certificate.

(3) While granting permission under sub rule (1), the Commissioner may specify or impose such conditions or restrictions as he may deem appropriate with a view to safeguard the revenue interests of the Government.

(4) Every permission granted by the Commissioner under this rule shall be conveyed to the Authority within fifteen days thereof and shall be entered into the computerized system in such manner as may be specified by the Authority.

Explanation: For the purpose of this rule, sale includes merger.

15. No fee for registration or deregistration.- Registration and deregistration under these rules shall be free of any fee or service charge.

Chairperson Punjab Revenue Authority

Provincial & ICT Tax Laws of Pakistan

THE PUNJAB SALES TAX ON SERVICES (FILING OF RETURNS) RULES 2012

No. PRA/Orders.06/2012 (2), the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Filing of Returns) Rules 2012.

(2) They shall come into force at once.

Chapter II

FILING OF RETURNS

2. Filing of return.- (1) Every registered person shall file the return as specified in Form PST-04, along with all its annexures in accordance with the instructions given in respect thereof.

3. Manual filing of return.- (1) The Authority may, in case of any registered person or class of registered persons or in case of any taxable service or services or class of taxable service or services, subject to conditions or otherwise allow manual filing of return.

(2) Where the Authority has allowed manual filing of return, it may be delivered either the PRAL's counter in the bank or through courier addressed to the Chairperson of the Authority with a clear indication on the right corner of the envelop "Punjab Sales Tax on Services" Return for the Month of , 2012 (year may be changed as and when needed).

4. Electronic filing of return.- (1) Unless manual filing of return has been allowed under rule 3, every registered person required to file return, shall file such return along with its annexures electronically in the manner given in these rules.

(2) A registered person shall obtain a unique User-ID and password by e-enrolling with the Authority's web portal and electronically file a return (available on the website) from the web portal.

(3) The return data shall be filled in a web form and shall be submitted online to the Authority by using e-PRA web portal at <https://pra.punjab.gov.pk>, where the Authority has provided instructions on how to fill the e-return.

(3) The electronic return can be filed by a registered person himself or through an e-intermediary licensed by the Authority.

5. Procedure for e-filing.- While filing the return, the registered user shall log on to e-portal of the Authority at <https://e.pra.punjab.gov.pk> using the assigned user ID and password and follow the stepwise procedure as follows:

(a) select sales tax on services return from declaration menu, select the tax period, month, quarter from the drop down list and click the monthly or quarterly return link to open the return form;

(b) return form shall be displayed which shall be filled in accordance with the instructions provided; the taxpayer shall fill out the relevant annexures of the return form by providing the details of invoices, value and the tax charged (the uploading facility for data files is available for all annexures) ;

(c) based on the details entered in the relevant annexures of the return, the total values of the main return form shall be auto calculated; the payable tax column shall be showing the tax payable by the registered person; and the registered person shall verify all the details displayed in the prepared return form; and

(d) the e-payment challan form PST-05 shall be generated automatically from the system after verification of the return prepared by the registered person.

6. Completion of e-filing.- E-filing can be completed in the following manner:

(a) the user shall fill in all the relevant fields of the return (the return may be saved at any time during preparation process to avoid data loss);

(b) the return may be verified by the person to press the “Verify” button given at the bottom of form;

(c) if the registered person needs any alteration in the verified return, user shall press the “Un-Verify” button given at the bottom of the form having access to Personal Identification Number (PIN) code to make the required changes, and the user shall again press the “Verify” button given at the bottom of the form for fresh verification;

(d) after verifying the return, the registered person shall generate Payment Slip Identifier (PSID) by clicking “e-Payment” button;

(e) the registered person shall present PSID along with payable amount in the designated branch of the National Bank of Pakistan which shall accept the payment and provide Computerized Payment Receipt (CPR) as an acknowledgement; and

(f) the CPR data shall be automatically updated within stipulated period in the registered person’s e-filing portal and the registered person shall have to press the “Confirm” button for automatic confirmed addition of the CPR in the system.

7. E-submission of return.- After confirmation of CPR under rule 6, the “Submit” button on return shall be enabled and the registered person shall click the submit button, the system shall require PIN code which shall be entered by the registered person, where after a message shall appear at the top of the screen that “your return has been submitted”.

8. Amendment in CPR.- (1) Where due to any bonafide mistake, any change is required to be made in CPR, the registered person shall apply for correction in CPR to the relevant Commissioner along with following documents:

(a) written request on letter head;

(b) copy of CNIC;

(c) copy of TPR (Tax Payment Receipt), if any, and CPR;

(d) in case of bank's mistake, letter from the bank and affidavit from the person on whose name the payment has been deposited; and

(e) for correction of national tax number on CPR, affidavit from the person on whose name the payment has been deposited.

(2) The Commissioner shall convey his approval to the authorized functionary of PRAL, who shall:

(a) update changes as per approval;

(b) maintain record of changes;

(c) intimate the applicant and relevant Commissioner; and

(d) send summary report to the Authority on monthly basis.

9. Acknowledgment of e-filing.- (1) Acknowledgement shall be printed by clicking the "Print Acknowledgement" button.

(2) The submitted return shall also be printed and saved on user's computer in PDF format.

(3) The registered person shall quote the computer generated number of the e-filing acknowledgement in all his future correspondence with Authority.

10. Security of User ID and password.- (1) The responsibility for filing the returns and all the information contained therein is that of the registered person.

(2) The registered person shall keep his user ID and Password allotted by the Authority strictly confidential.

(3) The electronic tax return and its relevant annexures shall be kept in electronic record of the registered person and shall be produced to the competent authority or officer of the Authority on demand along with supporting documents.

11. Payment of tax.- (1) A registered person filing return electronically or otherwise shall make payment of the amount of tax due, if any, in any of the designated branches of the National Bank of Pakistan or any other designated Bank on the prescribed payment challan as specified in Form PST-05 or through electronic payment system devised for the purpose.

(2) In cases where due date has been prescribed as 15th of a month, the tax due shall be deposited by the 15th and the return may be submitted by 18th of the same month.

(3) The registered person having the status of 'individual' or 'proprietor' shall mention his computerized national identity card number in the relevant column of the return.

12. Evidence of input tax invoices or bills.- Where the Authority has allowed input tax adjustment in respect of any taxable goods used, utilized or consumed for providing taxable service or services, the registered person shall require to keep record of all relevant invoices or bills as evidence to be produced to the competent officer of the Authority on demand for the purpose of reconciliation or audit to verify the adequacy of the adjustment availed by the registered person.

Chapter III

REVISION OF RETURNS

13. Revised return.- Where a registered person needs to revise his return, resulting in payment of tax over the tax already paid on the original return, he may, without any permission from the Authority or any officer of the Authority, file his revised return and pay the differential amount of tax along with the default surcharge as applicable.

14. Permission for revision of return.- The Commissioner shall be competent to allow revision of return not covered under rule 13 and all such permissions for revision of return shall be reported to the Authority on monthly basis in the format showing the name, registration number of the registered person, relevant tax period, revenue (including adjustment) effect of revision and principal reason or reasons of revision.

15. Substitution of return.- (1) Where in case of any return or class of returns, the Authority or the Commissioner is of the view that a return has not been filed properly, accurately or completely, the concerned registered person or persons may be called upon and such person or persons shall file a new return in lieu of the return filed previously in such manner and subject to such conditions as it or he may specify in this behalf.

(2) Where a new return has been filed under sub-rule (1), the original return shall be deemed to have never been filed except to the extent to which any tax has been paid thereon.

(3) Where a new return has been filed under sub-rule (1), no action shall be taken against a registered person on the basis of the previous return for any of the purposes of the Act or rules made thereunder.

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THE PUNJAB SALES TAX ON SERVICES (ADJUSTMENT OF TAX) RULES 2012

No.PRA/Orders.06/2012 (3), the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Adjustment of Tax) Rules 2012.

(2) They shall come into force at once.

Chapter II

ADJUSTMENT OF TAX

2. Determination of input tax.- (1) A registered person who holds a tax invoice for the purchase of goods or services used or consumed in providing of taxable services in his name, bearing his tax registration or national tax number, shall be entitled to deduct or adjust input tax paid or payable during the relevant tax period.

(2) The input tax in relation to the taxable services shall be worked out first and the amount so worked out, shall be bifurcated for the services provided in the Punjab and also taxed in the Punjab and for those provided outside the Punjab and also not taxed in the Punjab.

(3) Where the registered person did not deduct or adjust the input tax in the relevant period, he may claim such input tax deduction or adjustment in the tax returns for any of the four succeeding tax periods under intimation to the Commissioner having jurisdiction.

3. No credit for non-taxable or exempt services.- (1) The input tax paid on goods and services used in providing non-taxable or exempt services shall not be admissible.

(2) In case an input is used in providing taxable services and also non-taxable or exempt services, the input tax shall be apportioned according to the following formula for availing of input tax adjustment or deduction:

Adjustable Input Tax = Value of Taxable Supplies X Total Input Tax

Value of Taxable and exempt

(3) The adjustments of input tax claimed under his rule by a registered

person shall be subject to reconciliation and audit by the officers of the Authority as and when needed under intimation to the registered person.

Explanation: For the purpose of this rule, non-taxable services include services provided out of and not taxable in the Punjab.

4. Input tax adjustment not allowed.- A registered person shall not be entitled to claim input tax adjustment in respect of:

- (i) capital goods (plant, machinery, equipment and others) not exclusively useable or used in providing of taxable services;
- (ii) goods and services already in use on which the tax is not paid, or, where paid, the input adjustment has been taken before the commencement of the Act or where the input related goods and services were purchased or acquired before such commencement;
- (iii) utility bills not in the name of registered person with reference to his registered premises unless evidence of consumption is produced in the matter of such claims;
- (iv) the tax claimed as input tax on services where such tax amount has not been deposited by the supplier or the service provider or where the evidence of such payment is not produced;
- (v) carry forward of the input tax adjustment relating to the period prior to the commencement of the Act;
- (vi) goods and services received against false, fake, forged, flying untrue, unreal or unrelated invoices or against purchases from the persons black listed or suspended by the Authority or by the Federal Board of Revenue or by any other Provincial authority;
- (vii) goods and services used or consumed in a service liable to a rate of tax lesser than the 16% of the charges or to a specific rate of tax not based on value;
- (viii) vehicles including three and two wheelers;
- (ix) food, beverages, garments, fabrics or others and consumption on entertainment, amusements, recreation or enjoyments;
- (x) gifts and give-aways; and
- (xi) such goods or services as are notified or specified by the Authority to be inadmissible for input tax adjustment.

5. No tax credit for certain goods.- Notwithstanding other provisions of these rules, no input tax adjustment shall be admissible in respect of permanent or fixed assets of general nature or character, furniture and fixtures, construction materials and multiple-use goods or items.

6. Complete adjustment bar in certain situations.- No input tax adjustment on any account whatsoever shall be admissible in respect of tax required to be charged, deducted and paid on the basis of principles of origin and reverse charge under section 4 of the Act and the person liable to pay tax on that account shall deposit the whole amount of due tax to the Authority without any deduction, adjustment or credit.

7. Extent of adjustment.- (1) Adjustment shall be confined only to such extent to which it has been consumed in the providing of taxable service or services during a tax period.

(2) The input tax not consumed during a tax period may be carried forward to the next tax period for consumption and adjustment during the next tax period or periods not exceeding four months where after adjustment shall be admissible only on confirmation through audit by the competent officer of the Authority.

Chapter III

CREDIT AND DEBIT NOTES

8. Credit and debit notes.- Where a registered person has issued a tax invoice in respect of services provided by him and as a result of any genuine business reason, the amount shown in the tax invoice or return needs to be modified on lower side, the registered person and the recipient of the service, if the later is registered, shall issue debit and credit note showing all relevant details of the transaction and reasons and adjust the amount accordingly provided that the corresponding debit or credit note is issued within ninety days of the tax period in which such modification is required.

9. Unregistered recipient.- Where a tax invoice or return needs to be modified as a result of any genuine reason and recipient of the service to whom invoice relates is not registered or not required to be registered, the registered person providing service shall issue only credit note and modify the invoice or return and take adjustment accordingly.

10. Supplementary tax invoice.- Where for any reason, the value of service and amount of tax mentioned on the tax invoice are required to be modified on higher side, the registered person providing service may, issue a supplementary tax invoice mentioning particulars of the principal invoice and account for the same in the return of the tax period during which supplementary invoice is issued.

11. Cancellation of tax invoice.- Where any tax invoice has been issued prior to the actual rendering of service but service has not been provided or otherwise cancelled for any genuine reason, registered person providing service may cancel the tax invoice under intimation to the Commissioner having jurisdiction and if needed, make adjustment in the return of relevant period.

Chapter IV

EXPORT OF TAXABLE SERVICES

12. Export of service.- Providing of taxable service by a registered person shall be treated as export of service when the following conditions are satisfied:

(i) such service is delivered and used outside Pakistan;

(ii) payment for such service is received by the registered person in convertible foreign exchange through declared banking channels; and

(iii) use, supply or consumption of any goods taxable under the Sales Tax Act, 1990 (VII of 1990) in the rendering of such service is treated as zero rated supply and entitled to the tax refund under that Act.

13. Export without tax.- A taxable service exported in terms of rule 12 shall not be liable to payment of tax in the Punjab.

14. Refund of tax.- Where any taxable service exported involves the already paid amount of tax on any service, the amount of tax already so paid shall be refunded by the Commissioner on receipt of application for refund duly supported with documentary proof about the export of service, receipt of foreign exchange through banking channels and payment of tax involved in respect of such exported service.

15. Records of refunds.- The Commissioner shall be responsible to ensure that records of refunds paid are kept in safe and secure conditions.

16. Pre-audit of refunds.- All refund claims in respect of taxable services shall be liable to pre-audit before sanction and payment.

17. Inadmissible refunds.- Inadmissible refunds shall be rejected through the process of adjudication.

18. Reporting of refunds.- All refunds paid on export of taxable services shall be reported to the Authority by the Commissioners in such manner and form as may be specified in this behalf.

1[19. Explanation.- For purposes of these rules, the word "tax" used with reference to input goods shall not include further tax, extra tax, or value added tax levied by or under the Sales Tax Act, 1990 (VII of 1990).]

THE PUNJAB SALES TAX ON SERVICES (SPECIFIC PROVISIONS) RULES 2012

No. PRA/Order.06/2012 (4), the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement. - (1) These rules may be cited as the Punjab Sales Tax on Services (Specific Provisions) Rules 2012.

(2) They shall come into force at once.

Chapter II

FINANCIAL SERVICES

2. Scope of tax.- The tax shall be payable by every banking company and non-banking financial institution on all its non-interest based services provided to any person against a consideration in the form of fee, commission or charge.

3. Registration.- The Provincial head offices of the banking companies and non-banking financial institutions located in the Punjab shall obtain the tax registration from the Authority.

4. Taxable value.- The tax shall be paid on the gross amount charged for a service provided to the customers excluding mark-up or interest, if any.

5. Non-invoicing.- The banking companies and non-banking financial institutions shall not be required to issue tax invoices for their services, provided that if a recipient of any taxable service is registered person, a tax invoice may be issued to him on demand.

6. Records.- Each outlet of the company or institution located in Punjab shall maintain records of the services provided and tax collected thereon in such manner so as to enable the Authority for distinct and correct ascertainment of payment of tax on each category of service provided.

7. Annual audit report.- The Provincial head office of the company or institution as the case may be, shall furnish copy of annual audit report to the Authority within fifteen days of its publication and any short collection of tax observed as a result of such audit report shall be paid within thirty days of the publication of the audit report and proof of such payment shall be submitted to the Authority.

Chapter III

INSURANCE

8. Scope of tax.- (1) All insurance companies shall pay the tax on services provided by them in respect of all kinds of insurance except those exempt from such tax.

(2) The tax shall be calculable on the gross amount of premium charged on risk covered in the insurance policy.

9. Tax accounting month.- The tax in respect of an insurance policy shall be accounted for in the month when premium is received and deposited by the insurance company at the time of filing of return by the 15th day of the following month.

10. Cancellation of contract.- An insurance company shall not be liable to pay tax in respect of a contract or any part thereof if cancelled provided that the tax already paid in respect of services provided in consequence of such contract shall not be refunded under any circumstances.

11. Records.- The insurance companies shall maintain such records so as to enable the Authority or its authorized officers to verify the accuracy of tax collections, declarations and payments.

12. Annual audit report.- A copy of annual audit report shall be submitted to the Authority within fifteen days of its publication and any short payment of the tax observed as a result of such audit shall be paid by the insurance company within thirty days of the publication of the audit report and proof of such payment shall be furnished to the Authority.

Chapter IV

SHIPPING AGENTS

13. Scope of tax.- Every shipping agent shall pay the tax on monthly basis in respect of his services for shipping of cargo originating or destined to the Punjab.

14. Taxable value.- The agent shall pay tax on the gross commissions charged for the services provided by him as apportioned on the basis of loadable or unloadable cargo originating from or destined to the territory of the Punjab and reimbursable actual expenses, if any, incurred by such agent for and on behalf of his clients shall not be included in the base of taxable value.

15. Port clearance.- The customs authorities may withhold final port clearance to a ship unless the agent furnishes proof of filing of return and proof of payment of tax or give a proper affidavit to the effect that he shall deposit the due tax at the time of filing the tax return and furnish proof thereof, if required.

16. Monthly statements.- The agent shall furnish to the Authority a monthly statement in appropriate form in respect of ships handled and the ship-wise commissions apportioned for the Punjab for the purposes of the tax by the 20th day of the following month.

Chapter V

ADVERTISEMENTS

17. Scope of tax.- Every person providing services of advertisement on television, radio or cable TV as an advertising agent (including advertising company or firm) shall obtain registration and pay sales tax.

18. Advertisements on television and radio.- (1) In relation to advertisements on television and radio, the expression “taxable services” include the services in respect of advertisements:

(a) broadcast or telecast by television or radio stations located in the Punjab;

(b) booked in the Punjab for broadcasting or telecasting on television or radio stations based elsewhere, whether or not possessing landing rights in the Punjab; and

(c) transmitted on cable TV networks.

19. Taxable value.- Value of taxable service for the purposes of the tax shall be the total consideration in money received or the gross amount charged by a registered person from his clients for broadcasting or telecasting of any advertisement on radio, television or cable TV, including all Federal and Provincial levies but excluding the amount of sales tax.

20. Liability of cable operators.- Where any cable operator receives advertisement bookings directly from the clients, he shall pay the tax on the basis of gross amount charged by him including all Federal and Provincial taxes other than the sales tax and such cable operator shall also be liable to registration.

21. Invoicing.- (1) The advertising agent or cable operator shall maintain proper records and account of all services provided by him.

(2) The advertising agent or cable operator shall issue a proper bill of charges for each transaction from a duly bound book of serially numbered bills of charges or electronically generated invoices which shall include the particulars (including registration number if any) of the persons providing and receiving service, description of the service provided and the amount charged.

(3) A copy of the bill referred to in sub-rule (2) shall be given to the person to whom such services have been provided and one copy thereof shall be retained by the person providing services in the said bound book of bills of charges.

(4) Not more than one book of bill of charges shall be used at one time provided that where such person has more than one branches of the establishment, separate books of bill of charges may be used for each such branch.

22. Maintenance of accounts.- The advertising agents and cable operators shall maintain their accounts in a register in the following form namely:

Name and location of the agent / cable operator

S.No. Bill of

charges No. and date Name of the media company, if any. Amount of charges billed or to be billed Amount of sales tax Remarks if any

(1) (2) (3) (4) (5) (6)

23. Tax payment.- (1) The advertising agent shall pay tax on quarterly basis by the 15th day of November, February, May and August on the basis of the amount of commissions charged or billed during the last quarter.

(2) The cable operators shall pay tax on monthly basis on the basis of gross amounts charged and collected by them from their clients and the amounts of bonafide discounts if allowed to the clients, shall not be included in taxable value base.

24. Quarterly statement.- The advertising agent submit to the Authority quarterly statement along with the evidence of payment of tax, before the last day of the month of November, February, May and August, in the following form:

QUARTERLY STATEMENT

M/s for the Quarter ending 20

(Name and complete address)

1. Amount of commissions billed during the quarter.

2. Sales tax on services paid by the agent:

(i) Bank's name.

(ii) Bank challan number and date.

(iii) Amount.

3. Sales tax on services paid by others as withholding tax (if any).

(i) Name of the person paying the withholding tax.

(ii) Bank's name.

(iii) Bank challan number and date.

(iv) Amount.

Chapter VI

TELECOMMUNICATION

25. Scope of services.- All telecommunication services falling under four digit classification No.98.12 shall be liable to tax regardless whether or not any description of any sub-classification has been mentioned in column (2) of serial number 6 of the Second Schedule to the Act unless specifically excluded in the said Second Schedule.

26. Tax coverage.- (1) The tax shall be charged and paid by a registered person engaged in providing telecommunication on all such services as:

(i) are rendered in the Punjab;

(ii) originate from the Punjab;

(iii) terminate in the Punjab;

(iv) are effectively enjoyed and used in the Punjab;

(v) where sim is activated in the Punjab; or

(vi) recipient of the service:

(a) is present in the Punjab;

(b) is resident in the Punjab;

(c) has permanent establishment in the Punjab; or

(d) has primary residence in the Punjab.

(2) Where a service crosses Provincial or national borders and its charges are divisible either contractually or otherwise between different territories, tax shall be paid only to the extent of charges attributable to the territory of the Punjab.

1[(3) Where a registered person is providing telecom services in respect of international incoming calls and is sharing charges with persons operating in foreign jurisdictions, the charges received by the registered person shall be treated as tax-inclusive value and tax shall be worked out and paid by such registered person on the basis of tax fraction formula, that is, the tax shall be calculated by multiplying the amount of charges with tax rate and dividing the resultant by tax rate plus hundred.]

27. Payment of tax.- Every person engaged in providing telecommunication services shall pay the tax in the following manner:

(a) in case of post paid telephone services, tax shall be paid by the 21st day of the following second month;

(b) in case of pre-paid telephone services, the tax shall be paid by the 21st day of the following month; and

(c) in case of other telecommunication services, the tax shall be paid by the 21st day of the following month.

28. Tax adjustment.- While determining his liability, the registered person shall be entitled to deduct input tax paid on procurement of any specialized equipment or the tax paid on acquiring services in connection with the provision of telecommunication services.

29. Submission of statements.- (1) The registered person or each sale outlet of the registered person shall along with the proof of payment of the tax submit its revenue office-wise or service outlet-wise monthly statement by the dates specified in rule 26 in the following formats either in hard or in soft (electronic) form:

FORM I

POST-PAID TELEPHONE SERVICES

M/S. REGISTRATION NO. PERIOD

Name and location of the Revenue Office/Service Outlet Description of services provided Classification Amount billed or ought to be billed during the month Tax

payable

(1) (2) (3) (4) (5)

Tax paid Balance payable (if any) No. and date of treasury challan Particulars of the Bank branch

(6) (7) (8) (9)

FORM II

PREPAID TELEPHONE SERVICES

M/S. REGISTRATION NO. PERIOD

Name and location of the Service Outlet Description of services provided Classification No. and value of pre-paid cards sold during the month

No. Amount or value

(1) (2) (3) (4) (5)

Tax paid Tax paid Balance payable (if any) No. and date of treasury challan Particulars of the Bank branch

(6) (7) (8) (9) (10)

FORM III

OTHER TELECOMMUNICATION SERVICES

M/S. REGISTRATION NO. PERIOD

Name and location of the Revenue Office/Service Outlet Description of services provided Classification Amount billed or ought to be billed during the month Tax

payable

(1) (2) (3) (4) (5)

Tax paid Balance payable (if any) No. and date of treasury challan Particulars of the Bank branch

(6) (7) (8) (9)

(2) Late submission or default in submission of the statements required to be filed under sub-rule (1) shall attract default surcharge and penalties under the Act.

Chapter VII

CUSTOMS CLEARANCE

PART A

CUSTOMS HOUSE AGENTS (CLEARING AGENTS)

30. Scope of tax.- The tax shall be payable on all services provided by the custom house agents (by whatever name called) in respect of import and export cargo clearance from customs or other port agencies whether through sea ports, dry ports or airports.

31. Taxable value.- (1) All kinds of fees, commissions and charges received by the customs house agent shall be included in the taxable value base.

(2) The actual considerations received for transportation charges, demurrage, wharf age, customs-duties, excise duty, sales tax, provincial duties or taxes, toll taxes, municipal charges, port charges, handling charges, packing charges, labor payment and such other reimbursable expenses against proper receipts or invoices or bills shall not be reckoned for the purpose of calculating sales tax.

32. Quoting registration number.- The customs agent shall quote his tax registration number on the goods declaration filed with customs department.

33. Entitlement for tax receipt.- (1) Where a custom house agent has provided services to an unregistered client from the Punjab at ports outside the Punjab, he shall be liable to pay the tax to the Authority in respect of export-cargo originating anywhere from the Punjab and import cargo destined to anywhere in the Punjab.

(2) Where a client of services mentioned in sub-rule (1) is a registered person, such client shall deduct and pay the tax to the Authority on reverse charge basis.

Explanation: For the purpose of sub-rule (2), registered person includes a person registered under the Sales Tax Act, 1990. He shall file a separate return in respect of the tax deductible and payable under the said sub-rule (2).

PART B

SHIP CHANDLERS

34. Value of services.- (1) Value of taxable services for the purposes of the tax shall be total consideration received or the gross amount charged by a ship chandler for providing the services including all Federal and Provincial taxes and levies but excluding the amount of sales tax.

(2) Where any fee or commission is realized from the service charges paid to the ship chandlers, the same shall be included in the base for calculating the tax liability.

35. Reimbursable expenses.- Reimbursable actual expenses like transportation charges, port charges, handling or labor charges, which a ship-chandler pays on behalf of his clients against a proper receipt or bill shall not be taken into account for the purpose of determining sales tax.

36. Cost of commodities.- Where a ship chandlers has supplied any commodities on board, the actual cost shall not be included in the tax assessable value of services of the same have been supplied on zero rate basis provided that commission or profit paid to or earned by the ship chandler in respect of such commodities shall be reckoned for the purpose of levy of sales tax.

Chapter VIII

STEVEDORES

37. Scope of tax.- All services provided by stevedores in respect of or connection with the loading, unloading , embarkation or disembarkation of import and export cargo shall be chargeable to sales tax.

38. Taxable value.- Only such gross commissions, fees and charges shall be reckoned for calculating tax as are relatable or attributable to the cargo originating from or destined to the territory of the Punjab.

Chapter IX

STOCK BROKERAGE

39. Scope of tax.- All stock brokers engaged in the business of brokerage for the sale and purchase of stocks shall be liable to pay the tax on the gross amounts of their commissions.

40. Extent of services.- A stockbroker shall pay tax on all such services which he provides to a person hailing from the Punjab or which he provides at any stock exchange located in the Punjab.

41. Self-investment.- Where a stockbroker has himself purchased stocks from his own financial resources with a view to sell the same to any other person other than the concerned joint-stock company, he shall pay the tax on the basis of commission workable on open market rates at the time of sale of such stocks.

Chapter X

HOTELS, CLUBS AND CATERERS

42. Tax coverage.- (1) The tax shall be charged and paid on kinds of services including but not limited to the provisioning of food items, drinks (water, soft drinks and others) and other eatables served by hotels, clubs and caterers, whether for consumption inside or outside the premises.

(2) In relation to hotels and clubs, the tax shall also be charged and paid on services like renting of rooms or accommodation, or any other premises, provision of games, sports, or gym, running of health clubs, commercial centres, rent-a-car, tourism services and other businesses, facilities or utilities provided by the hotels and clubs.

(3) The food items served by flight-kitchens on-board the conveyance leaving for a destination outside Pakistan shall not be charged to tax.

43. Valuation of services of clubs.- (1) In relation to clubs, the value of taxable services for the purpose of the tax shall be the gross amount charged or the consideration in money including fee relating to award of new membership, monthly membership fee and all Federal or Provincial taxes, if any, which clubs receive from its members or clients for providing taxable services.

(2) The value under sub-rule (1) shall not include the consideration received on account of refundable deposits or security amounts unless the same are deducted or adjusted in full or in part as settlement or recovery of dues for services.

44. Filing of return.- The hotels and caterers shall submit the monthly return along with the payment of tax due by the 15th day of the following month provided that in respect of supplies made by the clubs, the due date for filing of return and deposit of tax due shall be the 15th day of the second month following the month in which supplies were made by the club.

45. Menu card.- Every hotel and club shall print in its menu card or list of food items to be supplied, the price of each item or combination of food, inclusive of all duties and taxes, whether Provincial or Federal, including the sales

tax. The recipient or consumer of food shall be invoiced or billed on the basis of the prices shown in the menu card or price list.

46. Invoicing.- The registered persons shall issue serially numbered the tax invoice, bills, vouchers or cash memos and the persons using computerized accounting system may issue computer-generated cash memos or as the case may be a computer-generated tax invoices.

Explanation: For the purpose of this chapter:

(i) Membership includes temporary membership, associate membership, honorary membership or membership of any affiliated club using the services of the other club; and

(ii) In relation to hotels, the provisions of this chapter shall apply for collection and payment of the tax on all the services like gym, sports, swimming, golf, events organized, exhibitions, shows, parties, used by the clients in addition to the food, drinks and other eatables.

Chapter XI

COURIER SERVICES

47. Tax coverage.- The tax shall be payable on every booking (consignment booked) through courier services in the Punjab.

48. Provincial level courier services.- A person providing courier services only in the Punjab shall get registration in the name of his headquarter office.

49. Regionalization of service activities.- Every such person as is providing courier service within as well as outside the Punjab shall designate its regional office in the Punjab for the purposes of carrying out its obligations under the Act and rules made thereunder in respect of the services chargeable to the tax under the Act.

50. Courier service outlets.- The person providing courier services shall intimate to the Authority within one month of the commencement of these rules or of his registration, the particulars of his all service outlets in the Punjab.

51. Service of a co-loader.- Where one courier agency utilizes the service of another company for in-transit movement of documents, goods, articles or cargo, the service provided by the co-loader shall not be charged to tax if charges thereof are included in the charges billed by the courier agency to the concerned customers.

52. Services provided by other businesses.- (1) For the purpose of removal of doubt, it is clarified that the courier services provided by air lines, post offices, railways, road passenger or cargo transport businesses shall be liable to the tax under the Act.

(2) No input tax adjustment shall be available to such businesses or entities with reference to the tax payable on courier services.

53. Remission of tax.- Where during the custody of a courier service provider, any document, goods, articles or cargo is destroyed for reasons beyond human control and charges of service are refunded to the customers, the tax shall be deemed to have been remitted and adjustment to that effect shall be taken in the return of relevant tax period or of the next tax period.

54. Provision of additional facility.- Where a person providing courier service also provide additional facilities such as warehousing or storage, packing, inventory management, charges of such additional facilities shall be included in the gross amount of charges for courier service for the purpose of levy of tax.

^Chapter XII

FRANCHISE SERVICES

55. Registration and e-enrolment.- Every person who is holding a franchise or availing any right under or in respect of any franchise shall register with the Authority irrespective of the location of the franchiser.

(2) Where a franchisee is already registered with the FBR, he shall not be required to take a separate registration for the purpose of the tax but such franchisee shall enroll through e-enrolment on the website or e-portal of the Authority where the registration number issued by the FBR shall be prefixed with the capital "P" as per procedure.

56. Payment of tax.- (1) Subject to rule 57, the franchisee shall pay the sales tax at the rate of sixteen per cent of the gross amount of the franchise fee or the deemed franchise fee, technical fee, royalty or any other fee of like nature, charged by the franchiser from the franchisee for using rights under a franchise.

(2) The franchisee shall pay the tax for a month by the due date alongwith the return in the prescribed manner.

(3) Where both the franchiser and franchisee are based in the Punjab, the liability to deposit the tax on franchise services shall be upon the franchiser and where franchiser is based outside the Punjab, the liability to deposit the tax shall be upon the franchisee.

(4) Where the franchiser is from Pakistan and his franchise services are being rendered to or availed by more than one franchisee in or in respect of the Punjab, he may, under advance intimation to the Authority, opt to directly pay the tax after obtaining registration, or e-enrolment from the Authority and in such a situation, his franchisees shall not be required to pay the franchisees in proper form under intimation to the Authority.

57. Valuation of franchise services in certain situations.-(1)

Where remittance or payment of the franchise fee, royalty, technical fee or other similar fee is made under a proper or formal agreement between a foreign or local franchiser and a franchisee, the assessable value for the purpose of levy of the tax shall be the gross amount remitted or paid to the franchiser or the amount laid down in the franchise agreement, whichever is higher.

(2) Where franchiser is a foreign or local beverage company and there is no proper or formal agreement between the franchiser or franchisee, the assessable value for the purpose of levy of the tax shall be payable on the value of concentrate or syrup or similar input material supplied by the franchiser to the franchisee:

Provided where remittance or payment of fee, royalty or other similar fee is made by the franchisee beverage company to the local or foreign franchiser under a proper or formal agreement, the assessable value shall be the gross amount of fee or royalty remitted or paid to the franchiser or the amount laid down in the agreement, whichever is higher.

(3) Where the franchise service relates to the food sector and there exists a proper or formal franchise or royalty agreement, the assessable value for levy of sales tax shall be the gross amount of franchise fee, royalty or other similar fee remitted or paid to the franchiser or the amount laid down in the agreement whichever is higher and in case there is no such proper or formal agreement, the assessable value for levy of the tax shall be the net sales of the franchisee during the relevant period.

58. Verification of tax payments.- The Authority or its officer designated in this behalf, shall obtain from the State Bank of Pakistan, the statistics or date concerning payment of franchise fee, technical fee, royalty or other fee of similar nature paid by a franchisee to the franchiser or received by the franchiser from his franchisees on a quarterly basis and shall use such statistics or data to determine or verify the amounts of tax paid by a franchisee, or as the case may be, by the franchiser during the said period.

59. Deduction and payment of tax by banks.- Where any payment or remittance is made through any bank on account of a franchise fee, technical fee or royalty or other fee of similar nature and the bank is satisfied that the franchisee or the franchiser has not paid the tax, the bank shall:

(a) deduct the amount of the tax at the applicable rate from such payment or remittance;

(b) deposit the said amount of tax against its own monthly return without any kind of adjustment or deduction whatsoever; and

(c) issue a certificate on its letter head showing the name and registration number of the franchisee and the amount of tax so deducted and deposited.

1[***]

61. Bar on adjustment or deduction.- Where the tax has been paid under rule 56 or deducted and deposited under rule 59, the franchisee or the franchiser or the bank shall not be entitled to take any kind of adjustment or credit of such tax amount from or against his other tax liabilities paid or payable on his any return required to be filed with the Authority.

62. Responsibility of franchiser and franchisee.- (1) Every franchiser providing services in or in respect of the Punjab shall furnish to the Authority, a complete list of all his franchisees operating in or in respect of the Punjab within thirty days of the issuance of this notification or of his registration or e-enrolment, whichever is earlier and every franchisee using franchise right in or in respect of the Punjab shall likewise furnish to the Authority a complete list of his sale or business outlets.

(2) Every franchiser providing franchise services in or in respect of Punjab and every franchisee using any right of franchise in or in respect of Punjab shall be responsible to ensure that such services are not provided or such right is not used without compliance to the Act and breach of any such responsibility shall be treated as tax fraud for the purpose of the Act.

(3) No relationship of any nature or character shall affect the liability of any person including franchiser or franchisee to pay the tax.

63. Treatment of default.- Failure to pay the tax by the due date shall render the defaulter, liable to a penalty under the Act in addition to the payment of tax and default surcharge.

1 Rule 60 omitted by Notification No.PRA/Orders.06/2012, dated January 12, 2016.

|| LEGISLATIVE HISTORY ||

Rule 60-Omission.- Before omission by Notification No.PRA/Orders.06/2012 Rule 60 read as follows:- “60. Avoidance of double taxation.- Where the tax has been or is being paid on services by a franchisee or the franchiser, the amount of the franchise fee, or the deemed franchise fee, technical fee, royalty or fee of similar nature on which

the tax has been or is being paid, shall be excluded from the value of any taxable service provided by the franchisee or the franchiser.”

64. Access to records.- The Authority or its designated officer shall have access to the records maintained by the franchisee or the franchiser if the latter is located in Pakistan and is providing franchise services in or in respect of the Punjab.

1 [Chapter XIII

RESTAURANT SERVICES

65. Registration and e-enrolment.- (1) Every person providing restaurant services in the Punjab, by whatever name called, whether through a single outlet or multiple outlets shall register with the Authority.

(2) Where the person providing restaurant services is already registered with the FBR, such person may not get a separate registration for purposes of these rules but shall obtain e-enrolment from the Authority through its website or e-portal where the registration number issued by the FBR shall be automatically prefixed with the capital “P”.

(3) The person who is providing restaurant services in a hotel and club as a part of economic activity and is already registered or e-enrolled with the Authority shall not be required to take any new or additional registration or e-enrolment for purposes of payment of the tax on restaurant services but such person shall pay the tax on restaurant services through a single return covering all of the taxable services.

66. Scope of tax.- (1) For purposes of these rules, the restaurant services shall include the services of providing sale of all kinds, types and categories of eatables and drinkables by a business whether called restaurant, cafe, coffee house, food parlor, ice-cream parlor or such as marriage, shadi or banquet hall or law and included provision of restaurant- type services to walk-in customers.

(2) The charges received by restaurants either directly or otherwise on account of rentals for use of personal or family dining room hall or space, and conducting function or event including decoration charges, if any, shall also be included in the assessable value of services provided by the restaurants.

67. Valuation of restaurant services.- The tax shall be charged, collected and paid out of the gross amount of the price of eatables and drinkables billed and received from the customers including the component of charges received as service charges on account of service (waiting) the customers at their tables or otherwise in or by a restaurant.

68. Menu Card.- (1) Every person providing restaurant services shall print on its menu card or list of eatables or drinkables to be supplied, the price of each item or combination of items inclusive of all duties and taxes, whether Provincial or Federal excluding the tax, and consumers shall be invoiced or billed on the basis of prices shown in such menu card or price list

and each such menu card or price list shall conspicuously indicate that prices are subject to the tax.

(2) Within one month of the issuance of this notification, registration or e-enrolment, every person providing restaurant services shall sent to the Authority a copy of the menu card or price list duly signed by a person responsible for the business operations of the restaurant and any change made in the printed prices of items as a regular measure or arrangement, shall be communicated to the Authority within fifteen days of such change by furnishing to the Authority a signed copy of changed menu card or price list.

(3) A person providing restaurant services may discount the printed prices in terms of sub-section (5) of section 7 of the Act and discounts (including discounts given to the employees of the restaurant establishment) or temporary changes aimed at promotion of business shall not be treated as change of prices in terms of sub-rule (2).

69. Invoicing.- (1) A person providing restaurant services shall issue a serial numbered tax invoices or bills, vouchers or cash memos separately showing the amount of the tax but where a restaurant is using computerized billing and accounting system, it may issue computer-generated tax invoices, bills, vouchers or cash memos.

(2) Every tax invoice, bill, voucher or cash memo shall contain the tax registration number of the restaurant.

(3) A customer of a restaurant may demand tax invoice, bill, voucher or cash memo and may demand the restaurant management to write full name, CNIC number or NTN number of the customer thereon, and the management of the restaurant shall emboss the restaurant's stamp on it with full signatures of the issuing person.

70. Responsibilities of a restaurant.- (1) Where a person providing restaurant services is operating more than one outlets in the Punjab, such person shall provide a complete list of such outlets to the Authority within one month of the issuance of this notification, registration or e-enrolment with the Authority, whichever is earlier.

(2) A non-corporate person providing restaurant services shall display the tax registration certificate issued by the Authority at a conspicuous place near the cash counter in a manner that the public visiting the restaurant may conveniently read with registration number of the restaurant.

71. Filing of return.- Subject to sub-rule (3) of the rule 65, a person providing restaurant services shall submit monthly return for tax along with the payment of tax by the 154th day of each month following the month of a tax period.]

THE PUNJAB SALES TAX ON SERVICES (COMPUTERIZED SYSTEM) RULES 2012

No.PRA/Orders.06/2012(5), the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Computerized System) Rules 2012.

(2) They shall come into force at once.

Chapter II

SAFETY OF SYSTEM

2. Responsibility of the user.- Every person authorized to use or interact with the computerized system of the Authority shall be responsible for use or interaction with the system only to the extent authorized by the Authority.

3. Protection of business information.- Every user of the computerized system shall ensure that no information or data relating to any registered person reaches in any unauthorized hand.

4. Exchange of information between registered persons.- A

registered person may allow the person authorized to use or interact with the computerized system to share his business information with any other person.

5. Information to associations.- The Authority may deliver any information or data stored in or retrievable from the computerized system to any association of trade, business or industry for the purposes of helping out the Authority in the formulation of its policies and carrying out its functions under the laws administered by the Authority.

Chapter III

ACCESS TO SYSTEM

6. Authorization.- (I) A person desirous to be authorized as user of the computerized system of the Authority may apply to the Authority by visiting the website <https://e.pra.punjab.gov.pk>.

(2) Upon scrutiny of the information provided by the applicant, the Authority may, subject to such conditions or restrictions as it may impose, grant authorization to the applicant or refuse the application after giving the applicant an opportunity of being heard through an officer of the Authority nominated in this behalf.

(3) No person shall have or attempt to have access to the computerized system for transmission to or receipt of information therefrom unless authorized as aforesaid.

7. Unique user identifier.- (1) Every person authorized as user of computerized system shall be allotted a 'Unique User Identifier' (UUI) for his identification in relation to accessing the computerized system for transmission to or receipt of relevant information therefrom.

8. Access to computerized system.- Subject to the conditions and restrictions as may be prescribed by the Authority, the authorized user shall access the computerized system for transmission to or receipt of information therefrom.

(2) The Authority may, at any time, impose any additional conditions upon any authorized user or class of authorized users for accessing the computerized system or to maintain confidentiality or security thereof.

(3) The Authority may require an authorized user or class of authorized users including their accredited agents to use any additional electronic security including digital certification for electronic filing of return or any other declarations or documents.

9. Responsibility of the user.- The authorized user shall be responsible for security and confidentiality of the 'UUI' allotted to him and where any information is transmitted to the computerized system using a 'UUI', the transmission of that information shall be a sufficient evidence that the authorized user to whom such 'UUI' has been issued has transmitted that information.

10. Cancellation of authorization.- (1) Where the Authority is satisfied that any user authorized to use the computerized system has:

(a) failed to comply with any of the conditions or restrictions prescribed by the Authority; or

(b) acted in contravention of any of the provisions of the Act or the rules made thereunder; or

(c) failed to take adequate measures for security and confidentiality of the 'UUI'; or

(d) been convicted in an offence under the Act or any other law; may cancel the authorization of that user after affording him an opportunity of being heard.

(2) Pending consideration whether an authorization is cancelled under sub-rule (1), the Authority may suspend the authorization.

11. Recording of transmissions.- The Authority shall keep record of each transmission sent to or received from an authorized user, for a period of five years from the date of such transmission or receipt.

12. Scrutiny of records.- An officer or officers nominated by the Authority, may examine records maintained by an authorized user, whether electronically or otherwise, in relation to a specific transaction or to verify adequacy or integrity of the system or media on which such records are created and stored.

Chapter IV

E-INTERMEDIARIES

13. Appointment of e-intermediary.- (1) A person having professional experience in the relevant field of providing taxation service desirous of being appointed as e-intermediary, shall apply to the Authority or any officer of the Authority authorized in this behalf.

Explanation: The professional experience shall mean as follows:

(a) a firm or sole proprietorship approved by the Institute of Chartered Accountants of Pakistan or Institute of Cost and Management Accountants of Pakistan, Association of Chartered Certified Accountants (ACCA) or Certified Public Accountants (CPAs);

(b) a person or firm approved to practice as Income Tax Practitioner under the Income Tax Ordinance, 1979 (XLIX of 2001);

(c) a practicing lawyer;

(d) Any other person approved by the Authority.

(2) Every application for appointment of an e-intermediary shall be forwarded to the e-declaration administrator of the Authority who, after necessary verifications, shall submit the application along with his specific recommendations to the Authority for appointment of the applicant as e-intermediary.

(3) The Authority, after receipt of the recommendations from the e-declaration administrator, may appoint the applicant as an e-intermediary and issue him a unique identifier, subject to such conditions, restrictions and limitations as may be prescribed:

Provided that the Authority may refuse to entertain or accept an application for appointment as e-intermediary for reasons to be recorded and conveyed in writing.

(4) In case of any change in the particulars or information provided by the e-intermediary in the application for registration, he shall immediately inform the e-declaration Administrator about such change.

14. Cancellation of appointment.- (1) Where the Authority is satisfied that the e-intermediary has:

(a) failed to comply with any of the conditions, restrictions or limitations prescribed by the Authority; or

(b) acted in contravention of any of the provisions of the Act or these rules; or

(c) failed to take adequate measures for security and confidentiality of the UUI; or

(d) been convicted for an offence under the Act or any other law; it may cancel the appointment of such e-intermediary after affording him an opportunity of being heard.

(2) Pending consideration whether the appointment of the e-intermediary be cancelled under sub-rule (1), the Authority may suspend the appointment.

(3) An e-intermediary who intends to surrender his appointment, shall file an application to this effect to the Authority.

(4) The Authority may, on receipt of an application referred to in sub-rule (3), cancel the appointment of the e-intermediary after such necessary inquiry as it may deem proper to conduct.

(5) Cancellation of appointment of any e-intermediary shall not absolve him of the obligations and liabilities which may be determined under the Act or rules made thereunder.

15. Authorization to FBR's e-intermediaries.- The Authority may through a general order or otherwise and subject to conditions or otherwise allow any e-intermediary or class of e-intermediaries already appointed by the Federal Board of Revenue to act or operate as e-intermediary for the purposes of the Act or rules made thereunder.

Chapter V

E-INVOICING

16. Use of e-invoicing system.- Any registered person may, under intimation to the Authority, use an appropriate system of electronic invoicing in respect of taxable services provided by him.

17. Real time transmission of e-invoices.- On receipt of intimation under rule 16, the Authority shall take necessary software-related measures to enable the registered person to generate and transmit e-invoices to the computerized system of the Authority on real time basis.

19. Non-inclusion of e-invoicing in monthly return.- Where a registered person is issuing e-invoices and transmitting the same to the computerized system on real time basis, such person shall not be required to provide summary of his sale invoices with the return.

20. E-treatment of purchase invoices.- Where a registered person is receiving e-invoices for his purchases or has a computer facility to electrify his purchase invoices, he may, with prior general permission from the Authority, transmit his daily purchase invoices to the computerized system of the Authority and such person shall not be required to file summary of his purchase invoices with the monthly return.

21. Validity of invoices.- Unless otherwise proved, the sale and purchase invoices electronically transmitted by a registered person to the computerized system of the Authority shall be treated as valid proof of sales and purchases for the purposes of the Act and rules made thereunder.

Explanation: For the purpose of this Chapter, invoice shall, where so allowed by the Authority, include cash memos, sale receipts, vouches and similar instruments showing sale or purchase transactions provided they carry the commonly accepted necessary features of an invoice.

Provincial & ICT Tax Laws of Pakistan

THE PUNJAB SALES TAX ON SERVICES (AUTHORIZED REPRESENTATIVES) RULES 2012

No.PRA/Orders.06/2012(6), the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Authorized Representatives) Rules 2012.

(2) They shall come into force at once.

Chapter II

AUTHORIZED REPRESENTATIVES

2. Persons authorized to represent a taxpayer.- Only the following persons are authorized to represent a taxpayer before the Authority or its officers, Commissioner (Appeals), Alternative Dispute Resolution Committee and Appellate Tribunal:

(a) a person in the employment of the taxpayer working on a fulltime basis;

(b) an advocate entered in any rolls, and practicing as such, under the Legal Practitioners and Bar Councils Act, 1973 (XXXV of 1973);

(c) a person holding a bachelor or master's degree in commerce or business administration;

(d) a person who has retired or resigned after putting in satisfactory service in the Provincial or Federal tax departments for a period not less than ten years in a post or posts not inferior to that of an Assistant Commissioner:

Provided that no such person shall be entitled to represent a taxpayer for a period of one year from the date of his retirement or resignation, or in a case in which he had made or approved any order under the relevant law; and

(e) chartered accountant or cost & management accountant as defined under the Chartered Accounts Ordinance, 1961 (X of 1961) or as the case may be, in the Cost and Management Accountant Act, 1966 (XIV of 1966).

3. Disqualifications.- The following persons shall not be entitled to represent the registered person:

(a) any person who has been convicted as a result of any criminal proceedings under any law;

(b) a person who has been dismissed, removed or compulsorily retired from service;

(c) a person who is an undischarged insolvent; and

(d) a person who has been found guilty of misconduct in any form.

4. Procedure to appoint authorized representative.- (1) To

appoint his authorized representative, a registered person shall issue a letter of authorization, in the form specified below, duly signed by the proprietor, partner or director of the company or business concern, which shall be submitted by the authorized representative before the adjudicating authority or Appellate Tribunal.

Letter of Authorization

I, , Proprietor/Partner/Director of

M/s. , hereby authorize

Mr. S/o Mr. C.N.I.C No

to represent before the Punjab Revenue Authority or its adjudicating
authorities or officers, Commissioner (Appeals), Alternative Dispute Resolution
Committee or the Appellate Tribunal on behalf of M/S. (Reg. No.) for hearing
on (date)/ till the decision of the case (cross out whichever is not applicable) or till
withdrawal of this authorization, whichever is earlier.

I also affirm and certify that he fulfills the conditions of an authorized representative as prescribed in the rules issued under the Punjab Sales Tax on Services Act, 2012.

Particulars of the case: Signature:

Name:

(Proprietor/ Partner/Director)

C.N.I.C. No.

Company or Business

Dated: Seal/Stamp

(2) The authorized representative shall use the letter of authorization for

a single or more hearings, or till final decision of the case, by the concerned officer, forum or the Appellate Tribunal indicated in the letter of authorization.

(3) The registered person may cancel the letter of authorization at any time under intimation to the Authority or its concerned officers, Commissioner (Appeals), Alternative Dispute Resolution Committee or the Appellate Tribunal.

5. Professional responsibility.-(1) The authorized representative shall:

- (a) not participate, whether individually or in concert with others, in any plan, scheme or arrangement attempting or having as its purpose, the contravening any provision of the Act or rules made thereunder;
- (b) not directly or indirectly or in any manner whatsoever lend his authorization to any person, firm or corporation for the purpose of contravening any provision of the Act or rules made thereunder;
- (c) exercise reasonable care and diligence to prevent persons under his supervision from engaging in conduct which may violate any provision of the Act or rules made thereunder;
- (d) not engage in any activity that constitutes dishonesty, fraud, or gross incompetence while performing his functions and duties as authorized representative;
- (e) promptly report to the Authority or its concerned officer any known violation of the Act or rules;
- (f) cooperate fully with the Authority or its officers in the investigation of any alleged violation of the Act or rules;
- (g) not offer or promise anything of value with the intent of inducing a person who is performing a public duty to perform or fail to perform any act related to such public duty;
- (h) not contract for or accept compensation or anything of value for services not performed;
- (i) not knowingly or intentionally engage in any false or misleading conduct or advertising with respect to client solicitation;
- (j) not knowingly furnish inaccurate, deceitful, or misleading information to a client or employer, a prospective client or employer, or a public agency or representative of a public agency;
- (k) not reveal information known to be confidential unless the release of such information is authorized by the source or required by law;
- (l) not state or imply that he represents a person or firm that he does not in fact represent; and
- (m) not solicit or advertise tax consulting services by claiming a specific result or stating a conclusion regarding such services without prior analysis of the facts and circumstances pertaining thereto.

(2) The professional responsibility stated in sub-rule (1) is in addition but not in derogation to any such responsibility or code of ethics applicable to the professional conduct of the authorized representative under any other law.

6. Power to disqualify.- On receipt of a complaint against any authorized representative for misconduct from the Appellate Tribunal or concerned officer of the Authority or other relevant forum; the Authority may, after affording such representative an opportunity of being heard, disqualify him from representing a registered person.

Provincial & ICT Tax Laws of Pakistan

THE PUNJAB SALES TAX ON SERVICES (AUDIT) RULES 2012

No.PRA/Orders.06/2012 (7), the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Audit) Rules 2012.

(2) They shall come into force at once.

Chapter II

DEPARTMENTAL AUDIT

2. Audit by the officers of the Authority.- The Commissioner may select any registered person for the purpose of audit and may cause such person audited by any officer or officers subordinate to him.

3. Selection for audit.- No registered person shall be selected for audit unless the Commissioner has a reason to believe that there exists a potential risk to revenue at least due to elements like:

(i) non or short payments of tax amounts declared on the monthly returns or other declarations;

(ii) irregular or abnormal fluctuations in input tax adjustments including carry forwards;

(iii) unusual variations in inventories;

(iv) habitual tendency of filing short or mis-filled returns or its annexures;

(v) sudden or unexpected downward changes in turnover; and

(vi) any other cogent factor evident from the computer profile of the registered person giving rise to reasonable doubts about tax evasion or tax avoidance.

4. Scope of audit.- The Commissioner and the officer or officers of the Authority conducting audit of a registered person shall ensure that audit is conducted in a systematic and comprehensive manner; is generally confined to the business records of the registered person; is performed following sound auditing principles and findings are recorded unambiguously and fairly.

5. Convenience of the taxpayer.- (1) Before commencing audit, the registered person shall be informed well in advance through proper letter indicating the records and documents required to be examined during audit.

(2) No registered person shall be required to supply copies of the records, documents, data or information which is already available with the Authority.

(3) The venue of audit shall be decided in consultation with the registered person.

(4) Before finalizing any audit observation or observations, its or their details shall be discussed with the registered person and his viewpoint shall be duly considered and incorporated in the audit report.

6. Preparation of audit report.- (1) Audit report shall be prepared in the following format and uploaded in the registered person's folder in the Authority's computerized system:

AUDIT REPORT

1 Name & Address of the Taxpayer.

2 Headquarter, Regional / Branch offices etc.

3 Status of the Taxpayer.

4 Jurisdictional Commissionerate.

5 Taxable services provided.

6 Registration No.

7 Exemption Notifications, if any, availed.

8 Date of Last Audit.

9 Period for which Current Audit undertaken.

10 Dates on which audit undertaken.

11 Unconfirmed previous outstanding demand, if any.

12 Confirmed previous outstanding demand, if any.

13 Appeal filed, if any.

14 Tax, default surcharge & Penalty paid during the current audit period.

15 No. of Revenue observations.

16 No. of procedural observations.

17 Total Revenue involved in audit observations.

18 Tax payments made against current audit observations.

The important and material non-compliance issues identified and reaction of the registered person is indicated in the table given below:

Audit

Observation

No. Gist of Observations Revenue implications, if any, (in Rs.) Taxpayer's Agreement Yes/No, if no, reasons for disagreement Department's conclusion with reasons

Total Revenue Involved

Name, Designation and Signature of Officer of the Authority

(2) A signed copy of the audit report shall be given to the registered person.

Chapter III

SPECIAL AUDIT

7. Special audit.- The Authority may cause special audit by a special auditor, of the records, invoices and monthly returns required to be maintained, issued or furnished by any registered person, or class or classes of registered persons under the Act.

8. Scope of special audit.- The scope of the special audit shall be the expression of professional opinion with respect to the following:

(i) whether the records, invoices and monthly returns have been maintained, issued or furnished correctly by the registered person; and

(ii) whether the monthly returns furnished by the registered person correctly reflect that:

(a) all taxable services rendered in the tax period as revealed by the records and invoices; and

(b) all input tax, output tax, tax adjustments, and the net amount of tax payable or refundable are in accordance with the provisions of the Act and are duly substantiated by the records required to be maintained for the purpose.

9. Form of audit report.- The special auditor shall submit his audit report in the form as may be specified in the terms of reference.

10. Penalty.- (1) In case of violation of this Chapter or any clause of the terms of reference, the payment of fee as specified therein shall be withheld forthwith, without prejudice to any other action, as may be taken under the provisions of the Chartered Accountant Ordinance, 1961 (X of 1961), the Cost and Management Accountants Act, 1966 (XIV of 1966).

(2) In case the payment has already been made in full or part thereof, to the special auditor, the same shall be returned within one week of issuance of a demand note by the Authority in this regard.

Chapter IV

MISCELLANEOUS

11. Pre-audit desk review.- Prior to the regular commencement of audit, all the data, information, documents and records as are available with the Authority shall be analyzed to understand in advance:

(i) tax payments of the past period;

(ii) details of the taxable and other business activities;

(iii) trends of input-output ratios;

(iv) exemptions availed;

- (v) details of major input suppliers and output buyers;
- (vi) information about imports and exports;
- (vii) results of previous audits;
- (viii) balance sheet and profit and loss account;
- (ix) overall tax performance vis-e-vis other comparable registered persons providing similar services; and
- (x) any other important aspect relevant to the intended audit.

12. Contravention report.- On the basis of audit report contravention report stating the details of omissions and commissions and relevant legal provisions to be quoted in the show cause notice shall be prepared.

13. Voluntary payments during audit.- The registered person shall be at liberty to make payments of tax amounts identified to be payable during the course of audit and all concessional benefits of default surcharge and penalties admissible under the Act on such voluntary payments shall be allowed.

14. Conversion of audit into investigation.- Where during the course of audit any tax fraud has been observed, the Commissioner may convert such audit into investigation and deal with the case accordingly.

15. Follow-up of audit.- The Commissioner shall ensure that audit reports are properly followed up through adjudication up to recovery of the tax amounts due from a registered person covered in the audit.

THE PUNJAB SALES TAX ON SERVICES (ADJUDICATION AND APPEALS) RULES 2012

No.PRA/Orders.06/2012 (8), the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Adjudication and Appeals) Rules 2012.

(2) They shall come into force at once.

Chapter II

ORIGINAL ADJUDICATION

2. Show cause notice.- (1) Where audit report and contravention report have been prepared, the contents of the show cause notice shall be based upon the facts contained therein.

(2) Where show cause notice is to be issued for rejection of any refund of the tax, all relevant details and grounds of refund shall be incorporated in the show cause notice and reasons for the proposed rejection of the refund shall be stated in clear terms.

(3) Mere issuance of show cause notice for rejection of refund does not mean rejection of refund as a refund claimed by a registered person can be eventually proved and found admissible during or on the conclusion of adjudication proceedings.

3. Reference to legal provisions .-All relevant provisions of law relating to jurisdictional competence, vires of the show cause notice, time limitation, provisions alleged to have been contravened, grounds for refusal to accept any right, claim or entitlement and provision relating to determination or existence of undischarged tax liability and provisions relating to fines or penalties shall be quoted in the show cause notice.

4. Clubbing of show cause notices.-Where an adjudicating officer has issued more than one show cause notices to a registered person, he may club all such notices and pass a single adjudication order.

5. Group adjudication.- An adjudicating officer may club the cases of different registered persons involving identical matter or matters and the statutory pecuniary limit on the adjudicating officer, if any, shall not apply on the aggregate tax amount of such clubbed cases.

6. Principles of natural justice.- Principles of natural justice, fairness, reasonableness and neutrality shall be strictly observed in adjudication proceedings.

7. Adjournments.- Adjournments shall be given only in such situations where request thereof has been made on genuine and bonafide grounds and frivolous requests for adjournments aimed at avoiding early or timely conclusion of adjudication shall be declined by recording reasons.

8. Condonation.- Where any question of condonation of time limitation or other procedural condition is involved, it shall be resolved purely on merit and only in circumstances where factors beyond normal human control exist, following the doctrine of bonafide inability.

9. Examination of records, evidences.- (1) It shall be the personal responsibility of the adjudicating officer to ensure that records and evidences produced in or relevant to the case are properly looked into and examined before drawing any conclusion or inference.

(2) The particulars of the data, records and evidences examined in the case shall be precisely mentioned in the adjudication order.

10. Electronic adjudication.- Where any registered person, for any bonafide reasons, requests for hearing of his case under adjudication through recordable video conferencing and other modern electronic media, it shall be honoured if found feasible and not detrimental or prejudicial to the interests of the adjudication proceedings.

11. Quasi-judicial nature of adjudication.- Tax adjudication shall be treated as a quasi-judicial process and it shall be the responsibility of the adjudicating officer to protect the legitimate revenue rights of the Government and give genuine relief to the taxpayer consistent with law.

12. Rationale of penalties.- No penalty out of proportion to the nature and degree of contravention shall be imposed and the adjudicating officer may use his judicious discretion to soften or otherwise dispense with penalty where it is proved that un-discharging of tax liability was not based upon melafide intentions.

13. Adjudication orders.- The adjudicating officer shall issue a self-speaking order covering, amongst other things:

(i) background details of the case;

(ii) facts of contraventions quoting the relevant legal provisions;

- (iii) brief of the penal or other actions suggested in the show cause notice;
- (iii) precise description of the defence relied upon by the taxpayer;
- (iv) particulars of the data, information, records, documents and evidences examined;
- (v) discussion and findings on departmental and defense arguments;
- (vi) principal inference drawn with reasons; and
- (vii) conclusive judgment.

13. Summary adjudication.- (1) Where a registered person requests for summary adjudication of his case, the adjudicating officer may adjudicate and decide the case summarily without issuance of a show cause notice.

(2) Summary adjudication of any case shall not extinguish the right of a registered person for appeal.

Chapter III

FIRST APPELLATE ADJUDICATION

14. Form of first appeal.- Appeal to the Commissioner (Appeals) shall be filed in the following format:

15. Acknowledgement of appeal.- Commissioner (Appeals) shall issue acknowledgment of the appeal received in his office in the following format:

APPEAL ACKNOWLEDGEMENT

NTN:

PSTN:

Appellant's Name: Appeal No :

Date of Receipt of appeal

I:

Signature of receiving officer:

16. Appellate adjudication.- The principles of adjudication stated in Chapter II of these rules shall, as far as possible, apply to the adjudication of appeals by the Commissioner (Appeals).

17. Grant of stay.- The Commissioner (Appeals) shall not grant unless it is ascertained that immediate payment of tax is likely to bring genuine hardship to the appellant or the impugned order does contain such bonafide infirmities as warrant reconsideration and re-decision of the matter by the Commissioner (Appeals).

Chapter IV

APPEAL TO TRIBUNAL AND REFERENCE TO HIGH COURT

18. Appeal to Tribunal.-(1) All orders-in-appeal passed by the Commissioner (Appeals) and adjudication orders passed by the executive Commissioner shall be appealable before the Appellate Tribunal.

(2) The time limitation for filing appeal to the Appellate Tribunal against the adjudication orders passed by the executive Commissioner shall be the same as specified in the Act for the filing of such appeal against the appellate orders of the Commissioner (Appeals).

19. Form of appeal to Tribunal.- Appeal to the Appellate Tribunal shall be filed in the following format:

20. Form of reference to High Court.- Reference to the High Court shall be filed in the following format:

THE PUNJAB SALES TAX ON SERVICES (ALTERNATIVE DISPUTE RESOLUTION) RULES 2012

No.PRA/Orders.06/2012 (9), the 1st August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.-(1) These rules may be cited the Punjab Sales Tax on Services (Alternative Dispute Resolution) Rules 2012.

(2) They shall come into force at once.

Chapter II

ALTERNATIVE DISPUTE RESOLUTION

2. Application for alternative dispute resolution.- Any registered person interested for resolution of any dispute under section 69 of the Act may submit a written application for alternative dispute resolution to the Authority, stating the following:

(i) the particulars of the case;

(ii) the grounds on the basis of which resolution of a dispute is being sought by the applicant duly supported with relevant documents;

(iii) the extent or the amount of tax, default surcharge and penalties, which the applicant agrees to pay, if any;

(iv) details of the tax amounts already paid, if any;

(v) the particulars of the person who shall represent the applicant; and

(vi) any other information relevant for resolution of the dispute.

3. Appointment of Alternative Dispute Resolution Committee.-

(1) The Authority, after examination of the contents of an application received under rule 2 and facts stated therein and on satisfaction that a dispute deserves consideration for resolution for the removal of hardship under the Act, may constitute a committee for examination of the issues involved in the dispute and for taking other actions falling in its competency under the Act or directions issued by the Authority.

(2) The Authority may appoint one of the members of the Committee, other than a public servant, to be its Chairman.

(3) The Committee shall make recommendations to the Authority within ninety days of its appointment.

4. Working of the committee.- (1) The Committee shall hold all its meetings at Authority's head office or at any other venue to be decided by the Authority.

(2) The Chairman of the Committee shall be responsible for deciding the procedure to be followed by the Committee which may include the following:

(i) specify date and time for conducting proceedings by the Committee;

(ii) supervise the proceedings and ensure maintenance of records of proceedings of the Committee;

(iii) issue notices by courier, registered post or electronic mail to the applicant;

(iv) requisition and procure relevant records or witnesses from the field offices of the Authority or other concerned quarters;

(v) ensure attendance of all concerned;

(vi) co-opt any other technical, professional or legal expert or tax consultant;

(vii) consolidate recommendations of the Committee for submission of a conclusive report to the Authority; and

(viii) any other matter covered under these rules.

5. Recommendations of the committee.- (1) The Committee may determine the issue or issues and may thereafter seek further information or data or expert opinion or make or cause to be made such inquiries or audit as it may deem fit.

(2) The Committee shall formulate its recommendations in respect of any matter falling in its competency under the Act or directions issued by the Authority.

(3) The Chairman of the Committee shall send a copy of the recommendations of the Committee to the Authority, and the applicant.

6. Reconsideration by the committee.- (1) The Authority of its own

motion or on the request of the applicant may refer back the recommendations of the Committee for rectification of any obvious error or for reconsideration of the facts not considered earlier.

(2) The Committee after rectification of the error or reconsideration of the facts as aforesaid shall furnish to the Authority its fresh or amended recommendations within such period as may be specified by the Authority.

7. Consistency of recommendations.- The Committee shall not make any recommendations in any case as are not consistent with the provisions of the Act or rules made thereunder.

8. Rationale of recommendations.- While making any recommendation or recommendations, the Committee shall give reason or reasons to justify the recommended resolution of the dispute.

9. Principles of natural justice.- While conducting proceedings, the Committee shall adhere to the principles of natural justice and fair play.

10. Reimbursement of expenses.- Where the Chairman or any member of the Committee other than the public servant incurs any genuine expense towards the performance of his duties in respect of the proceedings of the Committee, the concerned registered person shall be under obligation to reimburse such genuine expense to the Chairman or member of the Committee on production of receipt of the actual expense genuinely incurred.

11. Decision of the Authority.- (1) The Authority, after examination of the recommendations of the Committee, shall finally decide the dispute and make such orders, as it may deem fit for the resolution of the dispute under intimation to the applicant.

(2) On receipt of the Authority's order as aforesaid, the concerned field officer shall implement the orders issued by the Authority in the manner falling in its competency under the Act or directions issued by the Authority.

(3) The Authority may decline to accept any or all recommendations of the Committee.

12. Maintenance of records.- A complete record of all proceedings of the cases dealt with under the alternative dispute resolution shall be maintained by the Authority which shall also ensure that proper arrangements are made for the purpose of maintaining such records in appropriate manner.

Provincial & ICT Tax Laws of Pakistan

THE PUNJAB SALES TAX ON SERVICES (WITHHOLDING) RULES 2012

1 The Punjab Sales Tax on Services (Withholding) Rules, 2012 hereby repealed by Notification No. PRA/Orders.06/2012, dated February 20, 2015.

|| LEGISLATIVE HISTORY ||

No. PRA/Orders.06/2012 (11), the 27th August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), Punjab Revenue Authority, with the prior approval of the Government, is pleased to make the following rules:

1. Short title, application and commencement.- (1) These rules may be cited as Punjab Sales Tax on Services (Withholding) Rules 2012.

(2) They shall apply to the taxable services 1[, excluding telecommunication, banking, courier, insurance and services (other than advertisement services) provided by corporate sector persons registered with the Authority,] provided to the following persons:

(a) Federal and Provincial Governments including local and district governments, government departments and offices;

(b) autonomous bodies;

(c) public sector organizations including public corporations, state-owned enterprises and regulatory bodies and authorities;

(d) organizations which are funded, fully or partially, out of the budget grants of the Federal or Provincial Government;

(e) taxpayers falling in the jurisdiction of Large Taxpayers Units (LTU) established by the Federal Board of Revenue; and

(f) recipients of service of advertisements who are registered for the Federal sales tax on goods or for the Punjab sales tax on services.

(3) They shall come into force at once.

2[***]

3[2. Withholding agents.- The person mentioned in sub-rule (2) of rule 1 are specified withholding agents for purposes of deduction and payment of sales tax under these rules and include the accounting office responsible for making payments against the taxable services received by a Government department or office.]

3. Responsibility of a withholding agent.-While intending to receive taxable services, the withholding agent shall indicate in an advertisement, deducted and withheld from the payment to be made to the service provider for deposit with the Government.

4. Services from registered service providers.- A withholding agent, other than a person falling in the jurisdiction of LTU and a recipient of advertisement services, shall deduct 4[the whole amount of] sales tax shown in the tax invoice issued by a registered service provider and make payment of the balance of the transaction amount to him.

5. Service from unregistered service provider- A withholding agent, having free tax number (FTN) or national tax number (NTN) and falling under clauses (a), (b), (c), (d) or (e) of sub-rule(2) of rule 1, shall on receipt of taxable services from an unregistered service provider, deduct sales tax at the applicable rate of the value of taxable services provided to him from the payment due to the service provider and 5[***] the amount of sales tax for the purpose of this rule shall be worked out on the basis of gross value of taxable services.

6. Deduction on advertisement services.- A person mentioned in clause (f) of sub-rule (2) of rule 1, who receives advertisement services, provided by a person based in Pakistan or abroad, shall deduct the whole amount of sales tax as mentioned in the invoice issued by the service provider from the payment due to the service provider and in case the sales tax amount is not indicated on the invoice, the recipient shall deduct the amount of sales tax at the applicable rate of the value of taxable services from the payment due to the service provider.

1 Words etc. inserted by Notification No.PRA/Orders.06/2012, dated May 28, 2013.

2 Sub-rule (4) omitted by Notification No.PRA/Orders.06/2012, dated May 28, 2013.

3 Rule 2 inserted by Notification No.PRA/Orders.06/2012, dated May 28, 2013.

4 Substituted for “an amount equal to one-fifth of the” by Notification No.PRA/Orders.06/2012, dated May 28, 2013.

5 Words and commas “, unless otherwise specified in the contract between the service recipient and the service provider,” omitted by Notification

No.PRA/Orders.06/2012, dated May 28, 2013.

Rule 1(4)-Omission.-Before omission by Notification No.PRA/Orders.06/2012, dated May 28, 2013, sub-rule (4) read as follows:—

“(4) The persons mentioned in sub-rule (2) are hereby specified withholding agents for purposes of deduction and payment of sales tax under these rules and include the accounting office responsible for making payments against the taxable services received by a Government department or office.”

7. Withholding agents registered in LTUs.- (1) Notwithstanding anything contained in rules 5 and 6, a withholding agent falling under clause (e) of sub-rule (2) of rule 1, who receives taxable services from a registered service provider ^registered other than in LTU, shall deduct and withhold the whole amount of] sales tax from the payment due to that registered service provider.

(2) The amount deducted as aforesaid shall be deposited by the withholding agent with the Government by 15th day of every following month and the withholding agent shall submit the monthly sales tax return for withholding agents as prescribed in the rules by the said date.

(3) Where the said withholding agent is also registered with the Authority, he shall deposit the withheld amount of tax on the Form PST-04 and shall submit his tax return on Form PST-03 by the respective prescribed due dates.

2[***]

8. Services received by Government departments or offices.- (1) Where the taxable services are received by a government department or office specified in clause (a) of sub-rule (2) of rule 1 read with sub-rule (3) of rule 1, the following procedure shall be observed:

(a) the Drawing and Disbursing Officer (DDO), preparing the bill for the accounting office, shall indicate the amount of sales tax withheld under these rules and the accounting office shall adopt the payment procedure as indicated below:

(i) in case of services received by a department or office under the Federal Government, the office of the Accountant General of Pakistan Revenue shall account for and transfer the amount deducted at source during a month to the Government through a cheque in the name of the Chairperson of the Authority by credit to the relevant head of account and send to the Authority by 15th day of the following month;

(ii) in case of services received by departments or offices under the Government or district or local governments thereof, the Accountant General of the Punjab or the District Accounts Officer, as the case may be, shall credit the amount deducted at source during a month to the Government under due intimation to the Chairperson of the Authority;

(iii) in case of services received by the departments and offices under a Provincial Government, other than the Government or districts or local governments thereof, the Accountant General of that Province or the respective District Accounts Officer shall credit the amount deducted at source during a month to the Government through a cheque in the name of the Chairperson of the Authority to be sent to the Authority by 15th day of the following month; and

(iv) where the services are received by the departments falling in purview of Military Accountant General (MAG), the MAG shall deposit the amount deducted at source during a month with the Government under intimation to the Chairperson of the Authority by 15th day of the following month, and the amount so deducted at source shall simultaneously be reported by MAG to the Accountant General of the Punjab through civil exchange accounts; and, the concerned Drawing and Disbursement Officer shall prepare the return in the form as setout in the Annex to these rules for each month and forward the same to the Chairperson of the Authority by 15th day of the following month;

(b) in case of the services not covered by clause (a) above, the withholding agent shall pay the withheld amount of sales tax to the Government on the form PST-04 by the due dates as specified below:

(i) in case the withholding agent is registered as a service provider under the Act, by the prescribed due date in the month following the tax period in which he claims input tax adjustment in his Punjab sales tax return or the date on which payment is made to the service provider, whichever is earlier;

(ii) in case the withholding agent is not registered as a service provider under the Act but is registered with the FBR under the Sales Tax Act, 1990 (VII of 1990), by 15th day of the month following the period in which he claims input tax adjustment in the Federal sales tax return as prescribed by the FBR, or the date on which payment is made to the service provider, whichever is earlier; and

(iii) in case of other withholding agents, not covered by items (i) and (ii) above, by 15th day of the following second month in which the tax invoice was issued by the service provider or the date on which payment is made to the service provider, whichever is earlier; and

(c) in case the withholding agent is also registered under the Act, he shall file the return and deposit the withheld amount of sales tax in the prescribed manner alongwith other tax liability, if any, and such person shall not be required to file the return in the form annexed to these rules:

1 Substituted for “who is also registered in the LTU, shall deduct and withhold one percent of value of taxable services received by him as” by Notification No.PRA/Orders.06/2012, dated May 28, 2013.

2 Sub-rule (4) omitted by Notification No.PRA/Orders.06/2012, dated May 28, 2013.

Rule 7(4)-Omission.- Before omission by Notification No.PRA/Orders.06/2012, dated May 28, 2013, Sub-rule (4) read as follows:—

“(4) The remaining amount of fifteen percent or more of the value of taxable services shall be paid by the withholding agent to the registered service provider who shall account for such amount in his prescribed tax return in Form PST-03.”

Provided that in case the withholding agent is not registered for sales tax but holds a national tax number assigned under the Income Tax Ordinance, 2001 (XLIX of 2001), he shall file the return as annexed to these rules electronically and deposit the amount deducted at source in the prescribed manner;

Provided further that any other withholding agent may also opt to file the prescribed return electronically and deposit the deducted amount in the manner as provided in this rule.

9. Provision of information or data.- The withholding agent shall furnish to the Authority all such information or data as may be required by it for carrying out the purposes of the Act and these rules.

10. Certificate of deduction (withholding).- A certificate showing deduction of sales tax shall be issued to the supplier by the withholding agent duly specifying the name and registration number of the service provider, description and value of services, total amount of sales tax charged on the services and the amount of tax deducted and a copy or copies of every or all such certificate or certificates shall be sent to the Authority on monthly basis.

11. Responsibility of the registered service provider.- (1) The registered service provider shall issue a proper sales tax invoice in respect of every taxable service provided to a withholding agent.

(2) The registered service provider shall file monthly return as prescribed in the relevant rules and shall be entitled to adjust input tax against the output tax taking due credit of the sales tax deducted by the withholding agent or agents in the prescribed manner.

12. Deposit of withheld sales tax amounts.- All amounts of the Punjab sales tax on services deducted or withheld under these rules shall be paid to or deposited with the Government under head of account "B-02382- Punjab Sales Tax on Services (Withholding)" in the prescribed form and manner 1[without any adjustment, deduction or credit, whatsoever].

13. Application of other provisions.- All the provisions of the rules and notifications made or issued under the Act shall apply to the taxable services covered under these rules to the extent that these are not inconsistent with the provisions of these rules.

14. Saving.- The tax withheld or liable to be withheld under the draft version of these rules exhibited on the website of the Authority shall be deemed to have been withheld or liable to be withheld under these rules and shall be paid accordingly.

ANNEX

[see rule 8(1)(a)(iv)]

Punjab Sales Tax Monthly Return for Withholding Agents

Withholding Agent:

Name:

as per Punjab Sales Tax on Services (Withholding) Rule, 2012 E-mail:

Category

Contact (Tel/Cell)

Period

NTN/FTN

Sr.

No. Name of Service Provider NTN/

FTN Description of the services involved No. and date of Tax Invoices Value (excluding Sales Tax) of the Services
involved Amount of Punjab Sales Tax Invoiced Amount of Punjab Sales Tax Withheld

I,

holder of CNIC No.

in my capacity as

, certify that the information given above is/are correct, complete and in

accordance with the provisions of the Punjab Sales Tax on Services Act, 2012 and the rules and notifications issued
thereunder.

Date: Stamp Signature:

Head of Account "B - 02382 --- Punjab Sales Tax on Services (Withholding)"

Amount Received Rs. (in Figures)

Rupees (in Words)

THE PUNJAB SALES TAX ON SERVICES (DEFINITIONS) RULES 2012

No.PRA/Orders.06/2012 (12), the 30th August, 2012.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

Chapter I

PRELIMINARY

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Definitions) Rules 2012.

(2) They shall come into force at once.

Chapter II

GENERAL

2. Purpose of definitions.- In these rules, the definitions have been given for purposes of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), referred to in these rules as 'the Act', and all the rules made under the Act.

3. Relevancy of definitions.- The relevancy of any definition given in these rules shall be invoked only when a service covered therein is taxable under the Act or when any question about the taxability of any such service is under consideration for purposes of the Act and the rules.

4. Treatment of definitions.- None of these definitions shall be treated as exhaustive and wherever any question of taxability of any service or a question of tax liability or any other related obligation arises, the general definition of service or services given in the Act shall prevail.

1[4A. Inclusion of certain services.- Where a definition of any taxable service includes a service or services defined separately in these rules, the tax shall be payable on such service or services regardless of its or their status with reference to the Second Schedule of the said Act.]

5. Statutory definitions.- The words and expressions used but not defined in any of the rules, shall have meanings assigned to them under the Act and rules other than these rules.

Chapter III

DEFINITIONS OF SPECIFIC SERVICES

6. Advertisement.- Advertisement includes any notice, circular, wrapper, document, hoarding, billboards or any other audio or visual representation made either by means of paint, colouration, sound, light, smoke or gas or otherwise.

7. Advertising agency.- Advertising agency means any person engaged in providing any service or services connected with the making, preparation, display, demonstration or exhibition of advertisement in any manner and includes an advertising consultant by whatever name called.

8. Advertising space or time selling.- Advertising space or time selling means any service provided or to be provided to any person, by any other person, in relation to sale of space or time for advertisement, in any manner, but does not include sale of space for advertisement in print media and sale of time slots by a broadcasting agency or organization.

9. Agent.- Subject to section 71 of the Act, agent means a person who is authorized to act on behalf of another (called the principal) to create or maintain a legal relationship with a third party.

10. Aggrieved person.- Aggrieved person means a person or a class of persons who has brought a dispute for resolution under section 67 of the Act.

11. Air travel agent.- Air travel agent means any person engaged in providing any service or services connected with the booking of passage by air for travel.

12. Aircraft operator.- Aircraft operator means any person who provides the services of transport of goods or passengers by aircraft.

13. Architect.- Architect includes any person engaged in any manner, whether directly or indirectly, in rendering services in the field of architecture.

14. Assets.- Assets mean properties of all kinds, tangible or intangible, including shares, units, certificates, securities, deposits, right and bonus shares, cash, bank balances, profits, dividends, fees, commissions, all receivables, claims, derivatives contract, licences, privileges, accrued or accruing or contingent.

1[15. Asset management services.- 'Asset management services' mean the services provided or rendered in relation to assets management, portfolio management, investment management or any kind of fund management and include the Companies which provide management of collective investment scheme.]

16. Auctioneer's service.- Auctioneer's service includes calling the auction or providing a facility, advertising or illustrating services, pre-auction price estimates, short term storage services, repair or restoration services in relation to auction of property.

17. Authorized automobile service station.- Authorized automobile service station means any service station, or centre, authorized by any motor

1 Rule 15 substituted by Notification No.PRA/Budget.109/2014, dated March 10, 2015.

vehicles manufacturer, to carry out any service, repair, reconditioning or restoration of any motor car, light motor vehicle or two wheeled motor vehicle manufactured by such manufacturer.

18. Automatic teller machine services.- Automatic teller machine services means an interactive automatic machine designed to dispense cash, accept deposit of cash, transfer money between bank accounts and facilitate other financial transactions.

19. Banking.- Banking means the accepting, for the purpose of lending or investment, of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise.

20. Banking company.- Banking company includes companies which transact the business of banking in Pakistan and the branches and subsidiaries of banking companies incorporated in Pakistan but functioning outside Pakistan.

21. Banking and other financial service.- Banking and other financial service means any service provided or to be provided to a customer by a banking company or a financial institution including a non-banking financing company or any other body corporate or any person of a foreign exchange broker in relation to banking and other financial services.

22. Beauty parlour.- Beauty parlour includes hair cutting, hair dyeing, hair dressing, face and beauty treatment, cosmetic treatment, manicure, pedicure or counseling services on beauty, face care or make-up or such other identical or similar services.

23. Broadcasting service.- Broadcasting service means the dissemination of any form of communication like sign, signals, writing, pictures, images and sound of all kind by transmission of electro-magnetic waves through space or through cables intended to be received by the general public either directly or indirectly through the medium of relay stations and all its grammatical variations and cognate expressions shall be construed accordingly.

24. Brokerage business.- Brokerage business means the services provided by a broker registered under the Brokers and Agents Registration Rules, 2001.

25. Business auxiliary service.- Business auxiliary service means any service in relation to:

- (i) promotion or marketing or sale of goods produced or provided by or belonging to the client; or
- (ii) promotion or marketing of service provided by the client; or
- (iii) any customer care service provided on behalf of the client; or
- (iv) procurement of goods or services, which are inputs for the client; or
- (v) production or processing of goods for, or on behalf of the client; or
- (vi) provision of service on behalf of the client; or
- (vii) service incidental or auxiliary to any activity specified in sub-clauses (i) to (vi) such as billing, issue or collection or recovery of cheques, payments, maintenance of accounts and remittance, inventory management, evaluation or development of prospective customer or vendor, public relation services, management or supervision.

26. Business exhibition service.- Business exhibition service means an exhibition:

- (a) to market; or
- (b) to promote; or
- (c) to advertise; or
- (d) to showcase,

any product or service intended for the growth in business of the producer or provider of such product or service.

27. Business support service.- Business support service means services provided in relation to business or commerce and includes evaluation of prospective customers, telemarketing, processing of purchase orders and fulfillment services, information and tracking of delivery schedules, managing distribution and logistics, customer relationship management services, accounting and processing of transactions, operational assistance for marketing, formulation of customer service and pricing policies, infrastructural support services and other transaction processing.

28. Cable TV operator.- Cable TV operator means a person, a company, a firm, an establishment or an organization engaged or involved in the collection and distribution or dissemination of audio-video signals for public viewing whether through a cable, MMDS, LMDS or DTH (through satellite receiver).

1[28A. Call centre.- 'Call centre' means any establishment and enterprise, undertaking or a business providing or rendering the services of receiving or transmitting requests by telephone, facsimile, live support software, social media, e-mail and any other electronic means of communication, whether for the product support or business support of any person or information or inquiries from consumers or telemarketing, soliciting of donations or subscriptions, debt collection, market research or other similar services.]

1[28B. Car or automobile dealer.- 'Car or automobile dealer', whatever name called, means a person who is engaged in providing or rendering the services to* sale, purchase, transfer, leasing, marketing or booking of new, old and used cars and automobiles, imported or locally assembled or manufactured including, old or used cars or automobiles.]

2[28C. Car or automobile washing or similar service station.- 'Car or automobile washing or similar service station' means a service station or a service centre or an establishment providing or rendering the services in relation to maintenance, inspection, detailing, washing, clearing, polishing, waxing, oil coating, lubricating, tuning, changing of oils, filters and plugs, denting, painting, repairing or other similar services of cars or automobiles.]

29. Caterer.- Caterer includes any person who supplies, either directly or indirectly, any food, edible preparations, beverages, drinks or crockery and similar articles of accoutrements for any purpose including ceremony, party, get-together, event or occasion etc.

30. Cargo handling service.- Cargo handling service means loading, unloading, packing or unpacking of cargo and includes cargo handling services provided for freight in special containers or for non-containerized freight, services provided by a container freight terminal or any other freight terminal, for all modes of transport and cargo handling service incidental to freight, but does not include handling of export cargo or passenger baggage or mere transportation of goods.

31. Cleaning service.- Cleaning service means cleaning, including specialized cleaning services such as disinfecting, exterminating or sterilizing of objects or premises of:

(i) commercial or industrial buildings and premises thereof; or

(ii) factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises thereof, but does not include such services in relation to agriculture, horticulture, animal husbandry or dairying.

32. Clubs.- Clubs include any person or body of persons, firm, company, establishment or undertaking providing any services, facilities or advantages, for a subscription or any other amount, to its members, but does not include-

(i) anybody established or constituted by or under any law; or

(ii) any person or body of persons engaged in the activities of trade unions, promotion of agriculture, horticulture or animal husbandry; or

(iii) any person or body of persons engaged in any activity having objectives which are in the nature of public service and are of a charitable, religious or political nature; or

(iv) any person or body of persons associated with press or media.

33. Commercial training or coaching.- Commercial training or coaching means any training or coaching provided by a commercial training or coaching centre.

34. Commercial or industrial construction.- Commercial or industrial construction means:

(i) construction of a new building or a civil structure or a part thereof; or

(ii) construction of pipeline or conduit; or

(iii) completion and finishing services such as glazing, plastering, painting, floor and wall tiling, wall covering and wall papering, wood and metal joinery and carpentry, fencing and railing, construction of swimming pools, acoustic applications or fittings and other similar services in relation to building or civil structure; or

(iv) repair, alteration, renovation or restoration of, or similar services in relation to building or civil structure, pipeline or conduit, which is:

(a) used, or to be used, primarily for; or

(b) occupied, or to be occupied, primarily with; or

(c) engaged, or to be engaged, primarily in:

commerce or industry or work intended for commerce or industry, but does not include such services provided in respect of roads, airports, railways, transport terminals, bridges, tunnels and dams.

35. Consulting engineering.- Consulting engineering means any professionally qualified engineer or any engineering firm, who, either directly or indirectly, provides any advice, consultancy or technical assistance in any manner to a client in one or more disciplines of engineering.

36. Convention service.- Convention service means a formal meeting or assembly which is not open to the general public, and does not include a meeting or assembly, the principal purpose of which is to provide any type of amusement, entertainment or recreation.

37. Courier services.- Courier services mean the transmission, transportation or conveyance, whether door-to-door or not of time-sensitive documents, goods, articles or cargo whether or not utilizing the services of a person either directly or indirectly to accompany such documents, goods, articles or cargo and includes speed post, express cargo service and similar fast services of transmission, transportation and conveyance of documents, goods, articles or cargo.

38. Credit rating agency.- Credit rating agency means any person or concern engaged in the business of credit rating of any debt obligation or of any project or programme requiring finance, whether in the form of debt or otherwise, and includes credit rating of any financial obligation, instrument or security which has the purpose of providing to

a potential investor or any other person, any information pertaining to the relative safety of timely payment or interest, surcharge or principal.

39. Dredging.- Dredging includes removal of material including silt, sediments, rocks, sand, refuse, debris, plant or animal matter in any excavating, cleaning, deepening, widening or lengthening, either permanently or temporarily, of any river, port, harbour, backwater or estuary.

40. Dry cleaning service.- Dry cleaning service includes dry cleaning of apparels of any kind, clothes, garments or other textile, fur or leather articles.

41. Erection, commissioning or installation.- Erection, commissioning or installation means any service provided by a commissioning and installation agency in relation to:

(i) erection, commissioning or installation of plant, machinery, equipment or structures, whether pre-fabricated or otherwise; or

(ii) installation of:

(a) electrical and electronic devices, including wirings or fittings therefore; or

(b) plumbing, drain laying or other installations for transport of fluids; or

(c) heating, ventilation or air-conditioning including related pipe work, wood work, duct work and sheet metal work; or

(d) thermal insulation, sound insulation, fire proofing or water proofing; or

(e) lift and escalator, fire escape staircases or travelators; or

(f) such other similar services.

42. Event management service.- Event management service means any service provided in relation to planning, promotion, organizing or presentation of any arts, entertainment, business, sports or any other event and includes any consultation provided in this regard.

43. Fashion designing.- Fashion designing includes any activity relating to conceptualizing, outlining and creating designs and preparing patterns for costumes, apparels, garments, clothing accessories, jewelry or any other articles intended to be worn by human beings and any other service incidental thereto.

1[43A. Fashion designer.- ‘Fashion designer’ means a person or business providing or rendering services of fashion designing or any other economic activities relating to conceptualizing, outlining or creating designs or preparing designs or patterns for costumes, apparels, garments, clothing, accessories, jewellery, foot wears (including any other product regime) or any other services incidental to fashion designing.]

44. Financial institution.- Financial institution includes:

(a) a company or an institution whether established under any special enactment and operating within or outside Pakistan which transacts the business of banking or any associated or ancillary business through its branches;

(b) a modaraba, leasing company, investment bank, venture capital company, financing company, housing finance company, a non-banking finance company; and

(c) any other institution or company authorised by law to undertake any similar business as the Government may, by notification, specify for the purpose.

45. Foreign exchange dealer.- Foreign exchange dealer includes an exchange company or money changer.

46. Forward contract brokerage service.- Forward contract brokerage service means a contract for the delivery of goods and which is not a ready delivery contract.

47. Franchise.- Franchise means an authority given by a franchiser under which the franchisee is contractually granted any right to produce, manufacture, sell or trade or otherwise deal in or do any other business activity relating to goods or services or to undertake any process identified with franchiser against a fee or consideration including royalty or technical fee whether or not any use of trademark, service mark, trade name, logo, brand name or any such symbol is involved.

48. Freight forwarders.- Freight forwarders means a person who provides or is engaged for his principal or client for providing of services, for fee or charges or commission or remuneration for some or all the services being provided by a shipping agents clearing agent, stevedore, ship chandler, terminal operator or such services of warehousing and he may also provide cover or guarantee for insurance or banking services in respect of imports or exports of goods, whether independently or in partnership or in arrangement with any such service provider.

2[48A. Fumigation services.- ‘Fumigation services’ mean the services provided or rendered in relation to pest control or insect control and include services of disinfecting and sterilizing of premises, buildings, factories or

complexes (commercial complexes, shopping complexes, office complexes, apartment or residential complexes, multiplexes, exhibition centres, residential units, commercial units or offices) but shall not include the public health fumigation services provided or rendered directly by the Government, a local government or a Cantonment Board free of charge.]

49. Goods transport by road.- Goods transport by road means any person who provides service in relation to transport of goods by road and issues consignment note, by whatever name called.

50. Health club and fitness centre.- Health club and fitness centre means service for physical wellbeing such as, sauna and steam bath, Turkish bath, solarium, spas, reducing or slimming salons, gymnasium, yoga, meditation, massage (excluding therapeutic massage) or any other like service.

51. Ijarah.- Ijarah means an arrangement under which a bank leases equipment, building or other facility to a client against an agreed rental.

52. Insurance.- Insurance means insurance or guarantee against loss, damage, injury, or risk of any kind whatever, whether pursuant to any contract or any enactment and includes reinsurance.

53. Insurer.- Insurer means any person carrying on an insurance business or general insurance business and includes a reinsurer.

54. Interior decorator.- Interior decorator means any person engaged, whether directly or indirectly, in the business providing advice, consultancy, technical assistance or any services in any manner relating to planning, designing, beautification, embellishment, oration and furnishing of any interior or exterior space or spaces whether man-made or otherwise.

55. Internet cafe.- Internet cafe means a commercial establishment providing facility for accessing internet.

56. Intellectual property service.- Intellectual property service means any right to intangible property, including trademarks, designs, patents or any other similar intangible property under any law, but does not include copyright.

57. Internet telephony.- Internet telephony means telecommunication service through internet and includes fax, audio conferencing and video conferencing.

1[57A. Labour and manpower supply services.- Labour and manpower supply services' include the services provided or rendered for a consideration in order to use services of a person through employment hired or supplied.]

2[57B. Laundries and dry cleaners.- 'Laundries and dry cleaners' mean the services of washing, pressing, stain removing, darning or dry cleaning of any kind of textile, fur or leather materials like apparels, clothes,

garments, floor coverings, curtains, draperies, linens, bed-wears or similar products and their accessories on commercial basis.]

1[57C. Maintenance or cleaning services.- 'Maintenance or cleaning services' mean, in conjunction with or in addition to rules 31 and 64, the services provided or rendered in relation to repair, maintenance and cleaning, including specialized clearing services such as disinfecting, exterminating or sterilizing of:

(a) office equipment, offices or buildings, or any other premises;

(b) commercial complexes including multiplexes, shopping complexes, office complexes and exhibition centres, apartment or residential complexes; and

(c) factories, plants, machinery or equipment of any factory, elevators, escalators, tanks or reservoirs of any factory, office, building or commercial complex.]

58. Management consultant.- Management consultant means any person who is engaged in providing any service or services, either directly or indirectly, in connection with the management of any business, organization or institution in any manner and includes any person who renders advice, consultancy or technical assistance relating to conceptualizing, devising, development, modification, rectification or upgradation of any working system of such business, organization or institution.

59. Mutual fund.- Mutual fund means an investment vehicle that is made up of a pool of funds collected from many investors for the purpose of investing in securities such as stocks, bonds, money market instruments and similar assets and collective investment scheme as defined in section 2 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and includes a closed end fund or an open end scheme.

60. Manpower recruitment agency.- Manpower recruitment agency means a person or concern engaged in providing any service or services, directly or indirectly, in any manner for recruitment of manpower either to a client or otherwise.

61. Market research agency.- Market research agency means any person or concern engaged, directly or indirectly, in providing services relating to the study or survey or both of any situation in the market for any purpose other than personal academic or educational requirements.

62. Marriage hall.- Marriage hall includes a marriage lawn or banquet hall or a place or premises where a ceremonial feast or meal is served for many people or which is used for hosting of social gatherings like receptions, reunion, parties, business events or other events for large number of people or is provided on rent, whether or not with facilities or utilities, for an agreed time where parties or functions are organized by the persons either with

their own food items or on their own expense or otherwise, but does not include a hotel or a restaurant.

63. Mailing list compilation and mailing.- Mailing list compilation and mailing means any service in relation to:

- (i) compiling and providing list of names, addresses and any other information from any source; or
- (ii) sending document, information, goods or any other material in packet, by whatever name called, by addressing, stuffing, sealing, metering or mailing, for or on behalf of the client.

64. Management, maintenance or repair service.- Management, maintenance or repair service means any service provided by:

- (i) any person under a contract or an agreement; or
- (ii) a manufacturer or any person authorized by him, in relation to:
 - (a) management of properties, whether immovable or otherwise;
 - (b) maintenance or repair of properties, whether immovable or; or
 - (c) maintenance or repair including reconditioning or restoration or servicing of any goods, excluding a motor vehicle.

65. Modaraba and modaraba company.- Modaraba and modaraba company have the same meaning as in the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980).

66. Musharakah.- Musharakah means an Islamic-styled joint enterprise or partnership with profit and loss sharing implications allowing each party involved in a business to share in the profits and risks, where instead of charging interest as a traditional creditor, the financier achieves a return in the form of a portion of the actual profits earned, either according to a predetermined ratio or otherwise and where the financier also shares in losses, if any.

67. Non-banking finance company.- Non-banking finance company includes a company licensed by Pakistan Security and Exchange Commission under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 to carry out any one or more of the following forms of business:

- (i) investment finance services;
- (ii) leasing;
- (iii) housing finance services;
- (iv) venture capital investment;
- (v) discounting services;
- (vi) investment advisory services;
- (vii) asset management services; and
- (viii) any other form of business which the Government may, by notification, specify; and

(ix) such other business as the Government may, by notification, specify for the purpose.

68. On-line information and database access or retrieval service.- On-line information and database access or retrieval service means the service provided or to be provided to a customer by any person in relation to on-line information and database access or retrieval or both in electronic form through computer network in any manner.

69. Packaging.- Packaging means any service provided or to be provided to any person by any other person in relation to packaging activity.

70. Pandal and shamiana service.- Pandal and shamiana service means any service, either directly or indirectly, in connection with the preparation, arrangement, erection or decoration of a pandal or shamiana and includes the supply of furniture, fixtures, lights and lighting fittings, floor coverings and other articles for use therein.

71. Practicing chartered accountant.- Practicing chartered accountant means a person who is a member of the Institute of Chartered Accountants of Pakistan and holds a certificate of practice granted under the provision of the Chartered Accountants Ordinance, 1961 (X of 1961) and includes any concern or firm engaged in rendering services in the field of chartered accountancy.

72. Practicing cost accountant.- Practicing cost accountant means a person who is a member of the Institute of Cost and Management Accountants of Pakistan and holds a certificate of practice granted under the provisions of the Cost and Management Accounts Act, 1966 (XIV of 1966) and includes any concern or firm engaged in rendering services in the field of cost accountancy.

73. Practicing company secretary.- Practicing company secretary means any individual appointed to perform the secretarial, administrative or other duties ordinarily performed by the secretary of a company.

1[73A. Production house.- ‘Production house’ means the services of producing a programme, or providing or rendering various services, facilities, utilities or advantages in relation to production of programmes usually for television or radio.]

2[74B. Programme.- ‘Programme’ means any audio or visual matter, live or recorded, intended to be disseminated by transmission of electromagnetic waves through space or cables to be received by general public either directly or indirectly through the medium of cables, telecommunication or relay stations.]

1[74C. Programme producer.- ‘Programme producer’ means a person who produces a programme on behalf of, or for use by, another person.]

74. Photography service.- Photography service means any service provided or to be provided to a customer by a photographer, photography studio or agency in relation to photography, in any manner.

75. Port operator.- Port operator includes any person, authority, trust, institution, association, organization, managing directly or otherwise, the operations of any customs port including dryport and airport as declared under section 9 of the Customs Act, 1969 (IV of 1969).

76. Post paid telecommunication service.- Post paid telecommunication service means the service charges collected by a service provider after the use of telecommunication service or services.

77. Pre-paid telecommunication service.-Pre-paid telecommunication service means the service charges collected by a service provider prior to the use of telecommunication service or services.

2[77A. Property dealer.- 'Property dealer', by whatever name called, means a person who is engaged in providing or rendering services, directly or indirectly or in any manner, in relation to sale, purchase, leasing, renting, supervision, maintenance, marketing, acquisition or management of real estate and includes a realtor, a real estate agent, a real estate broker or a real estate consultant.]

2[77B. Real estate.- 'Real estate' means the land and includes:

(a) all attachments above and below the land;

(b) all things that form a natural part of the land;

(c) all things that are developed or installed, including buildings and site improvements; and

(d) all permanent building attachments such as plumbing, heating and cooling systems, electrical wiring and built-in-items such as elevators and allied equipment, and all rights and interests therein, whether the interest is freehold or leasehold, and whether the purpose or use thereof is residential, commercial or industrial.]

78. Public relations service.- Public relations service includes strategic counseling based on industry, media and perception research, corporate image management, media relations, media training, press release, press conference, financial public relations, brand support, brand launch, retail support and promotions, events and communications and crisis communications.

79. Rail travel agent.- Rail travel agent means any person engaged in providing any service connected with booking of passage for travel by rail.

80. Recovery agent.- Recovery agent means a person who is providing any service to a banking company or a financial institution including a non-banking financial company or any other body corporate or a firm, in relation to recovery of any sums due to such banking company or financial institution, including a non-banking financial company, or any other body corporate or a firm, in any manner.

81. Real estate agent.- Real estate agent means a person or concern engaged in rendering any service or services in relation to sale, purchase, leasing, hiring or renting of real estate.

82. Real estate consultant.- Real estate consultant means a person who renders in any manner, either directly or indirectly, advice, consultancy or technical assistance in relation to evaluation, conception, design, development, construction, implementation, supervision, maintenance, marketing, acquisition or management of real estate.

1[82A. Recruitment or recruiting agent.- 'Recruitment or recruiting agent', by whatever name called, means a person engaged in providing or rendering any service, directly or indirectly, to any person in any manner for the recruitment or hiring of manpower and includes a recruiting consultant or consultancy.

Explanation.- For the purpose of this definition, recruitment includes inviting of applications for recruitment, receipt of applications from candidates, pre-interview or pre-recruitment screening of applications or short-listing of applicants, interview of candidates, verification of credentials and antecedents of the candidates.]

83. Registrar to an issue.- Registrar to an issue means any person carrying on the activities in relation to an issue including collecting application forms from investors, keeping a record of applications and money received from investors or paid to the seller of securities, assisting in determining the basis of allotment of securities, finalizing the list of persons entitled to allotment of securities and processing and dispatching allotment letters, refund orders or certificates and other related documents.

84. Rent-a-car operator.- Rent-a-car operator means any person or concern engaged, whether directly or indirectly, in the business of renting cabs and any other passenger transport.

85. Residential complex construction.- Residential complex construction means any complex comprising:

(i) a building or buildings, having more than twelve residential units;

(ii) a common area; and

(iii) any one or more of facilities or services such as park, lift, parking space, community hall, common water supply or effluent treatment system, located within a premises and the layout of such premises is approved by an authority under any law, but does not include a complex which is constructed by a person directly engaging any other person for designing or planning of the layout, and the construction of such complex is intended for personal use as residence by such person.

86. Scientific and technical consultancy.- Scientific and technical consultancy means any advice, consultancy, or scientific or technical assistance, rendered in any manner either directly or indirectly, by a scientist or a technocrat, or any science or technology institution or organization, to a client in one or more disciplines of science or technology.

87. Security agency.- Security agency means any person or concern engaged in the business of rendering services relating to the security of any property, whether movable or immovable or of any person or group or establishment of persons, in any manner and includes the services of investigations detection or verification of any fact or activity, whether of a personal nature or otherwise, including the services of providing security personnel.

88. Service provider.- Service provider means a person who is engaged in providing service or services in the course or furtherance of any economic activity.

1[88A. Share transfer agent.- ‘Share transfer agent’ means a person who maintains the record of holders of securities and deals with all matters connected with the transfer or redemption of securities or activities incidental to such services.]

89. Site preparation.- Site preparation means any service provided or to be provided to any person, by any other person, in relation to site formation and clearance, excavation and earthmoving and demolition and such other similar activities.

90. Sponsorship.- Sponsorship includes naming an event after the sponsor, displaying the sponsor’s company logo or trade name, giving the sponsor exclusive or priority booking rights, sponsoring prizes or trophies for competition, but does not include any financial or other support in the form of donation or gift, given by a donor subject to the condition that the service provider under no obligation to provide anything in return to the donor.

91. Share transfer agent.- Share transfer agent means any person who maintains the record of holders of securities and deals with all matters connected with the transfer or redemption of securities or activities incidental thereto.

92. Shipping agent.- Shipping agent means a person, who holds the license under the Customs Act, 1969 (IV of 1969), or the rules made thereunder and provides any service to entrance or clearance of a conveyance at a customs port and issues line or carrier bill of lading, for or on behalf of a shipping line and includes non-vessel operating common carriers, slot carriers, charterers, international freight forwarders and consolidators, rendering services in relation to import and export of cargo, independently or as subsidiary of a shipping line, carrier and non-vessel operating common carriers.

93. Shipping line.- Shipping line means any person who owns or charters a ship and includes a person or an enterprise which operates or manages the business of shipping.

94. Ship management.- Ship management includes:

- (i) the supervision of the maintenance, survey and repair of ships;
- (ii) engagement of providing of crew;
- (iii) receiving the hire or freight charges on behalf of the owner;
- (iv) arrangements for loading and unloading;
- (v) providing for victualing or storing of ship;
- (vi) negotiating contracts for bunker fuel and lubricating oil;
- (vii) payment, on behalf of the owner, of expenses incurred in providing services or in relation to the management of ship;
- (viii) the entry of ship in a protection or indemnity association;
- (ix) dealing with insurance, salvage and other claims; and
- (x) arranging of insurance in relation to ship.

95. Steamer agent.- Steamer agent means any person who undertakes, either directly or indirectly, to:

- (i) perform any service in connection with the ship's husbandry or dispatch including the rendering of administrative work relating thereto; or
- (ii) book, advertise or canvass for cargo for or on behalf of a shipping line; or
- (iii) provide container feeder services for or on behalf of a shipping line.

96. Sound recording service.- Sound recording service means recording of sound on any media or device including magnetic storage device, and includes services relating to recording of sound in any manner such as sound cataloguing, storing of sound and sound mixing or re-mixing or any audio post-production activity.

97. Storage and warehousing service.- Storage and warehousing service includes storage and warehousing services for goods, liquids and gases but does not include any service provided for storage of agricultural produce or any service provided by a cold storage.

98. Survey and exploration of minerals.- Survey and exploration of minerals means geological, geophysical or other prospecting, surface or sub-surface surveying or map making service, in relation to location or exploration of deposits of mineral, oil or gas or any of the materials.

99. Survey and map making.- Survey and map making means geological, geophysical or any other prospecting, surface, sub-surface or aerial surveying or map-making of any kind, but does not include survey and exploration of mineral.

1[99A. Surveyor.- Surveyor means a person engaged in the services of any kind of specialized or special purpose survey, insurance survey, market survey, statistical survey, opinion poll survey and survey relating to risk assessment, loss or damage assessment or claim settlement.]

100. Takaful.- Takaful includes a scheme based on mutual assistance in compliance with the provisions of Islamic Shariah, and which provides for mutual financial aid and assistance to the participants in case of occurrence of certain contingencies and whereby the participants mutually agree to contribute to the common fund for that purpose.

101. Technical testing and analysis.- Technical testing and analysis means any service in relation to physical, chemical, biological or any other scientific testing or analysis of goods or material or any immovable property, but does not include any testing or analysis service provided in relation to human beings or animals.

102. Technical inspection and certification.- Technical inspection and certification means inspection or examination of goods or process or material or any immovable property to certify that such goods or process or material or immovable property qualifies or maintains the specified standards, functionality or utility or quality or safety or any other characteristic or parameters but does not include any service in relation to inspection and certification of pollution level.

2[102A. Technical, scientific and engineering consultant.-

‘Technical, scientific and engineering consultant’ means a person, providing or rendering the technical, scientific and engineering service, advice, consultancy, assistance or supervision, in any manner, either directly or indirectly, to any person, in one or more disciplines of technology, science and engineering and includes a person known as a consulting engineer, professional engineer or structural engineer.]

103. Television and radio programme production service.-

Television and radio programme production service means any person who produces a television or radio programme on behalf of another person.

104. Terminal operator.- Terminal operator includes any person who is engaged in rendering any service or services relating but not limited to the handling including receipt, storage or warehousing , delivery, dispatch or clearance of containers or cargo either for import, export or any other connected activity or purpose at any port including dry port or airport.

105. Tour operator service.- Tour operator service means any person engaged in the business of planning, scheduling, organizing or arranging tours (which may include arrangements for accommodation, sightseeing or other similar services) by any mode of transport, and includes any person engaged in the business of operating tours in any transport.

106. Telecommunication services.- Telecommunication services mean the services involving a transmission, emission, or reception of signals, writing, images, sounds or information of any kind or nature by wire, radio, optical, or other electromagnetic systems, including related transfer or assignment of the right to use capacity for such transmission, emission or reception and a provision of access to a global or local information network, but does not include the supply of the underlying writing, images, sounds, or information. Telecom services take place where the effective use and enjoyment of the services occur.

107. Transport through pipeline.- Transport through pipeline means any service provided or to be provided to any person by any other person in relation to transport of goods, other than water, through pipeline or other conduit.

108. Travel agency service.- Travel agency service means any person engaged in providing any service connected with booking of passage for travel but does not include an air travel agent and a rail travel agent.

109. Underwriter.- Underwriter means a person who engages in the business of underwriting of an issue of securities of a body corporate.

110. Unit trust.- Unit trust means a form of collective investment constituted under a trust deed and includes a trust established by a deed under the provisions of the Trusts Act, 1982 (II of 1982).

111. Video-tape production.- Video-tape production means the process of any recording of any programme, event or function on a magnetic tape or on any other media or device and includes services relating thereto such as editing, cutting, colouring, dubbing, title printing, imparting special effects, processing, adding, modifying or deleting, transferring from one media or device to another, or undertaking any video post-production activity, in any manner.

Chapter IV

MISCELLANEOUS DEFINITIONS

112. Adjudicating authority.- Adjudicating authority means any officer competent to adjudicate and decide the cases under the Act.

113. Agreement.- Agreement means the agreement executed between the Authority and the Bank for purposes of receipt of tax returns and payment of tax amounts.

114. Attachment officer.- Attachment officer means an officer who may be authorized by the recovery officer to perform any of the functions in connection with recovery of arrears.

115. Bank.- For purpose of filing of returns and other prescribed declarations under the Act and the rules made thereunder, the bank means the National Bank of Pakistan (through its regional headquarter in the Punjab) inclusive of its branches designated to receive such returns or declarations or any other bank which the Authority may, after approval from the Government, specify.

116. Commissionerate.- Commissionerate means the office of the Commissioner of the Authority having jurisdiction, either territorial or otherwise.

117. Computerized payment receipt.- Computerized payment receipt means a computer generated receipt showing payment of tax to the designated branch of the bank.

118. Defaulter.- Defaulter means a person who has failed to discharge his liabilities in payment of government dues.

119. Demand note.- Demand note includes a note received by the sales tax recovery officer from the referring authority specifying the details regarding the defaulter and the government dues.

120. E-declaration administrator.- E-declaration administrator means an officer authorized by the Authority for purposes of administration of data in computerized system of the Authority.

121. Electronic data interchange (EDI).- Electronic data interchange (EDI) means a system of secure transmission of electronic information, based on an agreed and internationally accepted standards and can be understood and treated automatically without human intervention.

122. Electronic sales tax return form.- Electronic sales tax return form means a form of sales tax return available on the website of Punjab Revenue Authority to be filled in and filed under the Act and the rules made thereunder.

123. Execution.- Execution means steps taken for the recovery of government dues in pursuance of a demand note.

124. Government dues.- Government dues means recoverable amounts of sales tax, default surcharge, penalty or any other being collected as sales tax, an adjudged penalty or fine or any amount unpaid which may be payable under any bond, guarantee or instrument executed under the Act or the rules made thereunder and against the recovery of which there is no bar or valid stay order from the competent authority or court.

125. Movable property.- Movable property means a property which can be taken into custody for removal without physically knocking it down and includes currency, coins, shares, documents and instruments.

126. Nil return.- Nil return means a return indicating that no tax is payable by the registered person in respect of the tax period to which the tax return relates.

127. PRAL.- PRAL means Pakistan Revenue Automation (Private) Limited.

128. Privileged organization.- Privileged organization means United Nations and the organizations working under it and shall include any other organization which the Authority may recognize as such.

129. Privileged person.- Privileged person means a person:

(a) covered as such by United Nations (Privileges and Immunities) Act, 1948 (XX of 1948), and shall include persons entitled to concessions and exemptions to privileged personnel arriving under various foreign grant-in-aid programmes or projects; and

(b) so declared under the President's Salary, Allowances and Privileges Act, 1975 (LVIII of 1975) and the Prime Minister's Salary, Allowance and Privileges Act, 1975 (LIX of 1975).

130. Processing officer.- Processing officer means an officer of the Authority authorized to process a refund claim.

131. Receiver.- Receiver means a person appointed by the recovery officer to manage, run and account for any attached business or property.

132. Recovery officer.- Recovery officer means an officer of the Authority appointed by the Commissioner to exercise powers for recovery of the Government dues under the Act or the rules made thereunder

133. Reciprocity.- Reciprocity means extension of the same privileges and facilities to a diplomat or diplomatic mission of a country in Pakistan as are extended by such country to diplomats and diplomatic mission of Pakistan in that country.

134. Referring officer.- Referring officer means an officer of the Authority, desiring to recover government dues through recovery officer.

135. Residual input tax.- Residual input tax means the amount of tax paid on raw materials, components and capital goods being used for making taxable as well as exempt supplies but does not include the input tax paid on raw materials used wholly for making taxable or exempt supplies.

136. Share.- Share means share in a corporation, private or public limited company and includes stock, debenture stock, debentures or bonds.

137. Supportive documents.- Supportive documents mean the documents on the basis of which refund of sales tax is claimed.

138. Taxpayer.- Taxpayer means any person who is required or is liable to pay or is paying tax, or any sum under the Act or the rules made thereunder and includes any person, other than a Government employee, who is assigned any duty or responsibility to deposit tax under the Act or the rules.

139. Transmit.- Transmit means to transmit data or documents through electronic means.

140. Unique user identifier.- Unique user identifier means a unique identification name, number or password allotted by the Authority to the authorized user of the computerized system under the Act and the rules made thereunder.

Provincial & ICT Tax Laws of Pakistan

PUNJAB SALES TAX ON SERVICES (ENFORCEMENT) RULES, 2014

No. PRA/Orders.06/2012, Lahore, the 2nd September, 2014.- In

exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act, 2012 (XLII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

1. Short title and commencement.-- (1) These rules may be cited as the Punjab Sales Tax on Services (Enforcement) Rules, 2014.

(2) They shall come into force at once.

(3) They shall not apply on such corporate sector businesses whose accounts are being audited under the Companies Ordinance 1984 (XLVII of 1984) at least for the last three years and are registered with the Authority duly complying with Punjab sales tax on services.

2. Definitions.-- In these rules:

(i) "Act" means the Punjab Sales Tax on Services Act 2012 (XLII OF 2012),

(ii) "Authority" means the Punjab Revenue Authority established under the Act,

(iii) "business premises" means any premises, place or space, whether declared or not, where any economic activity for or in connection with rendering of taxable services is carried out in any manner and includes any outlet, whether declared or not, of a business involving rendering of taxable services;

(iv) "enforcement" means any act or process including sealing of business premises to persuade, compel or force any person to comply with any of the provisions of the Act and rules made thereunder;

(v) "Government" means Government of the Punjab.

(vi) "officer" means officer of the Authority not below the rank of Assistant Commissioner; and

(vii) "taxable services" means services liable to sales tax under the Act.

3. Information about premises.— (1) An officer may call for any information, documentary or otherwise, about any business premises which is known or believed to have been used or is being used in connection with the providing of taxable services.

(2) The information under sub-rule (1) may be called for either in writing or otherwise and may cover aspects like physical location and characteristics of the business premises, the business or other activities carried out therein, details of the machinery or equipments including other fixed or moveable installations, nature of records being maintained or documentation being done and particulars of the persons including owner, tenant, occupant, employees and other manpower working in connection with the business carried out in the premises.

4. Visit at premises.-- (1) An officer may, at any time, visit any business premises with or without any advance notice of atleast five days to the person in possession of or having any nexus with the premises.

(2) Where requested, officer or official of the Authority visiting any premises may disclose the official purpose of the visit.

5. Access to records.— (1) An officer may take into possession any record relating to the business involving rendition of taxable services provided that an attested copy of such records may be given by the officer of the Authority to the person concerned in such manner as may be deemed proper.

(2) Where record is maintained in electronic form, the officer or official of the Authority may take into possession the computer equipments and allied gadgets etc in such manner as deemed necessary and every person who has been or is working on such computer equipments for the maintenance of record or carrying out any other electronic documentation activity shall be under obligation to disclose access code or password, if any, for retrieval of the information stored therein.

(3) When the official purpose for which any record including computer equipments has been served to the satisfaction of the concerned officer of the Authority, such record or equipment shall be returned under proper receipt provided that nothing shall bar such officer or official of the Authority to retain copy of the documents or information contained in such record or equipment.

6. Sealing of premises.— (1) Subject to sub-rule (2), officer of the Authority may seal any business premises which has been or is being used for and in connection with the providing of taxable services in such manner and for such period as may be deemed necessary.

(2) No business premises shall be sealed unless other necessary measures have been taken to ensure voluntary compliance in the case and the officer is conclusively satisfied that the person using such premises for business purposes has:

(i) been or is providing taxable services on such premises without payment of tax;

(ii) failed to obtain registration or enrollment for the purpose of complying with the provisions of the Act and rules made thereunder despite due notification by the competent officer of the Authority in this regard;

(iii) failed to comply with tax obligations despite compulsory registration;

(iv) been or is involved in tax fraud or forgery of record or documents (whether paper or electronic) including invoice manipulation to evade or misappropriate tax;

(v) caused obstruction in the discharge of duties and functions by any officer or official of the Authority or causing any damage to the equipment or device installed by the Authority at any premises for monitoring or other purposes;

(vi) failed to pay due arrears of tax including the amounts of tax not paid, under-paid or short-paid for any tax period; and

(vii) failed, refused, declined or avoided to provide any document or information demanded or requested by the competent officer of the Authority or has refused to allow entry of the officer into the premises.

(3) The officer may post staff at the sealed premises or otherwise depute any staff to keep watch on the sealed premises in such manner as deemed proper and for this purpose, he may take necessary help or assistance from any of the departments, organizations or agencies of the Government in terms of section 30 of the Act.

(4) Once any business premises has been sealed under these rules, no other economic or business activity shall be carried out at such premises.

(5) Under no circumstances, sealing of any premises shall be continued beyond a time necessary to ensure proper compliance to the Act and rules made thereunder.

7. De-sealing of premises.-- (1) A premises sealed under these rules may be de-sealed either by the same officer of the Authority who has sealed the premises or by any officer higher in rank if he is satisfied that the person in default has properly discharged his tax liabilities or he has given a written solemn undertaking or commitment that he will discharge the tax liabilities during the time as may be agreed and will carry out his future tax obligations in proper manner provided that where such understanding or commitment is violated or breached, the premises de-sealed earlier may be resealed till such time tax compliance is made or as the case may be, commenced.

8. Proceedings in case of tampering etc.-- (1) Where any person has tampered with the seal affixed by the officer of the Authority or has otherwise unauthorizedly damaged, broken or removed such seal or has otherwise used any sealed premises for carrying out any other economic or business activity, he shall be liable to all penal actions under section 48 of the Act.

(2) Tampering, damaging, breaking or unauthorized removal of the seal including unauthorized use of sealed premises to carry out any other economic or business activity thereon, shall be treated as obstruction of the access of the officer of the Authority to the premises sealed under these rules and shall be dealt with accordingly.

(3) Under no circumstances, the prosecution proceedings in or conviction by the court of Special Judge shall absolve any person of his tax liabilities and compliance obligations under the Act and rules made thereunder.

9. Detentions and arrests. — (1) An officer may arrest and detain any person liable to prosecution under the Act and these rules.

(2) A person may be detained or arrested only if it is evident that the case warrants prosecution under the law and the person detained or arrested may be kept either at the official premises of the Authority or at any nearest police station.

(3) All detentions or arrests made under these rules shall be carried out in accordance with the relevant provisions of the Code of Criminal Procedure, 1898 (V of 1898) readwith the relevant provisions of Chapter VIII of the Act.

(4) All prosecutions initiated and detentions or arrests made under these rules shall, within twenty four hours, be reported to the Commissioner in charge.

10. Coordination with Chambers.- (1) Notwithstanding these rules, where any person is a bonafide member for a period of one year, of a Chamber of Commerce and Industry licensed by the Directorate of Trade Organization,

Government of Pakistan, the officer shall take all necessary assistance from the relevant Chamber to enforce voluntary compliance within a period of fifteen days, whereafter the officer of the Authority may proceed to enforce compliance as provided under these rules.

(2) A person rendering taxable services shall not be given membership by a Chamber after the issuance of these rules unless the person has obtained registration or enrollment from the Authority for the purpose of Punjab sales tax on services.

PUNJAB SALES TAX ON SERVICES (WITHHOLDING) RULES 2015

No. PRA/Orders.06/2012, Lahore, the 20th February, 2015.- In

exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Services (Withholding) Rules 2015.

(2) They shall come into force at once.

2. Definitions.- (1) In these rules:

(a) "Act" means Punjab Sales Tax on Services Act 2012 (XLII of 2012);

(b) "active taxpayer" means a registered person borne on the "active tax payers' list" maintained under rule 16 of the rules;

(c) "Form" means a Form appended with the rules;

(d) "rules" means the Punjab Sales Tax on Services (Withholding) rules 2015;

(e) "unregistered person" means a person who provides the taxable services to a resident of the Punjab or is otherwise liable to be registered under the Act but has not been registered with the Authority; and

(f) "withholding agent" means:

(i) Federal Government, a Provincial Government, a local government, a department or office under the Government, a public sector project or programme governed thereunder;

(ii) autonomous body, special institution, public sector organization including public corporation, Government-owned enterprise, regulatory or statutory body or authority;

(iii) organization which is funded, fully or partially, out of the budget grants of the Federal Government or the Government;

(iv) recipient of services of an advertisement who is registered:

(a) for the sales tax on goods with the Federal Government; or

(b) for the sales tax on services in the Punjab;

(v) a Company which is resident or has a place of business in the Punjab;

(vi) registered persons receiving taxable services from other than registered persons; and

(vii) accounting office responsible for making payment against invoices or bills for the taxable services received by an office or

department of the Government, Federal Government, Provincial Governments or local governments.

(2) A word and expression used herein, but not defined in the rules shall have the meaning as are assigned to them in the Act and rules made thereunder.

3. Applicability.- (1) The rules shall not apply on services relating to telecommunication, banking, courier and insurance and the services, except advertisement services, provided by the Companies being the active taxpayers.

(2) Sub-rule (1) shall not be involved where insurance services are provided from outside the Province to a withholding agent in respect of a risk located in or relating to the Province.

4. Responsibility of a withholding agent.- The withholding agent shall, for the purposes of acquiring and receiving taxable services, indicate statement as follow** in an advertisement, tender, notice, booking order or any other document made or given for the purpose:

“Sales tax to the extent as provided in the rules shall be deducted and withheld from the payment to be made to the service provider for depositing with Government of the Punjab.”

5. Withholding from registered service providers.- A withholding agent, other than a recipient of advertisement services, shall:

(a) withhold the whole amount of sales tax shown in the tax invoice issued by a registered person as service provider; and

(b) make payment of the balance amount of the invoice to registered person as service provider.

6. Withholding from unregistered person.- (1) A withholding agent shall, on receipt of taxable services other than advertisement services from an unregistered person, deduct sales tax at the applicable rate of the value of taxable services provided to him from the payment due to the service provider and the amount of sales tax for the purpose of this rule shall be worked out on the basis of gross value of taxable services.

(2) If a withholding agent receives taxable services from an unregistered person, he shall be responsible to obtain and keep in record:

(a) a copy of computerised national identity card of the unregistered person if he is an individual; and

(b) a copy of national tax number of the unregistered person assigned under the Income Tax Ordinance, 2011 (XLIX of 2001) if it is an association of persons or a Company.

(3) The withholding agent shall be required to enter correct information of computerized national identity card or national tax number of the unregistered person, as the case may be, in the relevant columns of the statement in Form 'A' or form PST-04, whichever is applicable.

7. Deduction of tax on advertisement services.- (1) A withholding agent who receives advertisement services provided by a person based in Pakistan or abroad shall deduct the whole amount of sales tax as mentioned in the invoice issued by the service provider.

(2) In case where the amount of sales tax is not indicated on the invoice, the amount shall be deducted by the withholding agent at the applicable rate on the gross value of taxable services from the payment due to the service provider.

Explanation: "Advertisement" in the rules includes such taxable advertisements' services as are classified under the advertisements head 98.02 of the First Schedule of the Act read with all relevant expressions and descriptions defined under the Punjab Sales Tax on Services (Definition) Rules 2012.

8. Procedure.- (1) If taxable services are received by the Federal Government, the Government, any department or office under the governments including local and district departments, the following procedure shall be observed:

(a) the Drawing and Disbursing Officer, preparing bill for the accounting office, shall indicate the amount of sales tax withheld under the rules and the accounting office shall adopt the payment procedure as indicated below:

(i) in case of services received by a department or office under the Federal Government, the office of the Accountant General of Pakistan shall account for and transfer the amount deducted at source during a month to the Government through a cheque in the name of the Chairperson of the Authority by credit to the relevant head of account and send to the Authority by 15th day of the following month;

(ii) in case of services received by a department or an office under the Government; or a local government, the Accountant General of the Punjab or the District Accounts Officer, as the case may be, shall credit the amount deducted at source during a month to the Government under due intimation to the Chairperson of the Authority;

(iii) in case of services received by a department or an officer under any provincial government other than the Government; or districts or local governments thereof, the Accountant General of that province or the respective District Accounts Officer shall credit the amount deducted at source

during a month to the Government through a cheque in the name of the Chairperson of the Authority to be sent by 15th day of the following month to the Authority; and

(iv) if the services are received by a department or an office falling under the purview of Military Accountant General, the Military Accountant General shall deposit the amount deducted at source during a month with the Government under intimation to the Chairperson of the Authority by 15th day of the following month and the amount, so deducted at source, shall simultaneously be reported by Military Accountant General to the Accountant General of the Punjab through civil exchange accounts; and

(b) the concerned Drawing and Disbursement Officer shall prepare the statement as per Form 'A' for each month and forward the same to the Chairperson of the Authority by 15th day of the following month.

(2) If taxable services are not covered under sub-rule (1), the withholding agent shall deposit the withheld amount of sales tax with the Government on the form PST-04 as prescribed in the Punjab Sales Tax and Services (Filing of Returns) Rules 2012 on the following due dates:

(a) in case the withholding agent is a registered person:

By the prescribed due date in the month following the tax period in which he claims input tax adjustment in his Punjab sales tax return or the date on which payment is made to the service provider or on a date within four months from the date of the invoice, whichever is earlier;

(b) in case the withholding agent is an unregistered person but is registered with the Federal Board of Revenue under the Sales Tax Act, 1990 (VII of 1990):

(i) by 15th day of the month following the period in which he claims input tax adjustment in the federal sales tax return as prescribed by the Federal Board of Revenue; or

(ii) by the date on which payment is made to the service provider or on a date within four months from the date of the invoice, whichever is earlier; and

(c) in case the withholding agents*, is not covered under sub-clauses (a) and (b):

By 15th day of the following second month in which the tax invoice was issued by the service provider or the date on which payment is made to the service provider, whichever is earlier.

9. Filing of a statement.- (1) If the withholding agent is a registered person, he or it shall file the standard return in the Form PST-04 as prescribed in the Punjab Sales Tax on Services (Filing of Returns) Rules 2012 and deposit the withheld amount of sales tax in the prescribed manner along with other tax liability, if any.

(2) A withholding agent shall not be required to file the statement on the Form 'A' if he or it falls under sub-rule (1).

(3) In case the withholding agent is an unregistered person but holds a national tax number assigned under the Income Tax Ordinance, 2001 (XLIX of 2001), he or it shall file a statement as on the Form 'A' and deposit the amount deducted at source in the prescribed manner.

(4) In case the withholding agent is neither registered person nor holds a national tax number assigned under the Income Tax Ordinance, 2001 (XLIX of 2001), he or it shall file a statement as on Form 'A' and deposit the amount deducted at source in the prescribed manner.

(5) The return or the statement required to be filed in pursuance of the rules may be filed either electronically or manually through courier, post or otherwise.

(6) Where the withholding agent needs to revise the statement, resulting in payment of tax over the tax already paid on the original statement, he or it may, without any permission from the Commissioner, file his or its revise* statement and pay the differential amount of tax along with the default surcharge as applicable.

(7) The Commissioner shall be competent to allow revision of statement not covered under sub-rule (6) and all such permissions for revision of statement shall be reported to the Authority on monthly basis on the format showing the name, name of withholding agent, relevant tax period, revenue (including adjustment) effect of revision and principal reason or reasons of revision.

10. Provision of information or data.- (1) A withholding agent shall furnish to officer of the Authority, all such information or data as may be required by him or it for carrying out the purposes of the Act and the rules made thereunder.

(2) Failure to furnish such information or data as required under sub-rule (1) shall render the withholding agent liable to penal action under serial Nos. 5 and 11 of the Table of subsection (2) of section 48 of the Act.

11. Certificate of withholding tax.- (1) A certificate on Form B' showing deduction of sales tax, may be issued to the service provider by the withholding agent, the certificate shall:

(a) duly specifying** the name and registration number of the service provider, if any;

Should have been "revised". Should have been "specify".

(b) description and value of services;

(c) total amount of sales tax charged on the services; and

(d) the amount of tax deducted.

(2) A copy or copies of every+ or all such certificate or certificates, described in the sub-rule (1), shall be sent to the Authority on monthly basis.

12. Responsibility of the registered person.- (1) A registered person

shall:

(a) issue a proper sales tax invoice in respect of every taxable service provided to a withholding agent;

(b) file monthly return as prescribed in the relevant rules;

(c) subject to rule 13, be entitled to adjust input tax against the output tax taking due credit of the sales tax deducted by the withholding agent or agents and deposited under the rules; and

(d) ensure that he or it allows withholding of sales tax to only such of his service recipients as are withholding agents.

(2) If a registered person allows withholding of tax by a person who is not a withholding agent, the registered person shall be liable to pay the tax along with the default surcharge payable on the tax.

(3) No recovery under sub-rule (2) shall be made unless the person concerned has been provided with an opportunity of being heard but nothing in this rule, shall restrain or otherwise disable the officer of the Authority or an authorized officer in this behalf to make recovery of tax in case of deliberate non-appearance.

13. Deposit of withheld sales tax amounts.- (1) Subject to sub-rule (2), all amounts of the sales tax on services deducted or withheld under the rules shall be paid or deposited with the Government under head of account "B-02385-Punjab Sales Tax on Services (Withholding)" in the prescribed form and manner.

(2) Notwithstanding anything to the contrary contained in any other provision under the rules or any other rules, no adjustment or credit shall be admissible to the persons registered under the Act in case of the tax deducted or withheld and paid in respect of advertisement services.

14. Failure to pay tax withheld or deducted.- (1) A withholding agent shall be considered defaulter and personally liable to pay the amount of tax to the Government, and an officer of the Authority may pass an order to that effect and proceed to recover the same in the manner prescribed by Punjab Sales Tax on Services (Recovery) Rules 2012, if a withholding agent under the rules:

(a) fails to withhold or deduct tax under the rules; or

(b) having withheld or deducted tax under the rules, fails to deposit the tax to the Government.

(2) If at the time of recovery of tax under sub-rule (1), it is established that the tax which was to be deducted from the payment made to a person has meanwhile been paid, no recovery shall be made from the person who had failed to withhold or deduct the tax but the said person shall be liable to pay default surcharge at rates specified in section 49 of the Act from the date he failed to collect or deduct the tax to the date the tax was paid.

(3) A person personally liable for an amount of tax under clause (a) of sub-rule (1) as a result of failing to collect or deduct the tax shall be entitled to recover the tax from the person from whom the tax should have been withheld or deducted.

(4) The provisions of the Act and the rules made thereunder shall apply to any amount required to be paid to the Government under the rules as if it were tax payable under the Act.

15. Application of other provisions.- (1) All the provisions of the rules made or notified under the Act shall apply to the taxable services covered under the rules to the extent that these are not inconsistent with the provisions of the rules.

(2) The Authority may, constitute a three member committee headed by an officer not below the rank of Commissioner to consider cases of hardship or cases where there is significant risk to revenue, to give its recommendations to the Authority to either conditionally or otherwise in circumstances of special nature relax or specify the application of these rules in any case or class of cases.

(3) The Authority may agree or otherwise dispense with the recommendations of the committee constituted under sub-rule (2) of this rule in the manner deemed appropriate.

16. Active taxpayers' list.- (1) For the purpose of implementing the rules, the Authority shall prepare an active taxpayers' list.

(2) The active taxpayers' list shall be regulated by such terms and conditions as may be specified and declared by the Authority.

17. Repeal and Saving.- (1) The Punjab Sales Tax on Services (Withholding) Rules, 2012 are hereby repealed.

(2) The tax withheld or liable to be withheld or payable under the repealed rules shall be deemed to have been withheld or liable to be withheld under these rules and shall be paid and dealt with accordingly.

Form 'A'

[see rules 6, 8 and 9]

Punjab Sales Tax Monthly Statement for Withholding Agents

Withholding Agent: Name:

Category: (mention the number of sub-clause of clause (f) of sub-rule (1) of rule 2)

Status of Service Provider (Please S relevant option):

Registered/U nregistered

E-mail:

NTN/FTN

I, holder of CNIC No. in

my capacity as , certify that the information

given above is/are correct, complete and in accordance with the provisions of the Punjab Sales Tax on Services Act, 2012 and the rules

and notifications issued thereunder.

Date.

Stamp Signature.

Head of Account "B-02385 ----Punjab Sales Tax on Services (Withholding)" Amount Received Rs. (in Figures) Rupees (in Words)

Bank Officer's Signature Bank Stamp with Date

Contact (Tel/Cell):. Period

Sr.

No. Name of Service Provider NTN/FTN/ Or CNIC whichever is

applicable Description of the services involved No. and date of Tax Invoices/ Commercial Invoices Value (excluding Sales Tax) of the Services Involved or Gross Amount of Commercial Invoice Amount of Punjab Sales Tax Invoiced or

Involved Amount of Punjab Sales Tax Withheld

Form 'B'

[see rules 11]

Ref No. Dated

CERTIFICATE OF DEDUCTION/WITHHOLDING OF THE PUNJAB SALES TAX ON SERVICES

I/We , PNTN , STRN), located

at do hereby certify

that

We deducted/withheld the following amount of Punjab sales tax on the services provided to us by

M/S (PNTN/NTN) or

CNIC

Sr.

No. Tax

Invoice

No. Tax

Invoice

Date Value of taxable services Amount of tax involved Amount of tax withheld/ deducted Tax period of the Tax return/ withholding return in which this tax was paid, by the services recipient CPR No. ("P-1" series) & date in which the deducted/ withheld tax amount was included in payment under Punjab Govt's head of account "B-02385" Remarks, if any

(1) (2) (3) (4) (5) (6) (7) (8) (9)

This certificate is issued in pursuance of rule 11 of the Punjab Sales Tax on Services (Withholding) Rules, 2015.

Signature

Name

CNIC

Designation

Official Seal

Provincial & ICT Tax Laws of Pakistan

PUNJAB SALES TAX ON SERVICE (REFUND) RULES, 2019

No. PRA/HR.12 Vol-viii/2019/1416, Lahore, the 23rd September, 2019.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLII of 2012), the Punjab Revenue Authority with the approval of the Government is pleased to make the following rules:

1. Short title and commencement.- (1) These rules may be cited as the Punjab Sales Tax on Service (Refund) Rules, 2019.

(2) They shall come into force at once.

2. Definitions.- (1) in the rules, unless there is anything repugnant in the subject or context:

a) "Act" means the Punjab Sales Tax on Services Act 2012 (XLII of 2012);

b) "claimant" means the person who files claim for refund of sales tax and is registered under the Act; and

c) "rules" means the Punjab Sales Tax on Service (Refund) Rules 2019.

(2) An expression used but not defined in the rules, shall have the same meanings as are assigned to it in the Act and the rules made thereunder.

3. Application of the rules.- Subject to sections 16, 16A and 16B of the Act and rule 4 of the rules, the provisions of the rules shall apply to processing and sanction of claims for refund by a registered person in following cases:

(a) the amount of sales tax is erroneously or inadvertently deposited in excess of the amount due;

(b) the amount of sales tax deposited by a recovered from the registered person is held not payable under the Act or rules made thereunder or as a result of an order of a court or an appellate forum; or

(c) the sales tax paid on services used in the exports of services as defined under rule 12 of the Punjab Sales Tax on Services (Adjustment of Tax) Rules 2012.

4. Refund not admissible.- The following claims of refund of sales tax shall not be admissible if:

(a) it is filed by a person other than the registered person who paid the sales tax amount so claimed for refund;

(b) it is filed after a lapse of one year from the date of payment of sales tax, provided that where a claim is based on an order of a court or an appellate forum, the period of one year shall be reckoned from the date of such order;

(c) the incidence of sales tax, claimed for refund, has been passed on to the service recipient. The burden of proof that incidence has not been so passed shall rest with the refund claimant;

(d) the claimant does not submit evidence of payment of the withheld amount of sales tax by the service recipient in cases where the claim relates to sales tax as was withheld, in full or in part, under the Punjab Sales Tax on Services (Withholding) Rules, 2015;

(e) the claimant does not submit evidence of payment of the input tax, adjusted or deducted, against the sales tax on services provided or rendered in respect of which the refund is claimed; and

(f) the claimant does not submit the supportive documents, as required by the rules or by the officer of the Authority, within the time to time prescribed by the rules or the officer of the Authority, as the case may be.

Limit in each claim

Not exceeding ten thousand rupees

Not exceeding one hundred thousand rupees

Not exceeding ten hundred thousand rupees

Unlimited

Designation

i. Assistant Commissioner

ii. Deputy Commissioner

iii. Additional Commissioner

iv. Commissioner

5. Pecuniary competence of sanction refund.- The cases of claims for refund of sales tax shall be decided by the following officers of the Authority, as authorized by the name or designation by the Commissioner concerned, according to the pecuniary limit mentioned against each, namely:

6. Scrutiny and processing of refund claim.- (1) On receipt of the refund claim, the Receipt Section of the Commissionerate shall affix a dated stamp and send it to the Assistant Commissioner concerned, who shall assign it a refund file number and shall enter it in refund register.

(2) The Assistant Commissioner or Audit-cum-Risk Compliance Officer concerned shall, after scrutiny of the claim and attached documents, prepare an analysis report. Where any information of document is missing or is required, the same shall be called from the claimant through a letter or e-mail giving a specific date for submission thereof.

(3) Where the Assistant Commissioner is satisfied that any further inquiry or audit is needed to establish genuineness or admissibility of the claim, he may, after seeking written approval of the Commissioner, cause the audit or inquiry to be conducted before finalizing the disposal of the refund claim.

7. Sanction and payment of refund claim.- (1) After preparation of the analysis report and completion of the audit report, where the audit report was so required, the competent officer, as specified in rule 5, shall sanction the admissible part of the refund claim and issue a Refund Sanction-cum-Payment Order indicating the following:

(a) Name, Provincial National Tax Number (PNTN) and address of the claimant;

(b) claimant's bank account number with name, address and branch code, as per registration profile in the Authority;

(c) amount of refund claimed;

(d) amount of refund sanctioned;

(e) tax period(s) to which refund relates; and

(f) computerized payment receipt (CPR) number(s), date, bank branch name and code in respect of deposit of the amount under claim, where applicable.

(2) The competent officer shall ensure that no dues or arrears are outstanding against the claimant. In case of recoverable dues and arrears outstanding against the claimant, the sanctioned amount shall first be deposited or adjusted against such dues or arrears.

(3) After sanction of the claim, the competent officer shall ensure that the procedures prescribed in the Treasury Rules (Punjab) are duly complied with for issuance of crossed refund payment cheques. No cheque shall be delivered by hand and, instead, shall either be electronically transferred to the claimant's notified bank account or sent through registered post or courier service at the claimant's address as per this registration profile.

(4) A copy of the Refund Sanction-cum-Payment Order and intimation regarding issuance of refund cheque or electronic transfer of amount of refund, as the case may be, shall be sent to the claimant by email or courier.

8. Responsibility of the claimant.- The processing of refund claims shall be conducted on the basis of supportive documents provided by the claimant. The claimant shall be responsible for any mistake, mis-declaration or submission of incorrect information and shall be liable for penalty besides recovery of the amount, if erroneously refunded, along with default surcharge under the relevant provisions of the Act.

9. Post-sanction audit of refund claims.- (1) After disposing of the refund claims, the Assistant Commissioner concerned shall forward, through his Commissioner, the relevant file to the Post-refund Audit Division of the Authority for post-sanction scrutiny and audit.

(2) The officer in-charge of Post-refund Audit Division shall send his findings to the Commissioner concerned for further necessary action, as required under the Act.

10. Action on inadmissible claims.- Where the claim or any part thereof is found inadmissible for any reasons, the competent officer shall issue a notice requiring the claimant to show-cause as to why the claim or part thereof, as the case may be, should not be rejected and as to why the claimant should not be proceeded against under the relevant provisions of the Act.

CHAIRPERSON Punjab Revenue Authority

THE PUNJAB SALES TAX ON SERVICES (DETERMINATION OF MINIMUM TAX LIABILITY) REGULATIONS 2019

No. PRA/Order.06/2017. Vol(V)/1433, Lahore, the 1st October, 2019.- In exercise of power conferred under section 24A of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), The Punjab Revenue Authority is pleased to make the following regulations:

1. Short Title and Commencement.- (1) These regulations may be cited as The Punjab Sales Tax on Services (Determination of Minimum Tax Liability) Regulations 2019.

(2) They shall come into force at once.

2. Definition.- (1) In these regulations,

a) "Authority" means The Punjab Revenue Authority established under The Punjab Revenue Authority Act, 2012.

b) "Act" means The Punjab sales Tax on Services Act 2012 (XLIII of 2012).

c) "Due Date" in relation to furnishing of return means the 15th day of the month following the end of the tax period, or such other date as the Authority may, by notification in the official Gazette, specify.

(2) The words and expressions used but not defined in here, shall have meaning assigned to them under the Act and rules made there under.

3. Application.- (1) If a registered person who fails to file a return, the minimum tax liability of the registered person shall not be less than the highest amount of tax paid by the registered person in any of the previous twelve months.

(2) In case tax paid in the previous twelve months in nil, the minimum tax liability shall be calculated on the basis of monthly average of the sales declared by the registered person return of income filed under the Income Tax Ordinance, 2001 for the last tax year.

(3) In case minimum tax liability cannot be determined in the manner given above, it shall be determined taking into account three or more of the following factors:

a) Location of business;

b) Type of business (composite or stand-alone);

c) Nature and market value of services provided;

d) Number of persons employed;

e) Capital employed in the business;

f) Amount of utility bills i.e. phones, electricity, gas and water;

Rule 3(g) The Punjab Sales Tax on Services (Determination of

Minimum Tax Liability) Regulations 2019

g) Estimation on the basis of Sales ascertained through monitoring of business premises and including electronic monitoring;

h) Business turnover reflected in business bank account

4. Show cause Notice.- (1) An officer, not below the rank Assistant Commissioner will issue a show cause notice for the determination of Minimum Tax Liability.

(2) No such show cause shall be issued until expiry of 15 days from the due date prescribed under the Act for furnishing of return.

5. Voluntary Payment.- If the registered person pays the due amount of sales tax for the month alongwith default surcharge and penalty under section 49 and 48 of the Act respectively, within one month of the issuance of show cause notice mentioned above, the notice of minimum tax liability determination will be considered to have been withdrawn.

6. Assessment Order.- (1) If the registered person fails to pay tax due within one month from the date of show cause, the officer of the Authority will finalize the assessment order on the basis of show cause issued by him.

(2) No such order will be issued unless and until expiry of a period of 30 days from the issuance of show cause notice.

7. Recovery.- The amount as assessed under rule 6 will be received under section 70 of the Act read with Punjab Sales tax on Services (Recovery) Rules, 2012 and Punjab Sales Tax on Services (Enforcement) Rules, 2014.

8. Audit.- Determination and / or payment of minimum tax liability for a tax period shall not be the final tax liability and the registered person shall be liable to discharge actual liability which may accrue or determined at a later stage through audit, investigation or inquiry.

Additional Commissioner (HQ)

PRA

PUNJAB ELECTRONIC INVOICE MONITORING SYSTEM RULES 2019

No.PRA/Orders.06/2019/1495, Lahore, the 21st February, 2020.- In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

1. Short title and commencement.- (1) These rules may be cited as the Punjab Electronic Invoice Monitoring System Rules 2019.

(2) They shall come into force at once.

2. Definitions.- (1) In the rules, unless there is anything repugnant in the subject or context:

(a) "Act" means the Punjab Sales Tax on Services Act 2012 (XLII of 2012);

(b) "e-IMS" means Electronic Invoice Monitoring System to monitor the service provided by a registered person, by installing, integrating, fixing, attaching, inserting, embedding or otherwise placing such software and hardware, including cash register, instrument, modem, device either in the existing system of recording sale transaction and issuing sale invoice or otherwise, at the premises of the registered person to capture and transfer data about the transaction recorded or invoice issued by the registered person to the Authority's computer system on real time basis; and

(c) "video vigilance" includes video surveillance, video analytics, video recording, video filming, video watch, video streaming through close circuit television system and/or any other electrical and/or electronic system, using additional, ancillary, auxiliary or supplementary equipment, device or instrument, by any mode and in any manner.

(2) The word and expression used but not defined in the rules shall have the same meanings as are assigned to it in the Act or the rules made thereunder.

3. Monitoring through e-IMS.- A registered person having turnover of ten million rupees or above in the financial year 2017-18 or in a subsequent financial year shall be monitored through e-IMS by the Authority.

4. Installation and integration of e-IMS.- (1) A registered person liable to monitoring under rule 3 shall:

(a) Modify its application software and hardware to make it compatible with e-IMS as per guidelines issued by the Authority, within three months of the close of the financial year in which he

becomes so liable, if already using a computerized system for recording transaction and issuing invoice;

(b) Acquire, install and implement an application software and hardware compatible with e-IMS as per guidelines issued by the Authority, within six months of the close of the financial year in which he becomes so liable, if not already using a computerized system for recording transaction and issuing invoice; and

(c) allow full access to and provide complete and accurate detail, feature, specification and dimension of its computerized system to the office or any other person or Agency authorized by the authority in this behalf.

(2) An officer or any other person or Agency authorized by the Authority in this behalf shall visit the premises of the registered person, after expiry of the time period specified in sub-rule (1), to evaluate compatibility of computerized system with e-IMS; and

(a) if such evaluation is successful, install and integrate e-IMS with the computerized system of the registered person, after taking safety and security measures as may be deemed necessary or proper by the Authority; and

(b) if such evaluation is not successful, allow one-time extension not exceeding fifteen days to make the computerized system of the registered person compatible with e-IMS and thereafter carry out the process as prescribed in clause (a).

Provided that, for the purpose of this rule, installation and integration shall include recording and/or transmission of any data from the computerized system of the registered person to the computerized system of the Authority.

5. Surprise checks, annual inspection of e-IMS and video vigilance, etc.- (1) An officer or any other person or Agency authorized by the Authority in this behalf may carry out surprise checks and shall also conduct annual inspection at the business premises of the registered person to evaluate performance of e-IMS against various parameters on a scale of 1 (Min.) to 5 (Max.).

(2) If a surprise check carried out under sub-rule (1) results in a rating lower than 3, the Authority shall issue a warning to the registered person.

(3) If an annual inspection conducted under sub-rule (1) results in a rating lower than 3, the Authority shall require the registered person to install video vigilance system for video vigilance of its business premises.

6. Content and format of invoice.- The registered person liable to monitoring under rule 3 shall not issue any invoice to its customer other than that generated through the e-IMS which shall at least contain a description of the service provided, quantity and unit price if applicable, bill

Punjab Electronic Invoice Monitoring System Rules 2019 Rule 10(2)

amount excluding sales tax, amount of sales tax, and bill amount including sales tax. In case, the bill amount, excluding sales tax, exceeds fifty thousand rupees, the invoice shall also contain the name and computerized national identity card number of the customer in case of individual, or the national tax number (NTN) of the customer in case of an entity.

7. Safety and security of e-IMS.- (1) The registered person liable to monitoring under rule 3 shall ensure safety and security of the software and hardware used for the purpose of e-IMS.

(2) An officer or any other person or Agency authorized by the Authority in this behalf shall take such measures including obtaining of a formal undertaking or bank guarantee from the registered person, as may be deemed proper or necessary, to ensure safety and security of the software and hardware used for e-IMS.

8. Reporting of faults in e-IMS.- (1) The registered person shall report any fault in e-IMS to the officer or any other person or agency authorized by the Authority in this behalf immediately after the first occurrence of such fault, through the error-reporting module of e-IMS.

(2) An officer or any other person or Agency authorized by the authority in this behalf shall take necessary measures to fix the problem; provided that the expenses, if any, in respect of repair and/or replacement of any software and/or hardware shall be borne by the registered person.

(3) The registered person shall enter the data of all invoices issued otherwise than through e-IMS during the period of its operational inability or disability, and transmit it to the Authority through e-IMS within one week of the fixing of the fault in e-IMS.

9. Reward (Inami) scheme.- (1) A customer who has obtained an invoice generated through e-IMS for the taxable services availed from a registered person, may electronically transmit its image or particulars and his personal contact number, in the mode and manner as may be specified by the Authority, for participation in the reward (Inami) scheme.

(2) The Authority may give prize to such customer selected through computerized random ballot in such form, of such value and at such intervals as it may deem fit.

10. Technical support and operational assistance, etc.- (1) The

Authority may hire any person, entity, board or company to provide technical support in designing, developing, implementing and maintaining e-IMS and conducting reward (Inami) scheme.

(2) The Authority may provide operational assistance to the registered person covered under e-IMS and/or his employees designated by him in such mode and manner and at such intervals as it may deem appropriate, to operate e-IMS.

11. Repeal and savings.- (1) The Punjab Restaurant Invoice Monitoring System Rules, 2015 are hereby repealed.

(2) Any data, material or information collected or liable to be collected under the repealed Rules shall be deemed to have been validly collected under the rules.

PUNJAB REVENUE AUTHORITY ACT 2012

No.PAP-Legis-2(135)/2012/713, the 27th June, 2012.- The Punjab Revenue Authority Bill 2012, having been passed by the Provincial Assembly of the Punjab on 21 June 2012, and assented to by the Governor of the Punjab on 26 June 2012, is hereby published as an Act of the Provincial Assembly of the Punjab.

THE PUNJAB REVENUE AUTHORITY ACT 2012 ACT XLIII OF 2012

[First published, after having received the assent of the Governor of the Punjab, in the Gazette of the Punjab (Extraordinary) dated 27 June 2012.]

An

Act

to provide for the establishment of Punjab Revenue Authority.

Preamble.- Whereas it is expedient to reform and modernize the system of taxation, to provide assistance to tax payers, to promote compliance with fiscal laws, to establish a progressive and professionally efficient tax management organization, and to provide for ancillary matters;

It is enacted as follows:-

Chapter I

PRELIMINARY

1. Short title, extent and commencement.- (1) This Act may be cited as the Punjab Revenue Authority Act 2012.

(2) It extends to whole of the Punjab.

(3) It shall come into force on such date as the Government may, by notification, specify.

2. Definitions.- In this Act-

(a) "Advisory Council" means the Advisory Council of the Authority;

(b) "Appellate Tribunal" means the Appellate Tribunal established under the Act;

(c) "Authority" means the Punjab Revenue Authority;

(d) "Chairperson" means the Chairperson of the Authority;

(e) "committee" means a committee of the Authority;

(f) "employee" means a person in the employment and service of the Authority;

(g) "Federal Board of Revenue" means the Federal Board of Revenue established under the Federal Board of Revenue Act 2007 (iv of 2007);

(h) "fiscal law" means the law of the Punjab relating to tax, duty or charge including stamp duty, excise duty on alcoholic liquors, opium and other narcotics, land revenue, sales tax on services, taxes on agricultural income, motor vehicles, immovable property and entertainments, capital gains tax on immovable property, capital value tax, asset tax, tax on professions, trades, callings or employment or such other law imposing any tax, levy, duty, fee, charge or surcharge as the Government may specify;

(i) "Government" means Government of the Punjab;

1[(j) "member" means a member of the Authority and includes an ex-officio member;]

(k) "person" includes-

(i) an individual;

- (ii) a company or association of persons;
- (iii) the Federal Government;
- (iv) a Provincial Government;
- (v) a local authority or local government; and
- (vi) a foreign government, a political subdivision of a foreign government, or an international organization;
- (l) “prescribed” means prescribed by the rules or regulations;
- (m) “Public Account” means the Public Account of the Province in terms of Article 118 of the Constitution of the Islamic Republic of Pakistan;
- (n) “Provincial Consolidated Fund” means the Provincial Consolidated Fund in terms of Article 118 of the Constitution of the Islamic Republic of Pakistan;
- (o) “regulations” means the regulations framed under the Act; and
- (p) “rules” means the rules made under the Act.

Chapter II

PUNJAB REVENUE AUTHORITY

3. The Authority.- (1) The Government shall, by notification, establish an Authority to be called the Punjab Revenue Authority.

(2) The Authority shall be a body corporate, having perpetual succession and a common seal, with power to enter into agreements, acquire, hold, manage and, subject to sub-section (3), dispose of property and to sue and be sued in its name.

1 Clause (j) substituted by Punjab Revenue Authority (Amendment) Act, 2016. Earlier same amendment was made by Punjab Revenue Authority (Amendment) Ordinance, 2015 which was repealed.

Section 2(j)—S u bstitution.— Before substitution by Punjab Revenue Authority (Amendment) Act, 2016 clause (j) read as follows:—

“(j) “member” means any person appointed as a member of the Authority;”

(3) The Authority shall not dispose of any immovable property except with the prior approval of the Government and through competitive bidding.

(4) The Authority shall consist of the Chairperson and 1[such number of members as may] be appointed by the Government in such manner and on such terms and conditions as may be prescribed, and until so prescribed as may be determined by the Government.

(5) No person shall be appointed as the Chairperson unless he possesses-

- (a) a master’s degree from a recognized University;

(b) ample knowledge of tax systems in Pakistan; and

(c) twenty years work experience, including live years' experience in tax administration or financial management.

(6) The qualifications, experience and other requirements for appointment as Secretary or a member shall be such as may be prescribed.

(7) The Government may designate a member as senior member.

(8) If the office of the Chairperson is vacant or the Chairperson is absent or is unable to perform the functions of the Chairperson owing to any cause, the senior member shall perform the functions of the Chairperson but, if at any time, the office of senior member is also vacant or the senior member is absent or is unable to perform the functions of the Chairperson owing to any cause, the Government shall make such temporary arrangements for the performance of the duties of the Chairperson as it may deem fit.

4. Secretary.- (1) The Chairperson, on the recommendations of the Authority, shall appoint Secretary of the Authority on such terms and conditions as may be prescribed, and until so prescribed as may be determined by the Government.

(2) The Secretary shall perform such functions as may be prescribed or as may be assigned by the Chairperson or the Authority.

(3) In the performance of his functions, the Secretary shall be responsible to the Chairperson.

5. Powers and functions of the Authority.- (1) The Authority shall exercise such powers and perform such functions as are necessary to achieve the purposes of this Act.

(2) Without prejudice to the generality of the powers mentioned in sub-section (1), the Authority shall have powers to-

(a) administer and collect such taxes, duties and other levies as are assigned to the Authority under a fiscal law;

(b) implement, with the approval of the Government, the tax administration reforms;

(c) promote voluntary tax compliance;

(d) implement comprehensive policies and programmes for education and facilitation of taxpayers, stakeholders and employees to improve the quality of the performance of the Authority as a service oriented entity;

(e) adopt modern effective tax administration methods, information technology systems and policies to consolidate assessments, improve processes, organize registration of tax payers, widen the tax base, and make departmental remedies more efficient including enforcement of, or reduction or remission in duty, penalty or tax, in accordance with the relevant fiscal law;

(f) improve productivity through a comprehensive and effective human resource strategy;

(g) identify and select a transparent manner, qualified work force on such terms and conditions and in such manner as may be prescribed;

(h) grant such performance based additional allowances or incentives and rewards to the employees and members of the Authority as may be prescribed;

(i) take appropriate measures including internal controls to combat corruption in the organizations under the Authority and to provide checks to ensure that the integrity of the employees is verified periodically through applicable procedures and the said verification shall constitute one of the criteria for purposes of grant of incentives and consideration for promotion;

(j) direct or advise, where necessary, investigation or inquiry into suspected duty or tax evasion and tax or commercial fraud;

(k) introduce and maintain a system of accountability of performance, competence and conduct of the employees;

(l) implement the mandate and provisions of a fiscal law if so authorized by such law;

(m) establish, with the approval of the Government, a foundation for the welfare of the present and retired employees and their families, and for creating, establishing, organizing and assisting them in the social and cultural facilities;

(n) frame regulations, policies, programmes, strategies in order to carry out the purposes of the Act;

(o) set up mechanism and processes for remedying the grievances and complaints of the tax payers;

(p) develop a website and adopt, in the prescribed manner, electronic communication in respect of all taxation matters such as e-filing, e-payments, e-notice, e-notification, digital imaging, protocols or agreements;

(q) practice transparency and public participation as a norm for all its processes and policies;

(r) review the existing fiscal laws and suggest improvements, if necessary;

(s) form a committee and assign or delegate functions to the committee; [***]

(t) perform such other functions as may be prescribed or are incidental to the above functions or assigned by the Government^;]

3[(u) establish such offices, commission rates or formations as deemed necessary for the effective functioning of the Authority; and

(v) frame regulations for allocation and transaction of business of the Authority.]

(3) Subject to the provisions of this Act and the relevant fiscal law, the Authority may, where appropriate, issue notifications, circulars and instructions for the enforcement of any of the provisions of the Act or any other fiscal law administered by the Authority.

4[(4) Till such time that the Authority is constituted under this Act, the Chairperson shall perform the functions and discharge the duties of the Authority.]

6. Human resource management.- (1) The Authority may, in respect of its employees-

(a) develop and implement human resource management policies;

(b) assess, identify, create, increase, decrease or designate or re-designate posts and prepare and execute the internal job posting regime;

(c) lay down qualifications and criteria for the posting of employees against specialized or available posts;

(d) implement a transparent and objective evaluation process to determine that an employee is qualified for posting against a specialized or available post;

(e) make assessment of integrity and proficiency of the employees for purposes of evaluation, posting, promotion, transfer or other incidental matters;

(f) transfer, select or post any employee against any post on the basis of transparent criteria of selection in any entity administered by the Authority;

(g) take action, issue orders, regulations, guidelines, code of conduct to achieve the purposes of this Act;

(h) appoint, with or without remuneration, such advisers, commissioners, consultants, experts, interns, liaison officers and other staff as may be prescribed;

(i) fix, with the approval of the Government, an honorarium or remuneration for the services rendered by advisers, consultants, experts, fellows, interns, officers and staff of the Authority, liaison officers and other staff engaged by the Authority; and

(j) impart the requisite training to its employees for purposes of better tax administration.

(2) Notwithstanding anything contained in this Act, an appointment of a person to a post in the Authority shall not confer any right on such person to continue to serve in the said post.

7. Meetings.- (1) The Authority shall meet at least once in a month but the Chairperson may, at any time, call a meeting of the Authority.

(2) The Authority shall conduct its meetings, take decisions and keep record of the proceedings of the meetings in such manner as may be prescribed, and until so prescribed as may be determined by the Authority.

8. Validity of proceedings.- No act, proceeding, decision or order of the Authority or a committee of the Authority shall be invalid by reason only of the existence of vacancy or any defect in the constitution of the Authority or a committee.

9. Data bank.- (1) The Authority shall create and maintain a data bank containing information from third parties necessary to achieve the purposes of this Act.

(2) The Authority shall use the data, amongst other things, to increase the taxpayers' base, ensure accuracy of information, financial analysis and to evaluate the performance of the employees.

(3) The Authority may share its data with, or request for data from, the Government or any of its statutory body, law enforcement entity or utility company, stock exchange, State Bank of Pakistan, banks, financial institutions or other organizations including any ministry, body or authority of the Federal Government or of any other Province.

10. Properties and assets to vest in the Authority.- (1) All

properties, assets and records transferred to, or purchased or acquired by, the Authority and all intellectual property rights arising from technical or professional reports, analysis, or system, written, prepared or developed by the employees of the Authority or procured by the Authority shall vest in the Authority and shall be the property of the Authority.

(2) The Authority may create its own logo, insignia, stationary, forms, returns, challans and online communication mechanism.

11. Authority may impose any fee or charges.- The Authority may, with the approval of the Government, levy any fee or charges for provision of additional or enhanced facilities to the taxpayers, or may direct reimbursement of such cost or expense as is incurred by the Authority on that account.

Chapter III

ADVISORY COUNCIL

12. Advisory Council.- (1) There shall be an Advisory Council of the Authority consisting of the following:-

(a) Minister for Finance of the Government;

(b) Chief Secretary of the Government;

(c) Chairperson;

(d) Secretary to the Government, Finance Department;

(e) Four private members to be nominated by the Government from amongst the eminent economists, tax experts, bankers, chartered accountants, representatives of Chambers of Commerce and Industry or civil society organizations; and

(f) any other member co-opted by the Authority.

(2) The Advisory Council shall be an advisory body of the Authority and shall propose to the Authority appropriate recommendations and guidelines pertaining to policy, planning, reforms, budget and any other matter referred to it by the Government.

(3) Minister for Finance of the Government and, in his absence the Chief Secretary, shall be the Convener of the Advisory Council.

(4) The Advisory Council shall perform its functions in such manner as may be prescribed.

Chapter IV

ADMINISTRATION OF TAXES

13. Registration of tax payers.- A person registered or to be registered, licensed or to be licensed under the relevant fiscal law administered by the Authority, shall be deemed to be validly registered for purposes of this Act.

14. Assessment, collection and returns of taxes.- (1) Where necessary, the Government may declare separate assessment, billing and collecting branches in the Authority for purposes of administration of the taxes as are assigned to the Authority.

(2) Subject to the provisions of the relevant fiscal law, the Authority shall follow such procedure and manner for purposes of assessment, billing, collection and filing of returns of the taxes as the Government may prescribe.

(3) The Authority shall, in the prescribed manner, deposit all the proceeds of the taxes in the Provincial Consolidated Fund or the Public Account.

Chapter V

FINANCIAL PROVISIONS

15. Fund.- (1) There shall be established a Fund to be known as the Punjab Revenue Authority Fund which shall be administered and controlled by the Authority.

(2) The Fund shall consist of-

(a) budgetary releases from the Government;

(b) grants made by the Government, the Federal Government or any other authority or agency;

(c) fee and charges collected and profits earned by the Authority; and

(d) income from any other source.

16. Budget and accounts.- (1) The Authority, before the commencement of a financial year, prepare a statement of the estimated receipts and expenditure of the Authority for the financial year in the prescribed manner and submit it to the Government for consideration and approval.

(2) The Authority shall maintain proper accounts and other records relating to its financial affairs including its income and expenditures and its assets and liabilities in such form and manner as may be prescribed.

(3) As soon as may be, after the end of each financial year, the Authority, in the manner prescribed, shall cause to be prepared for that financial year statements of account of the Authority, which shall include a balance-sheet and an account of income and expenditure.

(4) The Authority may open and maintain its accounts at such scheduled banks as it may determine.

17. Audit.- (1) The Auditor General of Pakistan shall annually audit the accounts of the Authority.

(2) The Government, in addition to the audit under sub-section (1), may cause the annual accounts of the Authority audited, in the prescribed manner, by a Chartered Accountant or a firm of Chartered Accountants.

Chapter VI

1 [APPELLATE TRIBUNAL]

18. Appellate Tribunal.- (1) The Appellate Tribunal shall consist of such number of judicial and accountant members as the Government may, from time to time, determine.

(2) The Government shall appoint judicial members of the Appellate Tribunal from amongst the District and Sessions Judges in consultation with the Lahore High Court.

2[(3) A person may be appointed as an accountant member of the Appellate Tribunal if he:

(a) satisfies the following conditions:

(i) has served in substantive basic pay scale 19 or above for a minimum period of two years and has successfully completed senior management course;

(ii) has five years' cumulative experience in tax administration or financial management; and

(iii) belongs 3[or has belonged] to the Pakistan Administrative Service, Federal Board of Revenue, Pakistan Audit and Accounts Service, Punjab Management Service or the service of Excise and Taxation Department; or

(b) has worked as Commissioner (Appeals) of the Authority or in the Federal Board of Revenue for a minimum period of two years.]

(4) The Government shall designate the senior most judicial member of the Appellate Tribunal as its Chairperson.

(5) The Appellate Tribunal may exercise its powers and discharge its functions in the prescribed manner in such Benches as the Chairperson may constitute from amongst the members of the Appellate Tribunal.

1 Substituted for "APPEALS AND REFERENCES" by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

2 Sub-section (3) substituted by Punjab Revenue Authority (Second Amendment) Act, 2016.

3 Substituted for "APPEALS AND REFERENCES" by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

|| LEGISLATIVE HISTORY ||

Section 18(3)-Substitution.- Before substitution by Punjab Revenue Authority (Second Amendment) Act, 2016 sub-section (3) read as follows:-

"(3) A person may be appointed as an accountant member of the Appellate Tribunal if he is-

(a) a Commissioner (Appeals) in the Authority or the Federal Board of Revenue having at least two years' experience in that capacity; or

(b) a Commissioner in the Authority or the Federal Board of Revenue, other than the Commissioner mentioned at (a), having at least three years' experience as Commissioner of the Authority or the Federal Board of Revenue; or

(c) an officer of Excise and Taxation Department of the Government with at least three years' service in BS-20 or above; and

(d) less than fifty-seven years of age."

(6) Subject to the provisions of sub-section (5), the Appellate Tribunal shall have the power to regulate its own procedure, and the procedure of the Benches of the Appellate Tribunal in all matters relating to the discharge of its functions including the places at which the Benches shall hold their sittings.

1[***]

2[***]

Chapter VII

MISCELLANEOUS

21. Staff.- (1) The Authority may employ such persons as may be necessary for the efficient performance of its functions in such manner and on such terms and conditions as may be prescribed.

(2) The employees of the Authority shall hold office during the pleasure of the Authority and shall be liable to such disciplinary action as may be prescribed.

(3) The Authority may, in the manner prescribed, absorb in its service an employee who is on deputation with the Authority, subject to prior approval of the Government or the employer and consent of the employee.

(4) The terms and conditions of service of an employee, on absorption, shall not be less favourable than those admissible to such employee immediately before his absorption in the service of the Authority.

1 Section 19 omitted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

2 Section 20 omitted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

Section 19-Omission.- Before omission by Punjab Finance Act, 2018 section 19 read as follows:-

“19. Appeal.- A taxpayer or the Authority aggrieved by any final order of the highest appellate forum in the Authority, may, within sixty days from the date of communication of the order, prefer an appeal to the Appellate Tribunal which shall decide the appeal in the prescribed manner in accordance with the provisions of the relevant fiscal law.”

Section 20-Omission.- Before omission by Punjab Finance Act, 2018 section 20 read as follows:-

“20. Reference to the High Court .-(1) A reference to the High Court shall lie only if a question of law is involved in a case.

(2) Any person or the Authority may, within sixty days from the date of communication of the final order of the Appellate Tribunal, prefer a reference in the prescribed form along with a statement of the facts of the case and the question of law involved in the case.

(3) The High Court may dismiss a reference in limine if it is satisfied that the reference does not contain any question of law for determination.

(4) The reference under this section shall be heard by a Bench of at least two Judges of the High Court and the provisions of section 98 of the Code of Civil Procedure 1908 (V of 1908) shall, as far as possible, apply to such reference.

(5) The High Court shall send a copy of the judgment under the seal of the Court to the Appellate Tribunal.

(6) Notwithstanding that a reference has been preferred in the High Court, the tax shall be paid in accordance with the order of the Appellate Tribunal.

(7) If the tax liability is reduced by the High Court and the Authority decides to seek leave to appeal to the Supreme Court, the Authority may, within thirty days of the receipt of the judgment of the Court, apply to the High Court to postpone the refund until the decision by the Supreme Court.

(8) Section 5 of the Limitation Act 1908 (IX of 1908) shall apply to a reference under sub-section (1).

(9) A court fee of rupees one thousand shall be affixed on a reference under this section except when it is filed by the Authority.”

22. Delegation by the Government.- (1) The Government may delegate any of its powers to the Authority on such terms and conditions as the Government may determine.

(2) The Government may, by notification, assign or delegate to the Authority any powers or functions under any fiscal law.

23. Directions from the Government.- The Government may, from time to time, give such general or specific directions to the Authority as may be necessary for the efficient performance of its functions and achieving the objectives of the Act and the Authority shall implement such directions.

24. Delegation by the Authority.- The Authority may, with the concurrence of the Government, delegate any of its functions and powers to any department, agency or employee of the Government.

25. Annual report.- (1) The Authority shall, within three months of the close of a financial year, submit to the Government an annual report.

(2) The report shall consist of-

(a) the statement of accounts;

(b) a comprehensive statement of the work, activities and performance of the Authority during the preceding financial year; and

(c) such other matters as may be prescribed and as the Authority may consider appropriate.

(3) The Government shall, within two months of receiving the report from the Authority, shall give notice for laying the report in the Provincial Assembly of the Punjab, and shall lay the report before the Assembly in its first available session.

26. Public servants.- The Chairperson, Secretary, members, officers, employees and other persons authorized to perform or exercise any function or power under this Act or render services to the Authority as agents, advisors or consultants shall be deemed to be public servants within the meanings of section 21 of the Pakistan Penal Code 1860 (XLV of 1860).

27. Indemnity.- (1) No prosecution, suit or other legal proceeding shall lie against the Authority, Appellate Tribunal, Chairperson, members, officers and other employees of the Authority or of the Appellate Tribunal for anything done in good faith for carrying out the purposes of the Act, rules or regulations.

(2) No Government department or agency shall initiate any enquiry or investigation against the official conduct of any of the employees of the Authority without prior approval of the Authority.

28. Representation.- (1) Any person aggrieved by any action or decision taken for the enforcement of the relevant fiscal law or by any act of maladministration, corruption and misconduct by any employee of the

Authority or by any unnecessary delay or hardship caused due to any administrative process may file a representation to the Chairperson.

(2) The Chairperson or any other officer designated by the Chairperson shall, after affording an opportunity of hearing to both the parties, make such order as may be necessary and inform the applicant accordingly.

(3) Pending final action or order on the representation, the Chairperson may stay further proceedings in the matter at any subordinate level.

29. Power to conduct surveys.- The Authority may conduct or cause to be conducted such surveys as it may deem necessary to broaden the tax- base and to widen tax coverage under any fiscal law.

30. Assistance to the Authority.- All departments, agencies, organizations, entities, formations and bodies of the Government shall, on request, be under obligation to extend necessary and due cooperation and assistance to the Authority in the performance of its functions under this Act, rules or regulations.

31. Directorates.- (1) The Authority may, with the approval of the Government, establish such directorates for such tax-related specialized functions like intelligence and investigation, internal audit and inspection or training and research as may be necessary.

(2) The Authority shall assign and regulate the powers and functions of the said directorates in such manner as it may deem proper.

32. Act to override other laws.- The provisions of this Act shall have effect notwithstanding anything to the contrary contained in any other law.

33. Rules.- The Government may, by notification, make rules to carry out the purposes of this Act.

34. Regulations .-(1) Subject to this Act and the rules, the Authority may frame regulations for giving effect to the provisions of the Act.

(2) Without prejudice to the foregoing powers, such regulations may provide for appointment of its officers, staff, employees and other persons, terms and conditions of their service and performance of functions by the Authority.

35. Removal of difficulties.- If any difficulty arises in giving effect to or applying the provisions of this Act, rules or regulations, the Government may make such order, not inconsistent with the Act or the rules and regulations, as may be necessary to remove the difficulty.

1[36. Validation.- Notwithstanding any omission, discrepancy or defect in the establishment or composition of the Authority or anything to the contrary contained in this Act or the Punjab Sales Tax on Services Act 2012 (XLII of 2012) or the rules made thereunder:

(a) any action of the Chairperson on behalf of the Authority, or anything to the contrary contained in any decree, judgment or order of any court, the sales tax or any other amount levied, charged, collected or realized by the functionaries of the Authority from any person shall be deemed to have been validly taken, levied, charged, collected or realized under the Act; d]

(b) any action taken by the Chairperson till the establishment of the Authority under section 3 of the Act shall be deemed to be the action taken by the Authority 2[; and/]

3[(c) the Authority stands established under section 3 and shall be deemed to have been established with effect from 1 July 2012.]

The Punjab Sales Tax on Services [RETURN FORM]

Download from <https://pra.punjab.gov.pk> for the benefit of our readers

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Tax Payment Challan Form

Provincial & ICT Tax Laws of Pakistan

THE PUNJAB INFRASTRUCTURE DEVELOPMENT CESS ACT 2015

No.PAP/Legis-2(87)/2015/1253, dated June 26, 2015.- The Punjab Infrastructure Development Cess Bill 2015, having been passed by the Provincial Assembly of the Punjab on June 24, 2015, and assented to by the Governor of the Punjab on June 26, 2015, is hereby published as an Act of the Provincial Assembly of the Punjab.

THE PUNJAB INFRASTRUCTURE DEVELOPMENT CESS ACT 2015

ACT XXX OF 20125

[First published, after having received the assent of the Governor of the Punjab, in the Gazette of the Punjab (Extraordinary) dated June 26, 2015.]

An

Act

to levy and collect infrastructure development cess on transportation

of goods manufactured, produced or consumed in, imported into or exported out of the Punjab.

It is necessary to levy and collect infrastructure development cess on transportation of goods manufactured, produced or consumed in, imported into or exported out of the Punjab; to provide resources for the maintenance, development and improvement of the infrastructure required, amongst other things, to cater for the load of goods traffic; and to deal with other purposes;

Be it enacted by Provincial Assembly of the Punjab as follows:

Chapter I

PRELIMINARY

1. Short title, extent and commencement.- (1) This Act may be cited as the Punjab Infrastructure Development Cess Act 2015.

(2) It extends to whole of the Punjab.

(3) It shall come into force from the 1st day of July 2015.

2. Definitions.- In this Act:

(a) "Authority" means the Punjab Revenue Authority established under the Punjab Revenue Authority Act 2012 (XLIII of 2012);

(b) "cess" means the infrastructure cess levied and collected under the Act and includes default surcharge or penalty or any other sum payable under the Act or the rules;

(c) "Customs Act" means the Customs Act, 1969 (IV of 1969), and rules made or notifications issued under that Act;

(d) "FBR" means the Federal Board of Revenue established under the Federal Board of Revenue Act, 2007 (IV of 2007);

(e) "goods" means goods classifiable under the First Schedule to the Customs Act and includes the goods defined under that Act;

(f) "Government" means Government of the Punjab;

(g) "infrastructure" includes roads, streets, bridges, culverts, lights on passage, beaches, public parks, place of public recreation or enjoyment and convenience, eating places, landscape, forests, fisheries, delta conservation, lakes, breeding places of aquatic life, wildlife and its sanctuaries, public schools, vocational and technical training centers and projects, libraries, museums and similar institutions controlled and financed by the Punjab, control of traffic for smooth flow and other movement of goods, public order, police force, patrol for safety of goods, stands for loading and unloading of goods, parking places, markets, water supply, hospitals and dispensaries and development, improvement, maintenance and protection of such infrastructure;

(h) "person" includes:

(i) an individual;

(ii) an association of persons;

(iii) a company incorporated, formed, organized or established in Pakistan or elsewhere;

(iv) the Federal Government;

(v) a Provincial Government;

(vi) a local authority in Pakistan; or

(vii) a foreign government, political subdivision of a foreign government, or public international organization;

(i) "rules" means the rules made under the Act;

(j) "Sales Tax Act" means the Sales Tax Act, 1990 (VII of 1990); and

1[(k) "value" means the value of goods being imported or exported, as determined by an officer of customs for purposes of the Customs

1 Clause (k) substituted by Punjab Finance Act, 2016.

|| LEGISLATIVE HISTORY ||

Section 2(k)-Substitution.- Before substitution by Punjab Finance Act, 2016 clause (k) read as follows:- "(k) "value" means the price including cost, insurance, freight, customs duty, sales tax or any other levy determined by customs authorities in the customs goods declaration form or in absence of it, in the bill of lading of goods being imported or exported provided that in case of goods manufactured, produced or consumed in Pakistan, the value shall be determined for the purpose of levy and payment of sales tax under the Sales Tax Act."

Ch. II — Scope of Cess

Sec. 6(1)

Act, 1969, provided that in case of goods manufactured, produced or consumed in Pakistan, the value shall be determined by reference to the value determined under the Sales Tax Act for purposes of levy and payment of sales tax.]

Chapter II

SCOPE OF CESS

3. Scope of cess and allied matters.- (1) Subject to this Act and the

rules, there shall be levied and collected a cess on the goods manufactured, produced or consumed in the Punjab, goods imported into or goods exported out of the Punjab at a fixed rate of 0.90% of total value of goods as assessed for customs purposes.

(2) The cess shall be deposited in the Provincial Consolidated Fund to be utilized by the Government for maintenance and development of infrastructure and other activity ancillary to the infrastructure in such manner as may be deemed proper by the Government.

4. Person liable to pay cess.- (1) Every person manufacturing, producing or consuming goods and every person importing goods into the Punjab through any port, dry-port, airport or custom station including bonded warehouse and every person exporting goods out of the Punjab shall be liable to pay the cess.

(2) Nothing contained in this section shall prevent the collection of cess from a different person if that person is made separately, jointly or severally liable for payment of the cess under this Act or the rules.

5. Payment of cess.- (1) In case of goods imported into or exported out of the Punjab, cess shall be payable in the same manner and at the same time as if it were a customs duty regardless whether or not the goods are liable to such duty.

(2) In case of goods manufactured, produced or consumed in the Punjab, cess shall be payable in the same manner and at the same time as if it were a sales tax payable under the Sales Tax Act.

(3) The amount of cess shall be deposited in such head of account as may be specified by the Government.

(4) Notwithstanding anything contained in this section, the Authority may, in respect of any goods, category or class of goods and subject to such conditions, restrictions or limitations, if any, specify any other manner or time or mode of payment of cess.

6. Exemptions.- (1) Notwithstanding anything contained in sections 3 and 5 [,] unless otherwise specified or directed by the Government through a notification in the official Gazette, the goods exported out of the Punjab and

the goods manufactured, produced or consumed (other than goods imported on payment of cess) in the Punjab 1[, and the goods exempted by the Federal Government from payment of duties and taxes for import] shall be exempt from cess.

(2) The cess shall not be payable in respect of imported fresh food items like fresh vegetables and fresh fruits.

(3) The Authority may, with the approval of the Government and subject to such conditions as it may impose, by the notification in official Gazette, exempt any goods, or category or class of goods from the payment of whole or any part of the cess [:]

3[Provided that where the Government considers appropriate and necessary, it may allow exemption from payment of cess from any previous date as may be specified in the notification.]

Chapter III

OFFENCES AND PENALTIES

7. Default surcharge.- (1) Where any person has not paid any amount of cess due under this Act, he shall, in addition to the cess due or any other penalties payable under the Act, pay default surcharge at the rate of two percent of the payable amount of the cess per month.

(2) Where necessary, the amount of default surcharge shall be prorated but in a case the period of default is less than one month, the amount of default surcharge shall not be prorated.

Explanation.- For the purposes of this section, the cess due does not include penalty.

8. Penalty.- Where a person has failed to pay any amount of cess, he shall be liable to pay a penalty not exceeding ten percent of the amount of cess due and payable.

9. Waiver of default surcharge or penalty.- The Authority may, subject to such conditions as it deems appropriate, waive the payment of default surcharge on cess under section 7 or penalty under section 8 in any case or class of cases.

Chapter IV

MISCELLANEOUS

10. Application of provisions of other laws.- (1) In case of goods imported into or exported out of the Punjab, the Customs Act shall, as nearly as possible, apply to the collection, payment and administration of the cess in so far as it relates to:

(a) manner, time and mode of payment;

(b) declarations, processing and management thereof;

(c) keeping of records, accounts and documents;

(d) enforcement and adjudication including appeals;

(e) penalties and prosecution; and

(f) all other ancillary matters.

(2) Where required in case of goods manufactured, produced or consumed in the Punjab, the Sales Tax Act and the rules made and notifications, orders and instructions issued under the Sales Tax Act shall, as nearly as possible, apply to collection and payment of cess under this Act in so far as they relate to the matters covered in subsection (1).

(3) This Act and the rules shall be treated as fiscal law for the purpose of clause (h) of section 2 of the Punjab Revenue Authority Act 2012 (XLIII of 2012).

11. Power to make rules.- (1) The Authority may, with the approval of the Government and by notification in the official Gazette, make rules for carrying out the purposes of this Act.

(2) The Government shall lay all the rules made during a financial year in Provincial Assembly of the Punjab at the time of presentation of the annual budget for the next financial year.

(3) The Authority may issue general orders, circulars or instructions, directions or clarifications to carry out the purposes of this Act or the rules.

12. Bar on adjustment.- The amount of cess payable or paid under this Act shall not be adjusted against any other tax, levy or cess payable to the Government under any other law, and any other tax, levy or cess shall not be adjusted against any amount of the cess payable under the Act.

13. Intersystem connectivity.- The Authority may enter into such arrangements for real time connectivity of its computerized system with the system of FBR or any other department, organization, institution or authority as it may deem proper for the purpose of regular or efficient monitoring of the collections and receipts of the cess.

14. Savings.- Where the Government or the Authority takes any action, makes any decision or orders, issues any instructions, directions, clarifications or notifications in pursuance of or in exercising of powers conferred under any provision of any law in respect of any matter relating to the cess and allied issues covered under this Act or the rules, such actions, decisions, orders, instructions, directions, clarifications and notifications shall be deemed to have been validly issued to serve the purposes of this Act and the rules.

PUNJAB

AGRICULTURAL INCOME TAX ACT 1997

(Pb. Act I of 1997)

An Act to provide for the imposition of a tax on agricultural income in the Punjab Preamble.- Whereas the Constitution of the Islamic Republic of Pakistan envisages the creation of an egalitarian society based on the Islamic principles of social justice;

And whereas for achieving the object it is expedient to provide for the imposition of a tax on agricultural income in the Punjab;

It is hereby enacted as follows:-

1. Short title and commencement.- (1) This Act may be called the Punjab Agricultural Income Tax Act 1997.

1[(2) It shall come into force on the first day of July 1997.]

2. Definitions.- (1) In this Act, unless there is anything repugnant in the subject or context-

2[(a) “agricultural income” means-

(a) any rent or revenue derived from land which is situated in the Punjab and is used for agricultural purposes;

(b) any income derived from such land by-

(i) agriculture; or

(ii) the performance by a cultivator or receiver of rent-in-kind 3[of] any process ordinarily employed by a cultivator or receiver of rent-in-kind to render the produce raised or received by him fit to be taken to market; or

(iii) the sale by a cultivator or receiver of rent-in-kind of the produce raised or received by him, in respect of which no process has been performed other than a process of the nature [described] in paragraph (ii);

1 Substituted for “(2) It shall come into force at once” by the Punjab Agricultural Income Tax (Amendment) Ordinance, 1997 dated December 9, 1997.

2 Clause (a) inserted by Punjab Agricultural Income Tax (Amendment) Ordinance 2000, which will remain in force under the Provisional Constitution (Amendment) Order 1999, Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

3 Substituted for “or” by Punjab Agricultural Income Tax (Second Amendment) Ordinance, 2001, which will remain in force under the Provisional Constitution (Amendment) Order 1999, Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

4 Substituted for “specified” by Punjab Agricultural Income Tax (Second Amendment) Ordinance, 2001, which will remain in force under the Provisional Constitution (Amendment) Order 1999, Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

(c) any income derived from any building owned and occupied by the receiver of the rent or revenue of any such land, or occupied by the cultivator or the receiver of rent-in-kind, of any land with respect to which, or the produce of which, any operation mentioned in paragraphs (ii) and (iii) of sub-clause

(b) is carried on:

Provided that the building is on, or in the immediate vicinity of the land, and is a building which the receiver of the rent or revenue or the cultivator, or the receiver of the rent-in-kind by reason of his connection with the land, requires as a dwelling-house, or a store-house, or other out-building;]

d(aa) "assessee" means a person by whom any tax or any other sum of

money is payable under this Act and includes-

(i) every person in respect of whom any proceeding under this Act has been taken for the assessment of his total cultivated land or for the assessment of his agricultural income or the agricultural income of any other person in respect of which he is assessable or of the amount of refund due to him or to such other person;

(ii) every person who is required to file a statement of his total cultivated land or return of total agricultural income under section 4 read with section 3 of this Act; and

(iii) every person who is deemed to be an assessee, or an assessee in default, under this Act;

(ab) "assessment" includes reassessment and additional assessment and the cognate expressions shall be construed accordingly;

(ac) "assessment year" means the period of twelve months beginning on the first day of July next following the income year;]

2[(ad)] "Collector" means Collector of a district appointed under the Punjab Land Revenue Act 1967 (XVII of 1967) and includes 3[4/] any officer specially appointed by the Government to perform the functions and exercise the powers of a Collector under this Act];

(b) "cultivated land" means any area of land which was sown at least once during the tax year, including land under matured orchard which bore fruit during the tax year, but excluding land under planted forest or forest nursery;

(c) "^[mature] orchard" means orchard of the age of seven years or more in the case of mango orchard and of the age of five years or more in the case of other orchards;

(d) "Government" means the Government of the Punjab;

2[(da) "income year" in relation to any assessment year (hereinafter in

this clause referred to as the 'said assessment year') means the financial year next preceding the said assessment year;]

3[***]

(f) "owner" includes a member of a joint hindu family whether owning land individually or jointly with any other person and includes mortgagee in possession, or tenant of Government land;

Explanation I- Where any land is owned by more than one person whether as member of a firm or association or otherwise, every one of those persons individually, to the extent of his share in the said land, shall be deemed to be an owner.

Explanation II- Every 'ward' whose estate is managed by a Court of Wards shall be deemed to be the owner of such estate.

4[Explanation III- A member of a cooperative farming society shall be deemed to be the owner of such portion of the land possessed by the society as is proportionate to his share or interest as a member.]

(g) "prescribed" means prescribed by rules;

5[(ga) "return" mean the return of total agricultural income in the prescribed form setting forth such particulars and accompanied by such statements, certificates, and other documents, and verified in such manner, as may be prescribed;]

(h) "rules" means rules made under this Act;

(i) "tax" means tax livable under the provisions of this Act and includes any penalty livable under this Act; d]

(j) "tax year" means agricultural year as defined in the Punjab Land Revenue Act 1967 (XVII of 1967) 2[; and]

3[(k) "total agricultural income" means the total amount of agricultural income, computed in the manner laid down in this Act.]

(2) All words and expressions in this Act used or defined in the Punjab Land Revenue Act 1967 (XVII of 1967) and not hereinbefore defined shall be deemed to have meanings respectively attributed to them by that Act.

4[3. Charge of agricultural income-tax.- (1) Subject to the other provisions of this Act, there shall be levied, assessed and collected each year a tax in respect of agricultural income of a tax year of an owner at the rate specified in the First Schedule to this Act.

Explanation.- For the purposes of this sub-section the cultivated land during a tax year shall be deemed to be agricultural income.

5[***]]

6[(3) Subject to the other provisions of this Act, there shall be levied, assessed and collected for each assessment year commencing on or after the first day of July, 2001, agricultural income tax in respect of the total agricultural income of the income year of every person 7[***] at the rate specified in the Second Schedule:

Provided that where, by virtue of an amendment in the Second Schedule, the rate of income tax, for the purpose of assessment in respect of any assessment year, is altered, the rate of income tax existing prior to the said alteration shall continue to apply in respect of any assessment year to which the said existing rate is applicable.]

1[(4) Out of the two taxes assessed under sub-sections (1) and (3), an assessee shall be liable to pay one tax the amount of which shall be greater.]

2[3A. Effect of transfers made on or after the first day of July 2003.- Any person liable to pay tax under this Act, transferring his land or interest therein on or after the first day of July 2003 in favour of his wife or any of his heirs under the age of eighteen years, shall continue to be liable for payment of the tax as if such transfer had not taken place:

Provided that this liability of the person for payment of the tax in respect of the land or interest therein transferred to any of his heirs under the age of eighteen years, shall cease when the heir attains the age of eighteen years.

Explanation.- For the purpose of determining whether or not a transferee is an heir within the meaning of this section, succession to the property of the owner shall be deemed to have opened at the time of the transfer.]

3[3B. Tax on the basis of income tax return.- Notwithstanding the provisions of section 3, where any person has declared agricultural income for any assessment year in the return filed under the Income Tax Ordinance, 2001 (XLIX of 2001), the person shall pay the tax on such income at the rate specified in the Second Schedule.]

4. Assessment and collection of tax.- (1) The tax shall be assessed and collected by the Collector in such manner as may be prescribed.

(2) In case of assessment regarding an owner holding land in more than one patwar circle, the owner shall file a statement regarding the location of his land in the Punjab, in such manner as may be prescribed.

4[(3) Every person-

(a) whose total agricultural income or the total agricultural income of any other person in respect of which he is assessable under this Act, for any income year (hereinafter referred to as the said

income year) exceeds the maximum amount which is not chargeable to tax under this Act; or

(b) who himself or any other person on whose behalf he is assessable under this Act, has, during the said income year, cultivated land measuring-

(i) fifty acres or more of irrigated land; or

(ii) one hundred acres or more of unirrigated land; or

(iii) irrigated and unirrigated land the aggregate area of which is equal to or more than fifty acres of irrigated land, one acre of irrigated land being reckoned as equivalent to two acres of unirrigated land,

shall file a return of his total agricultural income or the agricultural income of such other person, as the case may be, for the said income year in such form and by such date as may be prescribed.]

d(4) No assessment on the basis of return shall be made by the Collector after the expiration of two years from the end of the assessment year in which the total agricultural income was first assessable.]

2[4A. Computation of agricultural income.- In computing agricultural income of an assessee, the following allowances and deductions shall be made, namely:-

(a) any expenditure on account of labour for-

(i) tilling the land;

(ii) sowing the seed;

(iii) ploughing/planting;

(iv) tending/pruning;

(v) rendering the produce fit to be taken to market;

(vi) any other agricultural operation;

(b) any expenditure incurred on purchase of-

- (i) seed;
- (ii) fertilizers and pesticides;
- (c) any expenditure incurred on-
 - (i) hiring animals, tractors, agricultural machinery and implements used for earning agricultural income;
 - (ii) repair and maintenance of water-courses;
- (d) any expenditure incurred on-
 - (i) harvesting of agricultural produce;
 - (ii) marketing of the agricultural produce;
- (e) any sum paid on account of-
 - (i) ushr;
 - (ii) local cess and other cesses;
 - (iii) water-rate (Abiana);
 - (iv) electricity bills in respect of tubewells and lift pumps used for agriculture;
 - (v) fuel charges in respect of tubewells and lift pumps uses for agriculture;
 - (vi) rent of land used for agriculture;
 - (vii) obtaining of agricultural loans;
 - (viii) mark-up on agricultural loans;
- (f) in respect of depreciation of such buildings, machinery and plant being the property of the assessee used for the purpose of earning agricultural income, allowance at the rate of 15 percent of the written down value; and
- (g) any other expenditure not being in the nature of capital expenditure or person expenses of the assessee laid out or expended wholly and exclusively for the purposes of agriculture.

4B. Allowances to be treated as deduction from income.- Any

allowance admissible under this Act shall be included in the total agricultural income, but may be deducted from such income for the purpose of computing the tax payable by an assessee under this Act.

4C. Liability in the case of a deceased person.- (1) Where a person dies, his legal representatives shall be liable to pay tax which the deceased would have been liable to pay if he had not died, in the like manner and to the same extent as the deceased.

(2) For the purpose of making an assessment of the agricultural income of the deceased and recovery of tax-

(a) any proceeding taken against the deceased before his death shall be deemed to have been taken against the legal representatives and may be continued against the legal representatives from the stage at which it stood on the date of the death of the deceased; and

(b) any proceeding which could have been taken against the deceased if he had survived may be taken against the legal representatives.

and all the provisions of this Act shall, so far as may be, apply

accordingly.

(3) The legal representatives of the deceased shall, for the purposes of this Act be deemed to be an assessee.

Explanation.- For the purposes of this section, "legal representative" includes an executor, administrator and any person administering the estate of a deceased person.

4D. Liability of agents representing assessee.- (1) Every agent shall, in respect of the agricultural income for which he is, or is declared to be, or is treated as, an agent, be deemed to be an assessee for the purposes of this Act and shall be subject to the same obligations and liabilities as if he were the assessee, and shall be liable to assessment in his own name in respect of that income.

(2) Every agent who pays any tax under this Act shall be entitled to recover the tax so paid from the person on whose behalf it is paid, or to retain an equivalent amount out of any moneys due or belonging to the said person which may be in his possession or come into his possession at any time.

(3) Nothing in this Act shall prevent either the direct assessment of the person on whose behalf or for whose benefit, any such income is receivable, or the recovery from such person of the tax payable in respect of such income.

Explanation.- For the purposes of this section, "agent" includes-

(i) in respect of the income of a minor, lunatic or idiot, the guardian or manager who is entitled to receive, or is in respect of, such income, on behalf of such minor, lunatic or idiot;

(ii) in respect of income, which the Court of Wards, the Administrator General, the Official Trustee or any receiver or manager appointed by or under any order of a Court receives or is entitled to receive on behalf of, or for the benefit, of any person, such Court of Wards, Administrator General, Official Trustee, receiver or manager; and

(iii) in respect of income which a trustee, appointed under a trust declared by a duly executed instrument in writing whether testamentary or otherwise including any Wakf Deed which is valid under the Mussalman Wakf Validating Act 1913 (VI of 1913), receives or is entitled to receive on behalf, or for the benefit, of any person, such trustee or trustees.]

5. Refund.- Refund of tax where due shall be made in such manner as may be prescribed.

6. Maintenance of accounts.- Accounts regarding demand and recovery of tax shall be maintained in such manner as may be prescribed.

7. Application of Act XVII of 1967.- (1) Subject to the other provisions of this Act, the provisions of sections 13 and 14 of the Punjab Land Revenue Act 1967 (XVII of 1967) shall apply to cases under this Act.

(2) For the purposes of appeal, review or revision, an order passed under this Act shall be deemed to be an order of a Revenue Officer within the meanings of Sections 161, 162, 163 and 164 of the Punjab Land Revenue Act 1967 (XVII of 1967) 1[:]

2[Provided that proceedings of suo-moto review or revision of an order in respect of any income year shall not be initiated after the expiration of two years from the end of the assessment year in which the total agricultural income of the said income year was first assessable.]

3 [8. Penalty for failure to furnish statements, etc.- (1) Where any person has, without reasonable cause, failed to furnish, within the time allowed for the purpose, the statement or, as the case may be, the return under section 4, the Collector may impose upon such person a penalty of rupees twenty-five for each day of default, subject to maximum of rupees one thousand.

(2) No penalty under sub-section (1) shall be imposed on any person unless such person has been given a reasonable opportunity of being heard.]

4 [9. Penalty for concealment of cultivated land, etc.- (1) Where in the course of any proceedings under this Act, the Collector or the appellate or revisional authority is satisfied that any 5[assessee] has, either in the said proceedings or in any earlier proceedings relating to an assessment in respect of the same tax year, concealed his cultivated land or furnished inaccurate particulars of such cultivated land, or concealed his agricultural income or furnished inaccurate particulars of such income, he or, as the case may be, it may impose upon such 5[assessee] a penalty equal to the amount of tax which the said 5[assessee] sought to evade by concealment of his cultivated land or furnishing inaccurate particulars of such cultivated land, or by concealment of his agricultural income or furnishing inaccurate particulars of such income as aforesaid.

(2) For the purposes of sub-section (1), concealment of cultivated land or the furnishing of inaccurate particulars of cultivated land, concealment of agricultural income or furnishing of inaccurate particulars of such income shall include suppression of information regarding any cultivated land liable to tax or, as the case may be, suppression of any item of receipt of agricultural income or failure to disclose agricultural income chargeable to tax under this Act or claiming any deduction for, or showing any expenditure not actually incurred.]

1[(3) No penalty under this section shall be imposed on any assessee unless such assess has been given a reasonable opportunity of being heard.]

2[10. Penalty for default in payment of tax.- (1) Where any assessee is in default in making payment of any tax, the Collector may impose on him a penalty at the rate of five percent per annum of the amount of tax overdue for the period of default:

Provided that the total amount of penalty imposed under this section shall not exceed fifty per cent of the amount of such tax.

(2) No penalty under sub-section (1) shall be imposed on any assessee unless such assessee has been given a reasonable opportunity of being heard.]

3[10A. Bar of jurisdiction.- No Civil Court shall have jurisdiction in any manner relating to the assessment or collection of the tax leviable under this Act and no order passed or proceedings taken by any authority under this Act shall be called in question in any Civil Court.]

11. Rules.- The Government may frame rules to carry out the purposes of this Act.

12. Repeal. 4[***] The Punjab Agricultural Income Tax Ordinance 1997

(XXII of 1997) is hereby repealed.

5[***]

1[THE FIRST SCHEDULE [see section 3(1)]

(1) Slab of total cultivated land, computed Rate of tax per acre as irrigated land, by treating one acre of irrigated land as equal to two acre of unirrigated land, excluding mature orchards. Rate of tax per acre

(i) Not exceeding 121/2 acres Nil.

(ii) Exceeding 121/2 acres but not exceeding 25 acres Rs. 300/-

(iii) Exceeding 25 acres but not exceeding 50 acres Rs. 400/-

(iv) Exceeding 50 acres Rs. 500/-

(2) Mature orchards

(i) Irrigated Rs. 600/-

(ii) Unirrigated Rs. 300/-]

2[THE SECOND SCHEDULE [see section 3(3)]

RATES OF TAX ON TOTAL AGRICULTURAL INCOME

The rate of tax on total agricultural income shall be as under:

(1) Where the total income does not exceed Rs.400,000/- 0%

(2) Where the total income exceeds Rs.400,000/- but does not exceed Rs.800,000/- Rs.1,000/-

(3) Where the total income exceeds Rs.800,000/- but does not exceed Rs.12,00,000/- Rs.2,000/-

(4) Where the total income exceeds Rs.12,00,000/- but does not exceed Rs.24,00,000/- 5% of the amount exceeding Rs.12,00,000/-

(5) Where the total income exceeds Rs.24,00,000/- but does not exceed Rs.48,00,000/- Rs.60,000/- plus 10% of the amount exceeding Rs.24,00,000/-

(6) Where the total income exceeds Rs.48,00,000/- Rs.300,000/- plus 15% of the amount exceeding Rs.48,00,000/-]

1 First Schedule substituted by Punjab Finance Act, 2019. Earlier it was substituted by Punjab Agricultural Income Tax (Amendment) Ordinance 2002 (Ordinance XXXVIII of 2002) dated July 8, 2002, which will remain in force under the Provisional Constitution (Amendment) Order 1999, Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

2 Second Schedule substituted by Punjab Finance Act, 2019. Earlier it was substituted by Punjab Agricultural Income Tax (Amendment) Ordinance 2000, which will remain in force under the Provisional Constitution (Amendment) Order 1999, Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

* PUNJAB

AGRICULTURAL INCOME TAX RULES 2001

No. 3537-2001 / 1199-A-IH, dated 17-8-2001.- In exercise of the powers conferred by section 11 of the Punjab Agricultural Income Tax Act, 1997 (1 of 1997), the Governor of the Punjab is pleased to make the following rules:-

1. Short title and commencement.- (1) These rules may be called Punjab Agricultural Income Tax Rules, 2001.

(2) They shall come into force at once.

2. Definitions.- (1) In these rules unless the subject or context otherwise requires-

(a) "Act" means the Punjab Agricultural Income Tax Act, 1997 (I of 1997)

(b) "Form" means the form appended to these rules; and

(c) "Section" means section of the Punjab Agricultural Income Tax Act, 1997 (1 of 1997).

(2) All other expressions used but not defined in these rules shall have the meaning assigned thereto in the Act.

3. Method of the accounting.- (1) Agricultural income shall be computed for the purposes of the Act in accordance with the method of accounting regularly employed by the assessee.

(2) Notwithstanding anything contained in 1[sub-rule] (1), Government may-

(a) require, by a general or special order published in the official Gazette, that the accounts shall be maintained 'in such form and in such manner as may be prescribed; and

(b) prescribe the manner in which payment of commercial nature shall be made or commercial transactions recorded, and thereupon the agricultural income of the assessee shall be computed on the basis of the accounts or records maintained or payments made accordingly.

(3) Where no method of accounting has been regularly employed, or if the method employed is such that, in the opinion of the Collector, the agricultural income cannot be properly deducted there from, or where, in any case to which 1[sub-rule] (2) applies, the assessee fails to maintain accounts, make payments or record transactions in the form or manner, as the case may be, prescribed under the said 1[sub-rule], the agricultural income of the assessee shall be computed on such basis and in such manner as the Collector thinks fit.

1 Substituted for "sub-section" by No. 4610-2001 /91 -A-III dated December 4, 2001.

* First published with Government of the Punjab, Revenue Department Notification No.3537-2001/1199-A-III dated 17th August, 2001 (in Gazette of Punjab Part I, dated 10th October, 2001).

4. Payment of tax with return of total agricultural income.-

Every person who is required under the Act to furnish a return of total agricultural income, and who is liable to pay tax in respect of the agricultural income of the income year, instead of land based tax under the Act, shall pay, by means of a challan, into the relevant head of account of the Government, on or before the date on which he is so required to furnish such return, the amount of the tax due from him, after adjusting the amount of tax already paid by him in respect of the same income year under the Punjab Agricultural Income Tax Rules, 1997.

5. Return of total agricultural income.- (1) Every person who is required under the Act to furnish a return of total agricultural income for any income year, shall furnish such return in Form 'A' on or before the thirtieth day of September next following the income year:

Provided that the Collector who has to assess and collect the tax under these rules may, on sufficient cause being shown, extend the date for the delivery of the return so, however, that no extension of time for a period or periods amounting in all to thirty days shall be allowed.

(2) In case total agricultural income of an assessee in respect of the income year pertains, to one 1[Sub-Division] only in the Punjab, return under sub-rule (1) shall be furnished to the Collector of that 1[Sub-Division]. In case the total agricultural income of an assessee in respect of the income' year pertains to more than one 1[Sub-Division] in the Punjab, he shall indicate in his return under sub-rule (1) his choice regarding Collector of the 1[Sub- Division], within whose jurisdiction a part of cultivated land of the assessee during the income year was situated and who shall assess and collect the tax, and the return shall be furnished to the Collector of that 1[Sub-Division]:

Provided that such choice shall not be different form the one given by the assessee in respect of the same year under the Punjab Agricultural Income Tax Rules, 1997:

Provided further that where no such choice is given by the assessee, the tax shall be assessed and collected by the Collector of that 1[Sub-Division] within whose jurisdiction, the assessee held during the relevant income year major portion of the cultivated land.

(3) The assessee shall deliver personally or through an authorized agent, the return under sub-rule (1) in the office of the Collector of the 1[Sub- Division] who has to assess and collect the tax under these rules. The office of the Collector of the 1[Sub-Division] at which the return is so delivered shall issue acknowledgement receipt in Form "B".

(4) The assessee shall also send by post a copy of the return to every other Collector of the 1[Sub-Division] within whose jurisdiction the assessee held during the relevant income year part of the cultivated land.

(5) The return in Form 'A' shall, on the date of receipt in the office of Collector of the ^Sub-Division], be entered in register in Form "C".

6. Notice for furnishing return of total agricultural income.- The

Collector of the ^Sub-Division] concerned may, at any time, by notice in writing, require any owner who in his opinion, is chargeable to tax or is required to file return of total agricultural income under rule 5 for any income year to furnish a return of total agricultural income for such year within thirty days from the date of service of such notice or such longer or shorter period as may be specified in the notice or as the Collector of the 1[Sub-Division] concerned may allow:

Provided that no such notice shall be issued after the expiration of two years from the end of the assessment year in which the total agricultural income was first assessable.

7. Revised return of total agricultural income.- If any person has not furnished a return of total agricultural income as required under the Act and these rules (hereinafter in this rule referred to as 'return'), or having furnished a return, discovers, any omission or wrong statement therein, he may, without prejudice to any liability incurred by him under any provision of the Act, furnish a return or revised return, as the case may be, at any time before the assessment is made.

8. Self-assessment.- (1) Where the return of total agricultural income for any income year furnished by the assessee under rule 5 qualifies for acceptance in accordance with the provisions of a scheme of self-assessment made by the Board of Revenue, with the approval of Government, for that year, or under any instructions or orders issued thereunder, the Collector of the 1[Sub-Division] shall assess by an order in writing the total agricultural income of the assessee on the basis of such return and determine the tax payable on the basis of such assessment.

Explanation.- For the removal of doubt it is hereby declared that a return of total agricultural income furnished under rule 5 does not include a return of total agricultural income furnished under rule 7.

(2) Notwithstanding anything contained in sub-rule (1), the Board of Revenue or the Collector if he is so authorized by the Board of Revenue in this behalf, may in accordance with a scheme referred to in sub-rule (1), select out of the return referred to in that sub-rule the cases or classes of cases or assesseees or classes of assesseees howsoever determined, for assessment under rule 11 and the Collector of the 1[Sub-Division] shall proceed to make the assessment under that rule or, if the circumstances so warrant, under rule 12 accordingly.

9. Assessment on the basis of return.- If the Collector of the ^Sub-

Division] is satisfied without requiring the presence of the assessee or the production by him of any evidence that a return furnished under rule 5 is correct and complete, he shall, by an order in writing, assess the total agricultural income of the assessee and determine the tax payable on the basis of such return.

10. Notice for production of books of account, etc.- The Collector of the ^Sub-Division] may serve upon any assessee who has furnished a return of total agricultural income for any income year, or upon whom a notice has been served to furnish such return, a notice requiring him, on a date specified therein, to attend the Collector's office or to produce, or cause to be produced any evidence on which such assessee may rely in support of the return if furnished, and such accounts documents or evidence (including accounts or documents relating to any period prior to subsequent to the said income year) as the Collector of the ^Sub-Division] may require:

Provided that the Collector of the ^Sub-Division] shall not require the production of any document relating to a period more than two years prior to the income year.

11. Assessment on production of accounts, evidence, etc.- The

Collector of the ^Sub-Division], after considering the evidence or record (including evidence if any .produced under rule 10) and such other evidence as they Collector of the ^Sub-Division] may require on specified points, shall, by an order in writing, assess the total agricultural income of the assessee and determine the tax payable by him on the basis of such assessment:

Provided that where the assessee produced books of accounts as evidence in support of the return, the Collector of the 1[Sub-Division] shall, before the disagreeing to such accounts, give a notice to the assessee of defects in the accounts and provide an opportunity to the assessee to explain his point of view about such defects and record such explanation and the basis of computation of total agricultural income of the assessee in the assessment order.

12. Best judgment assessment.- Where any assessee fails to furnish a return of total agricultural income require to be furnished by him under rule 5, or fails to comply with any of the terms of notice issued under rule 10, the

Collector of the 1[Sub-Division] may, by an order in writing assess the total agricultural income of the assessee to the best of his judgment and determine the amount of tax payable by him.

13. Limitation for assessment.- (1) No assessment under rules 9, 11 or 12 shall be made after the expiration of two years from the end of the assessment year in which the total agricultural income was first assessable.

(2) Notwithstanding anything contained in sub-rule (1), where a return of total agricultural income has been filed after the end of the financial year in which the last date of filing of such return specified in rule 5 falls, no assessment under rules 9, 11 or 12 shall be made after the expiration of two years from the end of the financial year in which the said return is filed.

(3) Notwithstanding anything contained in sub-rule (1), where for any income year, an assessee has failed to furnish return of total agricultural income no assessment under rule 11 or 12 shall be made after the expiration of two years from the end of the financial year in which the notice under rule 6 was served.

14. Additional assessment.- (1) If in any year for any reason.-

(a) any agricultural income chargeable to tax under the Act has escaped assessment; or

(b) the total agricultural income of an assessee has been under assessed, or assessed at too low a rate, or has been the subject of excessive relief or refund under the Act or these rules, the Collector of the ^Sub-Division] may, at any time, subject to the provisions of sub-rules (2) and (3), issue a notice to the assessee containing all or any of the requirements of the notice under rule 6 and may proceed to assess or determine, by an order in writing, the total agricultural income of an assessee or the tax payable by him, as the case may be, and all the provisions of the Act and these rules shall, so far as may be, apply accordingly:

Provided that the tax shall be charged at the rate applicable to the assessment year for which assessment is made.

(2) No proceedings under sub-rule (1) shall be initiated unless reliable information has come into the knowledge of the Collector of the 1[Sub- Division].

(3) No order under sub-rule (1) shall be made after the expiration of two years from the end of the assessment year in which the total agricultural income was first assessable.

15. Payment of tax on demand.- Where any tax is payable in consequence of any assessment or an order made under these rules, the Collector of the ^Sub-Division] shall serve upon the assessee or any other person liable to pay such tax on behalf of the assessee, a notice of demand (assessment) in Form 'D', and, if warranted, notice of demand (penalty) in Form 'D-1', specifying the sum payable, and thereupon the sum so specified shall be paid to the credit of Government within the time mentioned in the said notice.

16. Collection of tax arrears of land revenue.- The amount of tax and penalty which is not paid within the due date specified in the demand notice under rule 15 shall be recoverable as arrears of land revenue.

17. Suspension and remission of tax.- Government may, in areas declared calamity affected, exempt or remit the whole tax or part thereof in respect of an assessment year where corresponding suspension or remission of other Government taxes in respect of a agricultural land has been given.

18. Refund of tax.- (1) Where any assessee satisfies the Collector of the 1[Sub-Division] that the amount of tax paid by him under the Act and these rules for any income year exceeds the amount with which he was properly chargeable under the Act and these rules for that income years, he shall be entitled to refund of the amount so paid in excess.

(2) An application for refund of tax shall be made by the assessee in Form 'E' within two years of the end of the assessment year to which it relates.

(3) Where an application for refund is made under sub-rule (2), the Collector of the 1[Sub-Division] shall determine, by an order in writing, the amount of refund on being satisfied that such amount is due to the applicant and, where he is not so satisfied, he may, by an order in writing, reject the application.

(4) The Collector of the 1[Sub-Division] may, before making an order under sub-rule (3), call for such particular, documents, and evidence as he may require.

(5) Where as a result of an order passed in appeal, review or revision under that Act, refund of any amount becomes due to the assessee, the Collector of the 1[Sub-Division] shall refund the amount to the assessee irrespective of whether he has or has not made any claim in that behalf.

(6) Where refund of any amount becomes due to an assessee, the Collector of the 1[Sub-Division] shall order refund in accordance with the provisions of the Treasury Rules (Punjab) and the same shall be paid through voucher oil Form S.T.R. 34.

19. Maintenance of accounts.- (1) The accounts of demand and recovery of tax under these rules shall be maintained by the Collector of the 1[Sub-Division] in register in Form 'F'. A separate register in Form 'F' shall be maintained for each Tehsil.

(2) Where as a result of decision on appeal or review or revision, the initial assessment of Tax by the Collector of the 1[Sub-Division] is altered, the alteration should be incorporated in register in Form 'F' and copies of the relevant decisions should be placed on the file of the assessee.

FORM 'A'

[See rule 5(1)]

FORM OF RETURN OF TOTAL AGRICULTURAL INCOME UNDER THE PUNJAB AGRICULTURAL INCOME TAX ACT 1997 (I OF 1997) Assessment year.

1. Name (in block letters)

2. Father's/Husband's name

3. National Identity Card No. (attach photo copy)

4. National Tax No. (if assessee under the Federal Income Tax Ordinance 1979)

5. Permanent residential address

6. Postal address

PART I

STATEMENT OF TOTAL AGRICULTURAL INCOME DURING THE

INCOME YEAR WHICH ENDED ON .

(please see guide book)

1. Total income from rent derived from land which is situated in the Punjab and is used for agricultural purposes and other income derived from such land by agriculture or performance of any process ordinarily employed by a cultivator or receiver of rent-in-kind to render the produce raised or received by him fit to be taken to market or the sale of produce raised or received in respect of such land. Rs.

2. Less cost of cultivation and agricultural operations. Rs.

3. Total agricultural income for the purpose of tax (amount at No. 1 minus amount at No. 2) Rs.

PART - II

COMPUTATION OF TAX

1 Total agricultural income for the purpose of tax (as per column No. 3 of Part I) Rs.

2 Less basic exemption Rs.80,000

3 Taxable agricultural income (amount at S. No. 1 minus amount at S. No. 2). Rs.

4 Agricultural income tax payable (in respect of amount at S.No. 3). Rs.

5 Amount of land-based tax assessed on the basis of area net sown during the same income year. Rs.

6 In case of tax on agricultural income at S. No. 4 being more than the tax at S. No. 5, balance agricultural income tax payable with return under rule 4, after adjusting the amount of tax at S. No. 5 already paid, if any (Attach photo copy of the relevant receipted challan). Rs.

7 Agricultural income tax paid with return (attach photo copy of receipted challan) Rs.

8 Choice of assessee regarding 1[*****] Name of 2[Sub-Division] Collector of the 2[Sub-Division] who should assess the agricultural Rs.

income tax.

VERIFICATION

I solemnly affirm that to the best of my knowledge and belief, the information given in this return is accurate and complete in all respects.

Signature/Thumb impression Date: Name (in block letters)

FORM 'B' FORM 'B'

(see rule 5(3)) (see rule 5(3))

ACKNOWLEDGEMENT RECEIPT ACKNOWLEDGEMENT RECEIPT

(Counterfoil) (Foil)

ASSESSMENT YEAR ASSESSMENT YEAR

Name Name

Address Address

National Identity Card No. National Identity Card No.

National Tax No. National Tax No.

Date of filing return in Form 'A' Date of filing return in Form 'A'

Signature of the person receiving the Signature of the person receiving the
return return

Name Name

Seal of the Seal of the

Collector of the 2[Sub-Division] Collector of the 2[Sub-Division]

FORM 'C'

(see rule 5(5))

REGISTER OF RETRUNS IN FORM 'A' IN RESPECT OF ASSESSMENT YEAR RECEIVED.

Office of the Collector 2[Sub-Division]

Sr.

No. Date of receipt of

return Name parentage and address of assessee who file return Total agricultural income shows in the return (Rs.)
Total Cost of cultivation etc. show in the return (Rs.) Net

agricultural

income

(Rs.)

1 2 3 4 5 6

1 Words etc. "Assistant commissioner /" omitted by the Notification No. 4610-2001/91 -A-III, dated December 4, 2001.

2 Substituted for "Tehsil" by the Notification No. 1541-2011/30 -A-III, dated June 16, 2011. Earlier it was substituted for "Sub-Division" by No. 4610-2001/91-A-III dated December 4, 2001.

FORM 'D'

(see rule 15)

NOTICE OF DEMAND UNDER RULE 15 OF THE PUNJAB AGRICULTURAL INCOME TAX RULES, 2001.

(ASSESSMENT)

No.

OFFICE OF THE COLLECTOR, ^SUB-DIVISION]

Dated.

Assessment year.

To

1. This is to give you notice that the sum of Rs. (rupees

(as specified on the reverse) has been determined to be

payable by / refundable to you for the assessment year .

2. You are required to pay the amount on or before to the

Treasury Officer/Sub-Treasury Officer/National Bank /State Bank of

Pakistan at and you will be granted a receipt. A challan is

enclosed for the purpose.

3. Failure to pay the said amount by the date specified above will entail a penalty under section 10 of the Punjab Agricultural Income Tax Act 1997 (I of 1997).

4. If you intend to appeal against the assessment, you may file an appeal under sections 161 and 162 of the Punjab Land Revenue Act 1967 (XVII of 1967) 2[*****] within sixty days from the date of the order appealed against.

COLLECTOR, 1[SUB-DIVISION]

FORM 'D-1'

(see rule 15)

NOTICE OF DEMAND UNDER RULE 15 OF THE PUNJAB AGRICULTURAL INCOME TAX RULES, 2001.

(PENALTY)

No.

OFFICE OF THE COLLECTOR, ^SUB-DIVISION]

Dated.

Assessment year.

To

1. Whereas you have not paid the sum of Rs. as

required in the previous notice of demand served on , a

penalty of Rs. (rupees) has been

imposed on you under section 10 of the Punjab Agriculture Income Tax Act 1997 (I of 1997).

2. You are required to pay the amount on or before to the

Treasury Officer/Sub-Treasury Officer/National Bank of Pakistan /State

Bank of Pakistan at when you will be granted a receipt. A

challan is enclosed for the purpose.

3. If you fail to pay the total amount of arrears and this penalty by the date specified in para 2 above, you will be treated as defaulter and dealt with accordingly.

4. If you intend to appeal against the penalty, you may file an appeal under sections 161 and 162 of the Punjab Land Revenue Act 1967 (XVII of 1967) 2[*****] within sixty days from the date of the order appealed against.

COLLECTOR, 1[SUB-DIVISION]

FORM 'E'

(see rule 18(2))

APPLICATION FOR REFUND OF TAX UNDER THE PUNJAB AGRICULTURAL INCOME TAX RULES, 2001

To

The Collector, 1[Sub-Division]

I, son/daughter/wife of hereby

declare-

(a) that my taxable agricultural income computed in accordance with the provisions of the Punjab Agricultural Income Tax Rules,

2001, during the income year which ended on

amounted to Rs. ;

(b) that the total tax chargeable in respect of such taxable

agricultural income is Rs. ;

(c) that the total land based tax chargeable from me for the income

year mentioned at (a) above under the Punjab Agricultural Income Tax Rules 1997 is Rs. ;

(d) that the total amount of tax paid by me for the income year is more than the tax at (b) above and also (c) above and photo copy of the relevant receipted challan is enclosed.

I therefore request that a refund of Rs. may be allowed

to me.

Signature

Name

N.I.C. No.

Address

VERIFICATION

I hereby declare that whatever is stated in this application is correct. Dated: Signature

Notes 1. The application should be accompanied by a statement of total cultivated land and also by a return of total agricultural income if the same has already been filed.

2. The application should be made to the Collector of the 1[Sub- Division] who assessed /collected the tax.

3. The application should be presented in person or through an authorized agent or may be sent by post.

FORM 'F

(see rule 19)

AGRICULTURAL INCOME TAX DEMAND AND RECOVERY REGISTER

^Sub-Division] [***] Assessment year

Sr.

No. Name

parentage

and

address of assessee Amount of tax payable Recoveries Remission or refund allowed Balance

recoverable

(Rs.) Remarks

(Rs.)

Balance of tax and

penalty if any from last year (Rs.) Tax demand for the assessment year (Rs.) Penalty imposed if any (Rs.) Total

(Rs.) Date

with

receipt

No.

(Rs.) Amount

(Rs.) Date of order (Rs.) Amount

remitted

or

refunded

(Rs.)

1 2 3 4 5 6 7 8 9 10 11 12

PUNJAB

Motor Vehicle Tax Rates

Following text of section 3 and 4 from the West-Pakistan Motor Vehicles Taxation Act, 1958 (XXXII of 1958) applicable in Punjab:-

3. Imposition of tax.- (1) A tax shall be leviable on every motor vehicle, in equal installments for quarterly periods, commencing on the first day of 1[July], the first day of [October], the first day of [January], and the first day of [April] at the rate specified in the Schedule to this Act:

5[Provided that for reasons specified therein the Government may, by notification, in respect of any class of motor vehicles or motor vehicles plying in any specified area or along any specified route, prescribe a rate lower than the rate mentioned in the Schedule [or direct that subject to such conditions as may be prescribed the tax shall be leviable on annual basis/:]

Provided further that any broken period in such quarterly periods shall, for the purpose of levying the tax be considered as a full period:

7[Provided further that if so opted by a tax-payer, the tax in respect of a motor vehicle may be levied once for all at such rate as may be prescribed and if the tax is so paid such motor vehicle shall for ever cease to be liable to the payment of tax under this Act [:/]

9[Provided further that tax for a motor-cycle, a scooter or a motor-cycle drawing a side trailer or Cabin [or a motor vehicle (motor car or jeep) up to 1000 CC] shall be levied lump sum once for all at the rate and time specified in the Schedule to this Act11[:/]

12[Provided further that if so opted by the owner of a tricycle propelled by mechanical power (motor rickshaws), the tax may be paid in lump sum once for all at the rate specified in the Schedule of this Act:

Provided further that if so opted by the owner of a motor vehicle having engine capacity exceeding 1000cc but not exceeding 1300cc, the tax may be paid in lump sum for a period of three years at the rate specified in the Schedule of this Act.]

(2) The tax shall be paid upon a licence to be taken out and paid for under the provisions of this Act by the person who keeps the motor vehicle for use.

x[(3) A rebate equal to 10 per cent of the amount of annual tax for a financial year will be given if the amount of annual tax is paid in lump sum on or before the 31st day of 2[August] of the financial year.]

3[(4) For the purposes of calculation of the tax in respect of electric vehicles, 1 kilowatt shall be equal to engine power of 18.77 cc.]

4. Obligation of persons keeping motor vehicles to make declaration and to pay tax.- (1) Every person who keeps a motor vehicle for use shall fill up and sign a declaration in the prescribed form stating the prescribed particulars, and shall deliver the declaration as filled up and signed by him to the licensing officer before the expiry of twenty-one days from the day of his commencing to keep the motor vehicle for use. Any such or similar declaration filled up, signed and delivered under any of the enactments mentioned in sub-section (1) of section 17 of this Act, shall be deemed to have been filled up, signed and delivered under this section.

4[(2) A person keeping a motor vehicle shall pay the tax as follows:-

Sr.# Tax period Date of payment

1. For the first quarter of a financial year Before the 31st day of July

2. For the second quarter of a financial year Before the 31st day of October

3. For the third quarter of a financial year Before the 31st day of January
4. For the fourth quarter of a financial year Before the 30th day of April
5. For the whole of a financial year Before the 1st day of October
6. For the entire life of the motor vehicle At the time of registration of a motor vehicle or before the 1st day of September 2013

5[7. For periodic lump sum payment of the motor vehicle. At any time]

(2a) If a person commences to keep a motor vehicle for use, he shall pay the tax before the expiration of twenty one days from the day when he commences to keep the motor vehicle for use.]

(3) Every person who owns any motor vehicle which is let for hire, shall, for the purposes of this Act, be the person who keeps the motor vehicle for use.

West-Pakistan Motor Vehicles Taxation Act, 1958 (XXXII of 1958) Rates applicable in Punjab

‘[SCHEDULE (see section 3)

S.No Description of Motor Vehicles Annual Rate of Tax

1. (a) An amount of Rs. 2[1500/-] shall be charged for motorcycles and scooters; once for all at the time of registration.

(b) An amount of Rs. 3[1500/-] shall be charged once for all from those motorcycles and scooters registered prior to the 1st July, 1994 if lifetime tax has not been paid earlier.

(c) An amount of Rs. 4[1500/-] shall be charged once for all at the time of registration from a motorcycle drawing a side trailer or cabin.

2. Vehicles (including tricycles/trucks/trailers/delivery vans) used for the transport or haulage of goods or materials—

(a) electrically propelled vehicles not exceeding 1250 Kg., in unladen weight: Rs. 500/-

(b) vehicles (including delivery vans) with maximum laden capacity upto 4060 Kg. Rs. 5[1000/-]

(c) vehicles with maximum laden capacity exceeding 4060 Kg., but not exceeding 8120 Kg. Rs.2200/-

(d) vehicles with maximum laden capacity exceeding 8120 Kg. but not exceeding 12000 Kg. Rs.4000/-

(e) vehicles with long trailers or other vehicles with maximum laden capacity exceeding 12000 Kg. but not exceeding 16000 kg. Rs. 6000/-

(f) vehicles with long trailers or other vehicles with maximum laden capacity exceeding 16000 Kg. Rs. 8000/-

(g) vehicles drawing other trailers. Appropriate rate out of the rates at (a) to (f) above applicable to the vehicle plus Rs.400/-

3. Vehicles plying for hire and ordinarily used for the transport of passengers (taxis and buses)—

(a) Tricycles propelled by mechanical power (motor cab rickshaws) with seating capacity of not more than 3 persons: 6[Rs.400/- per annum or Rs.3,000/- lump sum once for all if so opted by the owner]

(b) Tricycles propelled by mechanical power (motorcycle rickshaws) with seating capacity of not more than 6 Rs.400/-

persons:

(c) motor vehicles with a seating capacity of more than 20 persons plying for hire exclusively within the limits of a Corporation, Municipality or Cantonment or partly within and partly outside such limits with sixty percent of the total length of the route falling within the limits of a Corporation, Municipality or Cantonment. Rs. 1[140/-] per seat

(d) mini buses with a seating capacity of more than 6 and less than 20 persons plying for hire exclusively within the limits of Corporation Municipality or Cantonment; Rs. 2[180/-] per seat

(e) other vehicles with a seating capacity of— 3[(i) not more than 6 persons (motor cabs);

(1) not exceeding 1000 cc Rs.700/-

(2) exceeding 1000 cc but not exceeding 1300cc Rs. 1200/-

(3) exceeding 100 cc but not exceeding 1500cc Rs.2000/-

(4) exceeding 1500 but not exceeding 2000 cc Rs.3000/-

(5) exceeding 2000 cc but not exceeding 2500cc Rs.4000/-

(6) exceeding 2500 cc (ii) more than 6 persons— Rs.5000/-

(1) non air-conditioned Rs.180/- per seat

(2) air-conditioned Rs.300/ per seat]

Explanation.- The seating capacity for the purpose of this clause shall not include the seats meant for driver and conductor.

4[4. 5[Motor vehicles (motor cars or jeeps) other than those mentioned above or below, and having]—

(a) seating capacity of not more than three persons. 6[Rs.500/-

(b) seating capacity of more than three persons but not more than six persons—

(i) [A lump sum tax of rupees [fifteen] thousand

shall be charged for motorcars and jeeps up to 1000cc at the time of registration:

Provided that in case of a motor vehicle

registered before 1st day of July 2012, the amount of tax already paid shall be deducted from the payable tax of rupees 8[fifteen] thousand and the

remaining amount shall be paid lump sum at the time of payment of the tax due.]

(ii) with engine power exceeding 1000cc but not exceeding 1300 cc. Rs.1800/-

(iii) with engine power exceeding 1300cc but not exceeding 1500 cc. Rs.6000/-

(iv) with engine power exceeding 1500cc but not exceeding 2000 cc. Rs.9000/-

(v) with engine power exceeding 2000cc but not exceeding 2500 cc. Rs.12000/-

(vi) with engine power exceeding 2500cc. Rs.15,000/-

(vii) three door 4x4 vehicle with engine power exceeding 2500cc.

(c) seating capacity of more than 6 persons—

(i) other than buses and station wagons not plying for hire. Rs.2500/- per seat

(ii) Buses and station wagons not plying for hire. Rs.300/- per seat]

1[***]]

2[5. Imported motor vehicles (motor cars or jeeps):

(i) with engine power 1590 cc but not exceeding 1990 cc; Rs.2000/-

(ii) with engine power exceeding 1990 cc but not exceeding 2990 cc; and Rs.25,000/-

(iii) with engine power exceeding 2990 cc. Rs.25,000/-

Explanation: I

Imported motor vehicle here means a motor vehicle which is manufactured abroad within last five years prior to the tax year.

Explanation: II

An imported motor vehicle older than five years shall be liable to annual rate of tax under S. No. 4, above.]

COLLECTION OF WITHHOLDING TAX ON MOTOR VEHICLE UNDER SECTION 234 OF INCOME TAX ORDINANCE 2001
Rates of collection of tax under section 234.- (1) In case of goods transport vehicles, tax of two rupees and fifty paise per kilogram of the laden weight shall be charged.

(1A) In the case of goods transport vehicles with laden weight of 8120 kilograms or more, advance tax after a period of ten years from the date of

1 Explanation omitted by Punjab Finance Act, 2022. Earlier it was substituted by Punjab Finance Act, 2021 (Act XIX of 2021).

2 Serial No. 5 inserted Punjab Finance Act 2014 (Act XVII of 2014).

first registration of vehicle in Pakistan shall be collected at the rate of twelve hundred rupees per annum;

(2) In the case of passenger transport vehicles plying for hire with registered seating capacity of-

S.No Capacity Rs. per seat per annum Non Air Conditioned Rs. per seat per annum

Air Conditioned

(1) (2) (3) (4)

1. 4 or more persons but less than 10 persons 500 1000

2. 10 or more persons but less than 20 persons 1500 2000

3. 20 persons or more 2500 4000

(3) In case of other motor vehicles shall be as set out in the following

e, name y:-

S. No. Engine Capacity Tax

(1) (2) (3)

1. upto 1000cc Rs. 800

2. 1001cc to 1199cc Rs. 1,500

3. 1200cc to 1299cc Rs. 1,750

4. 1300cc to 1499cc Rs. 2,500

5. 1500cc to 1599cc Rs. 3,750

6. 1600cc to 1999cc Rs. 4,500

7. 2000cc & above Rs. 10,000

(4) where the motor vehicle tax is collected in lump sum,-

S. No. Engine Capacity Tax

(1) (2) (3)

1. upto 1000cc Rs. 10,000

2. 1001cc to 1199cc Rs. 18,000
3. 1200cc to 1299cc Rs. 20,000
4. 1300cc to 1499cc Rs. 30,000
5. 1500cc to 1599cc Rs. 45,000
6. 1600cc to 1999cc Rs. 60,000
7. 2000cc & above Rs. 120,000

S. No. Engine capacity Tax

(1) (2) (3)

1. upto 850cc Rs.10,000

ADVANCE TAX ON PURCHASE, REGISTRATION AND TRANSFER OF MOTOR VEHICLES UNDER SECTION 231B OF INCOME TAX ORDINANCE 2001

(1) The rate of tax under sub-sections (1) and (3) of section 231B shall be as set out in the following Table:-

2. 851cc to 1000cc Rs.20,000
3. 1001cc to 1300cc Rs.25,000
4. 1301cc to 1600cc Rs.50,000
5. 1601cc to 1800cc Rs.150,000
6. 1801cc to 2000cc Rs.200,000
7. 2001cc to 2500cc Rs.300,000
8. 2501cc to 3000cc Rs.400,000
9. Above 3000cc Rs.500,000

Provided that in cases where engine capacity is not applicable and the value of vehicle is Rupees five million or more, the rate of tax collectible shall be 3% of the import value as increased by customs duty, sales tax and federal excise duty in case of imported vehicles or invoice value in case of locally manufactured or assembled vehicles.

(2) The rate of tax under sub-sections (2) of section 231B shall be as follows:-

S. No. Engine Capacity Tax

(1) (2) (3)

1. upto 850cc -

2. 851cc to 1000cc Rs. 5,000
3. 1001cc to 1300cc Rs. 7,500
4. 1301cc to 1600cc Rs. 12,500
5. 1601cc to 1800cc Rs. 18,750
6. 1801cc to 2000cc Rs. 25,000
7. 2001cc to 2500cc Rs. 37,500
8. 2501cc to 3000cc Rs. 50,000
9. Above 3000cc Rs. 62,500

Provided that in cases where engine capacity is not applicable and the value of vehicle is Rupees five million or more, the rate of tax collectible shall be Rupees twenty thousand:

Provided further that the rate of tax to be collected under this clause shall be reduced by ten percent each year from the date of first registration in Pakistan.

(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. 100,000
2. 1001cc to 2000cc Rs. 200,000
3. 2001cc and above Rs. 400,000

The provisions of the Income Tax Ordinance, 2001, under Section 231-B shall however, not be applied in the case of:

- the Federal Government, the Provincial Governments and the Local Government; and
- a foreign diplomat or a diplomatic mission in Pakistan.

PUNJAB

Urban Immovable Property Tax

Following text of section 3 of The West Pakistan Urban Immovable Property Tax Act, 1958 (West Pakistan Act V of 1958) applicable in Punjab—

1[3. Levy of tax.- (1) Government may by notification specify urban areas where tax shall be levied under this Act:

Provided that one urban area may be divided into two or more rating areas or several urban areas may be grouped as one rating area.

(2) Subject to the provisions of sub-sections (3) and (4), there shall be levied, charged and paid, a tax on the annual value of buildings and lands in a rating area at the rate of 2[five] per cent of such annual value] 3[:]

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7[(3)] Government may, by notification, for reasons to be recorded, remit in whole or in part, the payment of the tax by any class of persons in respect of any category of property.

Explanation- The annual value for the purpose of this section shall be the aggregate annual value of all buildings and lands owned by the same person in the rating area.

1 Section 3 substituted by the Punjab Finance Act, 1972 (I of 1972).

2 Substituted for “twenty” vide clause (a) of section 3 of Punjab Finance Act, 2014 (Act XVII of 2014). Earlier “twenty” was substituted for “ten” through clause (a) of section 2 of the Punjab Finance Act, 2013 (XVI of 2013), Clause (a) of section 2 of Punjab Finance Act, 2013 (XVI of 2013) was omitted vide Punjab Finance Act, 2014 (Act XVII of 2014).

3 Substituted for full stop by the Punjab Finance Ordinance, 1981 (XIII of 1981).

4 Omitted by the Punjab Urban Immovable Property Tax (Amendment) Ordinance, 1982 (IV of 1982).

5 Sub-section (3) omitted by the Punjab Urban Immovable Property Tax (Amendment) Act, 1977 (V of 1977).

6 Sub-section (4) omitted by the Punjab Finance Ordinance, 2002 (XXXVII of 2002), which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

7 Sub-section (5) re-numbered as sub-section (3) by the Punjab Finance Ordinance, 2002 (XXXVII of 2002), which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

*[(4)] The tax shall be due from the owner of buildings and lands.

2[(5)] A rebate equal to five per cent of the amount of annual tax for a financial year will be given if the amount of annual tax is paid in lump sum on or before the 3[30th day of September] of the financial year.]

4[(6)] From the first day of July, 1998 for calculating tax on owner- occupied properties the annual value shall be increased by twenty-five per cent of the annual value existing on the said day.]

5[*****]

Residential Valuation Table

Category Self Rented

Land Area @ Sq. Yard Covered Area @ Sq. Yard Land Area @ Sq. Yard Covered Area @ Sq. Yard

Class Property situated Main/Off Roads 1st

500 Exd.

500 CO Exd.

3000 1st

500 Exd.

500 1st

3000 Exd.

3000

Rs. Rs. Rs. Rs. Rs. Rs. Rs. Rs.

A Main Road 0.40 0.30 0.40 0.30 4.00 3.00 4.00 3.00

Off Road 0.30 0.25 0.30 0.25 3.00 2.50 3.00 2.50

B Main Road 0.30 0.25 0.30 0.25 3.00 2.50 3.00 2.50

Off Road 0.25 0.20 0.25 0.20 2.50 2.00 2.50 2.00

C Main Road 0.25 0.20 0.25 0.20 2.50 2.00 2.50 2.00

Off Road 0.20 0.15 0.20 0.15 2.00 1.50 2.00 1.50

D Main Road 0.20 0.15 0.20 0.15 1.00 1.50 2.00 1.50

Off Road 0.15 0.10 0.15 0.10 1.50 1.00 1.50 1.00

E Main Road 0.15 0.10 0.15 0.10 1.50 1.00 1.50 1.00

Off Road 0.10 0.05 0.10 0.05 1.00 0.50 1.00 0.50

F Main Road 0.12 0.06 0.12 0.06 1.20 0.60 1.20 0.60

Off Road 0.08 0.04 0.08 0.04 0.80 0.40 0.80 0.40

G Main Road 0.09 0.05 0.09 0.05 0.90 0.45 0.90 0.45

Off Road 0.07 0.04 0.07 0.04 0.70 0.35 0.70 0.35

Commercial Valuation Table

Category Self Rented

Land Area @ Sq. Yard Covered Area @ Sq. Yard Land Area @ Sq. Yard Covered Area @ Sq. Yard

Property 1st Exd 1st 1501 to Exd. 1st Exd 1st 1501 to Exd.

Class situated 500 500 1500 3000 3000 500 500 1500 3000 3000

Main/Off Roads Rs. Rs. Rs. Rs. Rs. Rs. Rs. Rs. Rs. Rs.

Main Road 2.40 1.40 2.40 2.00 1.40 12.00 7.00 12.00 10.00 7.00

Off Road 2.00 1.20 2.00 1.60 1.20 8.00 6.00 10.00 8.00 6.00

Main Road 1.60 1.20 1.60 1.40 1.20 8.00 6.00 8.00 7.00 6.00

Off Road 1.40 1.00 1.40 1.20 1.00 7.00 5.00 7.00 6.00 5.00

Main Road 1.40 1.00 1.40 1.20 1.00 7.00 5.00 7.00 6.00 500

Off Road 1.00 0.60 1.00 0.80 0.60 5.00 3.00 5.00 4.00 300

D Main Road 1.00 0.60 1.00 0.80 0.60 5.00 3.00 5.00 4.00 300

Off Road 0.80 0.50 0.80 0.60 0.50 4.00 2.50 4.00 3.00 2.50

E Main Road 0.80 0.50 0.80 0.60 0.50 4.00 2.50 4.00 3.00 2.50

Off Road 0.50 0.30 0.50 0.40 0.30 2.50 1.50 2.50 20.00 1.50

F Main Road 0.64 0.40 0.64 0.40 0.30 3.20 2.00 3.20 20.00 1.50

Off Road 0.40 0.25 0.40 0.25 0.20 2.00 1.25 2.00 1.25 1.00

G Main Road 0.50 0.32 0.50 0.32 0.25 0.50 1.60 2.50 1.60 1.25

Off Road 0.32 0.20 0.32 0.20 0.16 1.60 1.00 1.60 1.00 0.80

Industrial Valuation Table

Category Self Occupied Rented

Land Area @ Sq. Yard Building Rental value @ Sq. Yard Land Area @ Sq. Yard Building Rental value @ Sq. Yard

Class Property situated Main/Off Roads Upto

4000

sq.

yds. Upto

20000

sq.

yds. Upto

4000

sq.

yds. Upto 4000 sci. yds. Upto

4000

sq.

yds. Upto

4000

sq.

yds. Upto 4000 sci. yds. Upto

4000

sq.

yds. Upto 4000 sci. yds. Upto 4000 sci. yds.

Rs. Rs. Rs. Rs. Rs. Rs. Rs. Rs. Rs. Rs.

A Main Road 0.4 0.32 0.24 0.4 0.3 4.0 5.6 4.2 4.0 3.0

Off Road 0.3 0.24 0.18 0.3 0.25 3.0 4.8 3.6 3.0 2.5

B Main Road 0.3 0.24 0.18 0.3 0.25 3.0 4.8 3.6 3.0 2.5

Off Road 0.25 0.20 0.15 0.25 0.2 2.5 4.0 3.0 2.5 2.0

COMPARISON OF GROSS ARV FOR INDUSTRIAL AND COMMERCIAL PROPERTIES IN GULBERG, LAHORE

Industrial Properties in Gulberg, Lahore

Property Name Land area (sq. yds) Covered Area (sq. ft) Assessment Category

Medium Size Printing Press 5,000 24,609 Self - A

Beverages Factory - A 11,100 42,587 Self - A

Medium Size Textile Mill 4,000 18,860 Self - A

Beverages Factory - B (Unit II) 2,275 10,375 Self - A

Beverages Factory - B (Unit III) 3,450 9,608 Self - A

Monthly rental value Land (His.) Monthly Rent - building (Rs.) Total monthly rent (Rs.) Gross ARV (Rs.)

first 500 sq. yds @ 0.40 Next 3500 sq yds @ 0.30 Balance area @ 0.24 first 3000 sq. ft @ 0.4 Balance area @ 0.3

200 1,050 240 1,200 6,483 9,173 110,072

200 1,050 1,704 1,200 11,876 16,030 192,361

200 1,050 - 1,200 4,758 7,208 86,496

200 533 - 1,200 2,213 4,145 49,740

200 885 - 1,200 1,982 4,267 51,209

Commercial Properties in Gulberg, Lahore

Property Name Land area (sq yds) Covered Area (sq. ft) Assessment Category

Medium Size Departmental Store 550 24,560 Self - A

Medium Size Hotel 707 30,500 Self - A

Medium Size Bakery 107 960 Self - A

Monthly rental value Land Monthly Rent - building Total

monthly rent (Rs.) Gross ARV Rs.)

First 500 sq. yds @ Rs.2.40 Exceeding 500 sq yds @ Rs.1.40 First 1500 sq. ft @ Rs.2.40 15001 - 3000 sq. ft @ Rs.2.00
Exceeding 3000 sq ft @ Rs.1.40

1,200 70 3,600 3,000 30,184 38,054 456,648

1,200 290 3,600 3,000 38,500 46,590 559,078

257 - 2,304 - - 2,561 30,730

PUNJAB

Capital value tax on immovable property

H]

1 Section 6 omitted by Punjab Finance Act, 2017 (XII of 2017). Earlier it was substituted by the Punjab Finance Act 2012 (XLI of 2012). Earlier it was inserted by Punjab Finance Act, 2010 (VI of 2010).

Section 6-Omission.- Before omission by Punjab Finance Act, 2017 Section 6 read as follows:—

“Following text of section 6 of the Punjab Finance Act, 2010 (VI of 2010):-

6. Capital value tax on immovable property.- (1) This section shall have effect notwithstanding anything contained in any other law.

(2) For purposes of this section:

(a) “association of persons” includes a firm, a Hindu undivided family, a juridical person and a body of persons formed under a foreign law, but does not include a company;

(b) “Board of Revenue” means the Board of Revenue established under the Punjab Board of Revenue Act, 1957 (XI of 1957);

(c) “Collector” means the Collector of the district appointed under the Punjab Land Revenue Act, 1967 (XVII of 1967) and includes the Collector of a subdivision or any other officer specially empowered by the Board of Revenue to exercise and perform the functions of Collector;

(d) “company” means—

(i) a company as defined in the Companies Ordinance, 1984 (XLVII of 1984);

(ii) a body corporate formed by or under any law in Pakistan;

(iii) a modarba;

(iv) a body incorporated by or under the law of a country outside Pakistan relating to incorporation of companies;

(v) a trust, a co-operative society or a finance society or any other society established or constituted by or under any law;

(vi) a foreign association, whether incorporated or not, which the Government has, by general or special order, declared to be a company for purposes of this section.

(e) "Government" means Government of the Punjab;

(f) "person" includes—

(i) an individual;

(ii) an association of persons;

(iii) a company;

(iv) a body corporate;

(v) a foreign government;

(vi) a political subdivision of a foreign government; and

(vii) a public international organization;

(g) "recorded value" means the value declared by the transferee in the instrument, provided that the declared value of the property shall not be less than the value specified in the valuation table notified by the Collector of the district;

(h) "registration authority" includes the person responsible for registering or attesting or recording the transfer of an immovable property or of the right to use an immovable property for more than twenty years, and in the case of a cooperative society or a private housing society, its principal officers including president, secretary, accountant or any similar officer declared by the Collector as the principal officer of the society;

(i) "tax" means capital value tax and includes any penalty, fee, and charge or any sum or amount leviable or payable under this section;

(j) "urban area" means an area which is—

(i) a rating area under the Punjab Urban Immovable Property Tax Act, 1958 (V of 1958) except the area where the rate of tax is zero in terms of section 117 of the Punjab Local Government Ordinance, 2001 (XIII of 2001); or

(ii) an area notified by the Board of Revenue in the official Gazette.

(3) A tax on the capital value of an immovable property shall be payable by a person who acquires an immovable property by purchase, gift, exchange or power of attorney, surrender or relinquishment of right by the

owner or a right to use thereof for twenty years or more or renewal of lease so that the total period of lease in favour of the same lessee is twenty years or more at the rates specified in subsection (5).

(4) The tax shall not be payable if-

(a) immovable property is acquired through inheritance; or

(b) immovable property is acquired through gift between spouses, father, mother, son, daughter, grandparents and grandchildren, siblings, or from one wife or widow to another wife or widow of the same husband; or

(c) power of attorney is executed between spouses or from one wife or widow to another wife or widow of the same husband, or father, mother, son, daughter, grandparents, grandchildren and siblings.

(5) The rate of tax in respect of immovable property is as under:

situated in urban area and the value of which exceeds one million rupees:

No. Description Rate of Tax

(i) Where the value of the immovable property is recorded. Two per cent of the recorded value of the landed area.

(ii) Where the value of the immovable property is not recorded. One hundred rupees per square feet of the landed area.

(iii) Where the immovable property is a constructed property. Ten rupees per square feet of the constructed area in addition to the value worked out above.]

1[(a) Immovable property, other than commercial or industrial property, a plaza or multi-storeyed building,

(b) Commercial or industrial immovable property other than plaza or multi-storeyed building of any size situated in an urban area:

No. Description Rate of Tax

(i) Where the value of the immovable property is recorded. Two per cent of the recorded value of the landed area.

(ii) Where the value of the immovable property is not recorded. One hundred rupees per square feet of the landed area.

(iii) Where the immovable property is a constructed property. Ten rupees per square feet of the constructed area in addition to the value worked out above.

(c) Immovable property whether commercial, residential or composite

No. Description Rate of Tax

(i) Where the value of the immovable property is recorded. Two percent of the recorded value of the immovable property or one hundred rupees per square feet of the constructed area, whichever is higher.

(ii) Where the value of the immovable property is not recorded. One hundred rupees per square feet of the landed area.

(iii) Where the immovable property is a constructed property. One hundred rupees per square feet of the constructed area of the immovable property.

(6) The tax shall be collected at the time of registering or attesting the transfer by the person responsible for registering or attesting the transfer of the immovable property for which the tax is payable.

(7) The registration authority or any other person mentioned in subsection (6) shall submit to the Collector a monthly statement by 10th of the succeeding month in such Form as may be prescribed.

(8) In case the statement mentioned in subsection (7) is not submitted within the prescribed time, Collector of the district may impose a penalty on the registration authority or any other person mentioned in subsection (6) up to rupees one hundred thousand.

(9) The Collector of the district or any authority to whom he is subordinate, may himself or through a person or agent appointed by him for the purpose conduct or cause to be conducted the audit of the capital value tax including examination of accounts and records of that registration authority or any other person mentioned in subsection (6) and may make an assessment of the tax on the basis of such audit.

(10) The Collector may, by notice in writing, require any person-

(a) to furnish to the Collector or an officer authorised by him any information or produce any accounts, documents or computer stored information in his possession and relevant to the tax specified in the notice; and

(b) to attend at such time and place as mentioned in the notice for purposes of examining him on oath by the Collector or the authorised officer in respect of the matters relating to the tax.

(11) The Collector may impound any accounts or documents produced in terms of subsection (10) and retain the documents so long as may be deemed necessary for purposes of examination.

(12) Where a hard copy or computer disk of information stored on a computer is not made available as required under subsection (10), the Collector may require production of the computer on which the information is stored, and impound and retain the computer for such period as may be necessary.

(13) For purposes of this section, the Collector shall have the same powers as are vested in a Court under the Code of Civil Procedure, 1908 (V of 1908), in respect of the following matter:

(i) enforcing the attendance of any person and examining the person on oath or affirmation;

(ii) compelling the production of any accounts, records, computer stored information, or computer;

(iii) receiving evidence on affidavit; or

(iv) issuing commissions for the examination of witnesses.

(14) Where a registration authority or any other person mentioned in subsection (6) fails to-

(i) furnish prescribed monthly statement; or

(ii) provide information or produce documents or record in terms of subsection (10) within the stipulated time, Collector of the district may make an assessment of the tax on the basis of the information or material available to him.

(15) As soon as may be after making an assessment under subsections (9) or (14), Collector of district shall issue the assessment order to the registration authority or any other person, stating:

(i) the amount of tax due;

(ii) the time, place and manner of filing an appeal against the assessment order.

(16) The powers under subsection (9) or (14) shall not be exercised after the expiry of five years from the conclusion of the financial year to which the assessment relates.

(17) Where the tax is not collected from the person liable to pay it, the tax may be collected by an officer designated by the Board of Revenue in this behalf from the said person and the provisions of the Punjab Land Revenue Act 1967 (XVII of 1967) shall, so far as may be, apply to the collection of the tax as they apply to the recovery of arrears of land revenue.

(18) Where any person fails to collect the tax or having collected fails to deposit the tax into the Government Treasury, he shall be personally liable to pay the tax along with default surcharge at the rate of fifteen percent per annum for the period for which such tax or part thereof remains unpaid, and the Collector may recover it from the said person as arrears of land revenue after giving him an opportunity of hearing.

(19) Where at the time of recovery of tax under subsection (18), it is established that the tax collected from the person has meanwhile been paid by the person liable to tax, no recovery shall be made from the person who had failed to collect the tax but the said person shall be liable to pay default surcharge at the rate of fifteen percent per annum from the date he failed to collect the tax to the date the tax was paid.

(20) A person personally liable for any amount of tax under subsection (18) as a result of failing to collect the tax shall be entitled to recover the tax from the person from whom the tax should have been collected.

(21) The recovery of tax under subsection (17) does not absolve a person who failed to collect the tax from any other legal action in relation to the failure or from a charge of default surcharge.

(22) The order passed by an officer under this section shall be deemed to be an order passed by a Revenue Officer under the Punjab Land Revenue Act, 1967 (XVII of 1967).

(23) The provisions of sections 13 and 14 of the Punjab Land Revenue Act 1967 (XVII of 1967) shall apply to the cases under this section.

(24) For purposes of appeal, review or revision, an order passed under this section shall be deemed to be an order of a Revenue Officer within the meanings of sections 161, 162, 163 and 164 of the Punjab Land Revenue Act 1967 (XVII of 1967).

(25) Where the tax has been recovered from a person not liable to pay the same or in excess of the amount actually payable, an application may, in writing, be made to the Collector for the refund of the tax or the excess amount.

(26) The proceeds of the tax collected under this section shall be credited to the Provincial Consolidated Fund under the head specified by the Government.

(27) The Board of Revenue may, by notification in the official Gazette, make provisions relating to the collection and recovery of the tax or regarding any ancillary matters.

(28) The Government may, by notification in the official Gazette, exempt a class of immovable property or a class of persons or a mode of transfer of property from the levy or recovery of the tax subject to such conditions as may be specified in the notification.”

PUNJAB

* Capital Value Tax Rules, 2010

No. 105-2010/ 207-RC (III), dated 1st July, 2010.- In exercise of the powers conferred under sub-section (16) of section 6 of the Punjab Finance Act 2010 (VI of 2010), the Board of Revenue has made the following rules for the collection and recovery of Capital Value Tax and ancillary matters:

1. Short title and commencement.- (1) These rules may be cited as the Capital Value Tax Rules 2010.

(2) They shall come into force at once.

2. Definitions.- (1) In these rules:

(a) “Act” means the Punjab Finance Act 2010 (VI of 2010);

(b) “development authority” means an authority formed under any law for the purposes of development of an area and includes any authority, society, agency, trust, association or institution declared as such by the Board of Revenue by a notification in the official Gazette;

(c) “registering or attesting the transfer of an immovable property” includes the first registration or attestation of the transfer of immovable property;

(d) “Schedule” means the Schedule appended to the rules; and

(e) “taxpayer” means any person liable to pay the tax and includes the registration authority as defined in the sub-section (2) of the section 6 of the Act.

(2) The words and expressions used in these rules but not defined shall have the same meaning as in the Act or the Punjab Land Revenue Act, 1967 (XVII of 1967).

3. Application for registration on acquisition of an immovable property.- (1) A person who purchases or acquires an immovable property or a right to use such property for more than twenty years as mentioned in sub-section (3) of section 6 of the Act, shall fill the Form CVT-I as prescribed in the Schedule in quadruplicate along with relevant documents and verification and submit the same to the registration authority.

(2) The registration authority shall assess the tax payable on the transaction and fill its part of the Form CVT-I.

(3) The tax shall be credited to the Provincial Consolidated Fund under the Head specified by the Government.

(4) The taxpayer shall deposit the tax through the prescribed Tax Payment Receipt (Challan Form No.32-A) as prescribed in the Schedule in the Government Treasury or in the authorized branch of the State Bank of Pakistan or

the National Bank of Pakistan and submit a copy in duplicate of the Tax Payment Receipt (Challan Form No.32-A) to the registration authority.

(5) The registration authority shall, before registering or attesting the transfer of immovable property, ensure that the tax payable on the transfer of immovable property has been collected.

(6) In case, the registration authority defaults in collection of tax to the credit of the Government, it shall within one week from the date of such default, deposit the tax into the Government Treasury or in the authorized branch of the State Bank of Pakistan or the National Bank of Pakistan.

4. Collection of tax from defaulter.- (1) Where for any reason, the tax is not collected under rule 3, the collector of the district, having territorial jurisdiction over the immovable property, may declare the registration authority or the transferee, as the taxpayer in default and proceed to collect the tax as an officer designated by the Board of Revenue under sub-section (6) of section 6 of the Act.

(2) Where the tax is to be recovered from a taxpayer in default, it shall be so recovered as if it were the tax due in consequence of an order passed under the Punjab Land Revenue Act, 1967 (XVII of 1967) and its provisions shall apply to the collection of the tax as they apply to the recovery of arrears of land revenue.

5. Recovery of tax from persons holding money on behalf of a tax payer.- (1) The collector may, by notice in writing require any person to pay the amount of tax due from a taxpayer, who is:

(a) owing or who may owe money to the taxpayer;

(b) holding or who may hold money for, or on account of the taxpayer;

(c) holding or who may hold money on account of some other person to pay money to the tax payer; and

(d) having authority of some other person to pay money to the taxpayer.

(2) Subject to sub-rule (3), the amount of money set out in a notice under sub-rule (1):

(a) where the amount of money is equal to or less than the amount of tax, it shall not exceed the amount of tax due by the tax payer; or

(b) where the amount of money exceeds than the amount of tax, it shall be as much as sufficient to pay the amount of tax due by the tax payer.

(3) The date of payment of tax specified in the notice under sub-rule (1) shall not be a date before the money becomes payable to the taxpayer or held on the taxpayer's behalf.

(4) Any person who has paid any amount of tax in compliance with a notice under sub-rule (1) it shall be treated as having paid such amount under the authority of the taxpayer and the receipt of the collector constitutes a good and sufficient discharge of the liability of such person to the tax payer to the extent of the amount referred to in such receipt.

6. Refund of tax.- (1) Where the tax has been recovered from any person not liable to pay the same or in excess of the amount actually payable, an application in writing may be made to the collector for the refund of tax or the amount recovered in excess.

(2) The collector may, call for such particulars, documents or evidence as he may deem appropriate for verification of the claim of the applicant for refund of tax.

(3) Where the collector is satisfied that the applicant was not liable to pay the tax or the tax has been recovered in excess of the amount actually payable, he shall by an order in writing, refund the tax, or the amount recovered in excess, as the case may be, to the applicant.

(4) Any refund made under this rule shall not absolve the applicant to pay the tax if, at any time, it is found that he was liable to pay the tax or the amount refunded to him should have not been refunded.

7. Statement regarding transfer of immovable property.- (1) The

registration authority shall file the monthly statement as prescribed in the Schedule before the collector of the district in respect of registration or attestation of transfer of immovable property on which the tax had been paid and the statement shall also indicate the registration or attestation of transfer of an immovable property on which the tax was payable but was not paid.

(2) The statement referred to in sub-rule (1), shall be furnished on or before 10th of each month regarding an immovable property registered or attested during the preceding month and shall also submit copies of Tax Payment Receipts and Forms CVT-I.

SCHEDULE

FORM CVT- I

(see rule 3)

APPLICATION FORM FOR THE TRANSFER OF IMMOVABLE PROPERTY PARTICULARS OF TRANSFEROR

(To be filled in by the Transferor)

(a) Name.

(b) Address.

VERIFICATION

I/We do hereby solemnly declare that the particulars given in this application are correct and complete to the best of my knowledge and belief and nothing has been concealed.

Place.

Date (Signature of the Transferee/

CNIC/Reg.NO./Inc.NO. Authorized Representative)

(Please attach Photocopy)

PARTICULARS OF TRANSFEREE

(To be filled in by the Transferee)

(a) Name.

(b) Address.

VERIFICATION

I/We solemnly declare that the particulars in this application are correct and complete to the best of my knowledge and belief and that nothing has been concealed.

Place.

Date (Signature of the Transferee/

CNIC/Reg.NO./Inc.NO. Authorized Representative)

(Please attach Photocopy)

TO BE FILED IN BY THE REGISTRATION AUTHORITY IN ACCORDANCE WITH THE FOLLOWING SCHEDULE

urban area, measuring at least two hundred and fifty square yards or ten marlas (whichever is less) and more:

(a) residential immovable property, (other than flats), situated in an

Description of immovable property	Rate of tax
-----------------------------------	-------------

(i) Where the value of the immovable property is recorded. Two percent of the recorded value of the landed area. Whichever, is higher	
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(ii) Where the value of the immovable property is not recorded. One hundred rupees per square feet of the landed area.	
--	--

(iii) Where the immovable property is a constructed property. Ten rupees per square feet of the constructed area in addition to the value worked out above.	
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(b) commercial immovable property of any size situated in an urban area;

(i) Where the value of the immovable property is recorded. Two percent of the recorded value of the landed area. Whichever, is higher	
---	--

(ii) Where the value of the immovable property is not recorded. One hundred rupees per square feet of the landed area.	
--	--

(iii) Where the immovable property is a constructed property. Ten rupees per square feet of the constructed area in addition to the value worked out above.	
---	--

(c) residential flats of any size situated in an urban area:

(i) Where the value of the immovable property is recorded. Two percent of recorded value of the immovable property. Whichever, is higher	
--	--

(ii) Where the value of the immovable property is not recorded. One hundred rupees per square feet of the covered area of the immovable property.

PARTICULARS OF IMMOVABLE PROPERTY.

(a) Identification and Location of immovable property

(b) Nature of the immovable property (residential/commercial/residential flats),

(c) Area of the immovable property

(d) Value as determined for the purposes of Stamp Duty. Rs.

(e) Value as declared by transferee, where Stamp Duty is not chargeable. Rs

TAX DETAILS

Date of Sale . Value (in Rupees) .

Tax Rate. Amount of Tax (in Rupees).

Transfer registered/attested at Sr. No. of Register No. of

the Financial year. Date of transfer. Registration No. .

Official seal of the registration Name and signature of the

STATEMENT REGARDING TRANSFER OF IMMOVABLE PROPERTIES

FOR THE MONTH OF 20....

(see rule 7)

Sr.

No. Name, Address and CNIC No. of the Transferor Name, Address and CNIC No. of the Transferee Full particulars, nature and location of immovable property Date of Transfer Value of the immovable Property assessed under subsection (4) of section 6 of the Act Amount of Tax

(1) (2) (3) (4) (5) (6) (7)

Name and Designation of registration authority Signature of registration authority Date

Address

authority registration authority

(PROVINCIAL)

CHALLAN FORM No. 32-A (see rule 3)

Challan of cash paid into A/C No. I (Non-Food) State Bank/National Bank of Pakistan, Branch.

To be filled in by the Remitter To be filled in by the Departmental Officer or the

Treasury Officer/DAO

To be filled in by Departmental Officer Officer or the Treasury

By Name, Full particular of AMOUNT Head of Account Order to the

whom designation the remittance Bank.

tendered and address and the

of person on whom behalf authority (if any)

money is paid

Mr. Mr. (ABC) Capital Value Rs /- "Provincial" Date

(ABC) for Mr. T ax on transfer B- T ax Revenue Correct.

(ABC) (if of Immoveable B 01- Direct T axes Receive and

applicable) Property (CVT) @ 2% amounting

to Rs /-,

situated at

Street No

Block No

Colony

T ehsil/ District B 017- Capital Value Tax on Immoveable Property B 01701- Urban B 01702- Rural B 01703- Capital Value Tax on

Immoveable Assets- Urban (Residential)

B 01704- Capital Value Tax on

Immoveable Assets- Urban grant receipt.

Signature and full designation of the Officer ordering the money to be paid in.

(Commercial)

B 01705- CVT on Immoveable

Assets-Urban (Others)

(The applicable object may be written)

Signature. To be used only in the case of remittances to Bank through Officer of the Government.

(Rupees. only) Received payment Treasury

Officer/Agent/Manager

PUNJAB

Tax on persons engaged in professions, trades, callings or employments

Following text of section 3 of the Punjab Finance Act, 1977 (Act XV of 1977):-

3. Tax on persons engaged in professions, trades, callings or employments.- (1) With effect from 1st July, 1977, there shall be levied and collected from the persons or classes of persons mentioned in column 2 of the Second Schedule to this Act engaged in a profession, trade, calling or employment 1[wholly or partly] in the Province of the Punjab a tax for each financial year at the rates mentioned in column 3 of the said Schedule.

(2) If a person is engaged in more than one profession, trade, calling or employment he shall pay the tax only in respect of one such profession, trade, calling or employment for which rate of tax is the highest.

(3) The Government may exempt any person or class of persons from the payment of the tax.

(4) Section 11 of the Punjab Finance Act, 1964 (W.P. Act XXXIV of 1964) is hereby repealed.

2[(5) A person who fails to pay the tax within the prescribed time, shall, in addition to the amount of tax, be liable to pay a penalty not exceeding the amount of tax.]

3[Second Schedule

(See Section 3)

Sr.No. Class of Persons Rate of tax per annum (Rupees)

1. Companies registered under the Companies Act, 2017 or under the relevant law for the time being in force, with paid up capital

i) Up to rupees 5 million 10,000/-

ii) exceeding rupees 5 million but not exceeding rupees 50 million 30,000/-

in) Exceeding rupees 50 million but not exceeding rupees 100 million 70,000/-

iv) exceeding rupees 100 million but not exceeding rupees 200 million 100,000/-

v) exceeding rupees 200 million 100,000/-

2. Persons other than companies, owning factories as defined under the Factories Act, 1932 and having

i) employees not exceeding 10 1,500/-

ii) employees exceeding 10 but not exceeding 25 5,000/-

iii) employees exceeding 25 7,500/-

i[3. (i) Persons other than companies owning commercial establishments having 10 or more employees

a) Within metropolitan and municipal corporation limits

b) Others 6,000/-

4,000/-

(ii) All other commercial establishments other than wholesalers and retailers 2,000/-]

4. Persons engaged in the import or export of goods who, during the preceding financial year, imported or exported goods of the value

i) Exceeding rupees 1 lac but not exceeding rupees 1 million 2,000/-

ii) exceeding rupees 1 million but not exceeding rupees 5 million 3,000/-

iii) exceeding rupees 5 million 5,000/-

5. Contractors, builders and property developers, who during the preceding financial year supplied to the Federal or the Provincial Government or a company or a factory or a commercial establishment or an autonomous or a semi autonomous organization or any Local Authority; goods, commodities and services of the value:

i) not exceeding rupees 1 million 1,000/-

ii) exceeding rupees 1 million but not exceeding rupees 10 million 6,000/-

iii) exceeding rupees 10 million but not exceeding rupees 50 million 10,000/-

iv) exceeding rupees 50 million 20,000/-

6. Persons engaged in various professions and providing different services such as:

i) Medical Consultants or Specialists/Dental Surgeons 5,000/-

ii) Registered Medical Practitioners 4,000/-

iii) Others including Homoeopaths, Hakeems and Ayurvedics-

(a) Within Metropolitan and Municipal Corporation limits

(b) Others 3,000/-

1,000/-

iv) Auditing firms (per professionally qualified person)

(a) Within Metropolitan and Municipal Corporation limits

(b) Others 6,000/-

4,000/-

1 Serial No. 3 substituted by Punjab Finance Act, 2021 (Act XIX of 2021).

2nd Schedule Sr. No. 3-Substitution.- Before substitution by Punjab Finance Act, 2021 Sr. No. 3 read as follows:-

“3. Persons other than companies owning commercial establishments having 10 or more employees

i) (a) Within Metropolitan and Municipal Corporation limits

(b) Others 6,000/-

4,000/-

ii) All other commercial establishments other than wholesalers and retailers 2,000/-”

v) Management and Tax Consultants Architects, Engineering, Technical and Scientific Consultants—

(a) Within Metropolitan and Municipal Corporation limits

(b) Others 6,000/-

4,000/-

Vi) Lawyers 1,000/-

vii) (a) Members of Stock Exchanges

(b) Money Changer:

(i) Within Metropolitan and Municipal Corporation limits

(ii) Others 10,000/-

6,000/-

2,000/-

(c) Motorcycle/Scooter dealers-

(i) Within Metropolitan and Municipal Corporation limits.

(ii) Others 10,000/-

6,000/-

(d) *[Motor Vehicle] Dealers and Real Estate Agents-

(i) Within Metropolitan and Municipal Corporation limits

(ii) Others 20,000/-

10,000/-

(e) Recruiting Agents-

(i) Within Metropolitan and Municipal Corporation limits

(ii) Others 20,000/-

10,000/-

viii) Carriage of goods and passengers by road:

(i) Within Metropolitan and Municipal Corporation limits

(ii) Others 4,000/-

2,000/-

ix) Health Clubs and Gymnasiums-

(i) Within Metropolitan and Municipal Corporation limits

(ii) Others 4,000/-

2,000/-

x) Jewelers, departmental stores, electronic goods stores, cable operators, printing presses and pesticide dealers
2,000/-

xi) Tobacco venders- Wholesalers 4,000/-

7. Franchisee, Authorized dealers/Agents and distributors 5,000/-

8. Property Developers/Builders & Marketing Agent/Company engaged in the development marketing and management of residential, commercial or industrial properties 50,000/-

9. Hotels, Hostels (except hostels owned and operated by an educational institution itself) / Guest Houses / Motels / Resorts providing lodging facilities 5,000/-

10. Restaurants / Eateries / Fast Food Points/Ice Cream Parlors/ Bakeries / Confectioners / Sweets Shops with air conditioning facility 5,000/-]

2[11. Persons who are engaged in a profession, trade, calling or employment who were assessed to pay income tax during the preceding financial years. 200/-]

1 Substituted for “Motor Car” by Punjab Finance Act, 2021 (Act XIX of 2021).

2 Serial No. 11 inserted by Punjab Finance Act, 2021 (Act XIX of 2021).

PUNJAB

Entertainment Duty Act

1 Punjab Entertainment Duty Act hereby repealed by Punjab Finance Act, 2021 (Act XIX of 2021).

| LEGISLATIVE HISTORY

Following text of sections 3 & 3A of The Punjab Entertainments Duty Act, 1958 (W.P. Act X of 1958):-

3. Duty on payments for admission to entertainments.- 1[(1) There shall be levied and paid to the Government on all payments for admission to any entertainment, a duty, hereinafter referred to as the ‘entertainment duty’, [at the rate of [/five7 per cent] of such payment excluding the amount of the duty].

5[* * * * *

6[Provided that, for a period of five years, the entertainment duty shall be levied and paid to the Government on all payments for admission to cinema houses at the rate of thirty per cent of such payment and shall be converted into a fixed charge per day in respect of different categories of cinema houses, screening or exhibiting movies. The Government shall determine the categories of cinema houses and fix per day the rate of entertainment duty for each cinema:]

Provided [further] [* * *] that where the proprietor of an entertainment admits any person to any place of entertainment without any payment or on payment of an amount less than the amount normally charged for admission thereto, the entertainment duty shall nevertheless be levied and paid on the amount which would have been normally charged for admission to that place.

Explanation I- In case there be different classes in connection with an entertainment the phrase “place of entertainment” means the class to which a person is admitted.

Explanation II- The fact that any such person as is mentioned in the proviso to this sub-section has been admitted to a class more advantageously placed for viewing the entertainment than the class to which the others making larger payments are admitted, may be taken into account for determining whether the payment made is not that normally charged] [:]

10[Provided further that if the amount of duty at the aforementioned rate is not a multiple of ten paises, the amount of duty shall be rounded to the next higher multiple of ten paises.]

(2) Where the payment for admission to an entertainment is made by means of a lump sum paid as a subscription or contribution to any society or for a season ticket or for the right of admission to a series of entertainments or to any entertainment during a certain period of time or for any privilege, right, facility or thing combined with the right of admission to any entertainment or involving such right of admission without further payment or at a reduced

charge, the entertainments duty shall be paid, on the amount of the lump sum; but where the Government is of the opinion that the payment of a lump sum or any payment for a ticket represents payments for other privileges, rights or purposes besides the admission to an entertainment, or covers admission to an entertainment during any period for which the duty has not been in operation, the duty shall be charged on such amount as appears to the Government to represent the right of admission to entertainments in respect of which the entertainments duty is payable.

Sr. No. Entertainment Rate of duty

1. Admission to horse racing Two hundred percent of the payment for admission or two hundred rupees per admission ticket, whichever is higher.

2. Circus No duty

3. Fashion show Twenty percent of the total amount paid to the owner or management of the premises or total expenditure made by organizer or sponsor, whichever is higher.

4. Musical show Twenty percent of the payment for admission in a musical show where admission charges are five hundred rupees per person or more.]

11[3-A. Duty on special classes of entertainment.- Notwithstanding anything contained in section 3, the duty on the entertainments mentioned in column No. 2 of the following Table shall be charged at the rate mentioned against each entertainment in column No.3:-

PUNJAB

COURT FEES RATES

THE COURT FEES ACT, 1870

(Act VII of 1870)

Following text of Schedule-I and Schedule-II of the Court Fees Act, 1870 (Act VII of 1870) applicable in Punjab:-

[SCHEDULE I

Ad Valorem Fees

Sl.No. Article Proper Fee

1 2 3

1. Complaint, written statement pleading a set-off or counter-claim or 2[Seven-and-a-half] per memorandum of appeal (not otherwise provided for in this Act) centum on the amount or of cross-objection presented to any civil or Revenue Court or value of the subject-

except those mentioned in section 3. matter in dispute

Note- The amount payable under this number shall be subject to a maximum rounded to the nearest fifty paisas. of 3[fifteen thousand] rupees.

2. Complaint in a suit for possession under the Specific Relief Act, A fee of one-half the 1877, section 9. amount prescribed in Serial No. 1.

3. Application for review of judgment, if presented on or after the The fee leviable on the ninetieth day from the date of the decree. plaint or memorandum of appeal.

4. Application for review of judgment, if presented before the One-half of the fees ninetieth day from the date of the decree. leviable on the plaint or memorandum of appeal.

5. Copy or translation of a judgment or order not being, or having the force of, a decree—

(a) When such judgment or order is passed by any Civil Court, other than a High Court, or by the presiding officer of any Revenue Court or office, or by any other judicial or Executive Authority. One rupee.

(b) When such judgment or order is passed by a High Court. Two rupees.

6. Copy of the decree or order having the force of a decree—

(a) When such decree or order made by any Civil Court other than a High Court, or any Revenue Court—

(i) if the amount or value of the subject-matter of the suit wherein such decree or order is made does not exceed fifty rupees: One rupee

(ii) if such amount or value exceeds fifty rupees: Two rupees.

(b) When such decree or order is made by a High Court. Five rupees.

1 Schedule I substituted by the Punjab Finance Act, 1973 (XIV of 1973).

2 Substituted by Punjab Finance Act 2006 (V of 2006). Earlier it was also substituted by Punjab Finance Act 1996 (V of 1996).

3 Substituted by Punjab Finance Act 2006 (V of 2006). Earlier it was also substituted by Punjab Finance Act 1996 (V of 1996).

Sl.No. Article Proper Fee

1 2 3

7. Copy of any document liable to stamp duty under the Stamp Act, 1899, when left by any party to a suit or proceeding in place of the original withdrawn—

(a) When the stamp duty chargeable on the original does not exceed fifty paise. chargeable on the original.

(b) In any other case. One rupee.

8. Copy of any revenue or judicial proceeding or order not otherwise provided for by this Act, or copy of any account, statement, report or the like, taken out of any Civil or Criminal or Revenue Court or office or from the office of any chief officer charged with the executive administration of a Division—

For every three hundred and sixty words or fraction of three hundred and sixty words. Fifty paise.

9. Probate of a will or letters of administration with or without will annexed—

When the amount or value of the property in respect of Two per centum on

which the grant of probate or letters is made exceeds one thousand rupees, but does not exceed ten thousand rupees. such amount or value.

When such amount or value exceeds ten thousand rupees Three per centum on

but does not exceed fifty thousand rupees. such amount or value.

When such amount or value exceeds fifty thousand rupees:

Provided that when, after the grant of a certificate under the Succession Act, 1925, in respect of any property included in an estate, a grant of probate or letters of administration is made in respect of the same estate, the fee payable in respect of the latter grant shall be reduced by the amount of the fee paid in respect of the former grant.

Note- The amount payable under this number to be rounded to the nearest rupee. Four per centum on such amount or value.

10. Certificate under the Succession Act, 1925—

(i) On the amount or value of any debt or security specified in Two per centum on

the certificate under section 8 of the Act. such amount or value.

(ii) On the amount or value of any debt or security to which Three per centum on

the certificate is extended under section 10 of the Act. Explanation 1— For the purposes of this number, the amount of a debt is its amount, including interest on the day on which the inclusion of the debt in the certificate is applied for, so far as such amount can be ascertained.

Explanation 2— Whether or not any power with respect to a security specified in a certificate has been conferred under the Act and where such power has been so conferred whether the power is for the receiving of interest or dividends on, or for the negotiation or transfer of the security, or for both purposes, the value of the security is its market-value on the day on which the inclusion of the security in the certificate is applied for, so far as such value can be ascertained. such amount or value.

Sl.No. Article Proper Fee

1 2 3

11. Application to the Board of Revenue/ Commissioners of Divisions for the exercise of its revisional jurisdiction under section 84 of the Punjab Tenancy Act, 1887—

When the amount or value of the subject-matter in dispute does not exceed twenty-five rupees. Two rupees.

When such amount or value exceeds twenty-five rupees. The fee leviable on a memorandum of appeal.

12. Application to a High Court for the exercise of its revisional jurisdiction under section 115 of the Code of Civil Procedure, 1908-

Where the application is for revision of an order and the Seven rupees and

amount or value of the subject-matter is less than two thousand rupees. fifty paisas.

Where the application is for the revision of an order and subject-matter is two thousand rupees or more. Fifteen rupees.

Where the application is for the revision of an appellate The fee leviable on a

decree. memorandum of appeal].

[SCHEDULE II

Fixed Rates

Sl.No. Article Proper

Fee

1 2 3

1. Application or petition-

(a) When presented to any Officer of the Customs or Excise Department or

to any Magistrate by any person having dealings with the Government One

and when the subject-matter of such application relates exclusively to those dealings; or

When presented to any Officer of land-revenue by any person holding temporarily settled land under direct engagement with Government and when the subject-matter of the application or petition relates exclusively to such engagement; or

When presented to any Civil Court other than a principal Civil Court of original jurisdiction or to any Court of Small Causes constituted under the Provincial Small Causes Courts Act, 1887, or to a Collector or other officer of revenue in relation to any suit or case in which the amount or value of subject-matter is less than fifty rupees; or

When presented to any Civil, Criminal or Revenue Court, or to any Board or Executive Officer for the purpose of obtaining a copy or translation of any judgment, decree or order passed by such Court, Board or Officer, or of any other document or record in such Court or Office; rupee

1 Schedule II substituted by the Punjab Finance Act, 1973 (XIV of 1973).

Sl.No. Article Proper Fee

1 2 3

(b) When containing a complaint or charge of any offence other than an offence for which police officers may, under the Code of Criminal Procedure, 1898, arrest with our warrant, and presented to Criminal Court; or Two rupees.

When presented to a Civil, Criminal or Revenue Court, or to a Collector or any Revenue Officer, having jurisdiction equal or subordinate to a Collector or to any Magistrate in his executive capacity and not otherwise provided for by this Act; or Two rupees.

to deposit in Court revenue or rent; or Two rupees

for determination by a Court of the amount of compensation to be paid by a landlord to his tenant Two rupees.

(c) (i) When presented to a Chief Controlling Revenue or Executive Authority, or to a Commissioner of Revenue or Circuit or to any Chief Officer charged with executive administration of a Division and not otherwise provided by this Act Two rupees.

(ii) When presented to a Court or Authority other than a High Court, for transfer of cases (d) When presented to a High Court— Five rupees.

(i) Under the Companies Act, 1913, for winding up a company Two hundred rupees.

(ii) Under the said Act for taking some other judicial action Ten rupees.

(iii) For transfer of cases Five rupees.

(iv) In all other cases Five rupees.

2. Application to any Civil Court that records may be called for from Three rupees in

another Court— addition to any fee

When the Court grants the application and is of the opinion levied on the

that the transmission of such records involves the use of the application under

post. clause (a), clause (b) or clause (c), of Number 1 of this Schedule.

3. Application for leave to sue as a pauper Two rupees.

4. Application for leave to appeal as a pauper Two rupees.

5. Complaint or memorandum of appeal in a suit to establish or disprove a right of occupancy Two rupees.

6. Undertaking under section 49 of the Divorce Act, 1869. One rupee.

7. Mukhtarnama or Wakalatnama when presented for the conduct of any one case—

(a) to any Civil or Criminal Court, other than a High Court, or to any Revenue Court, or to any Collector or Magistrate, or other Executive Officer, except such as are mentioned in clauses (b) and (c) of this number: Two rupees.

Sl.No. Article Proper Fee

1 2 3

(b) to Commissioner or Revenue, Circuit or Customs or to any officer charged with the Executive Administration of a Division, not being the Chief Revenue or Executive Authority;

(c) to a High Court, Board of Revenue or other Chief Controlling Revenue or Executive Authority: Two rupees.

8. Memorandum of appeal when the appeal is not from a decree or an order having the force of a decree and is presented—

(a) to any Civil Court other than a High Court, or to any Revenue Court or Executive Officer other than the High Court or Chief Controlling Revenue or Executive Authority; Three rupees.

(b) to the Central Board of Revenue under section 188 of the Sea Customs Act, 1878, or section 35 of the Central Excise and Salt Act, 1944; Twenty-five rupees.

(c) to High Court or other Chief Controlling Executive or Revenue Authority: Ten rupees.

9. Caveat Ten rupees.

10. Petition in a suit under the Native Convert's Marriage Dissolution Act, 1866: Ten rupees.

11. Complaint or memorandum of appeal in each of the following suits:-

(i) to alter or set aside a summary decision or order of any Civil Court, not being a High Court; or any Revenue Court; Ten rupees.

(ii) to alter or cancel any entry in a register of the names of proprietors of Revenue paying estates; Ten rupees.

(iii) to obtain a declaratory decree when no consequential relief is prayed; Thirty rupees.

(iv) to set aside an award; Ten rupees.

(v) to set aside an adoption; Ten rupees.

(vi) to set aside an alienation; Fifteen rupees.

(vii) every other suit where it is not possible to estimate at a money-value the subject matter in dispute, and which is not otherwise provided for by this Act: Ten rupees.

12. Application under Chapter III of the Arbitration Act, 1940: Twenty rupees.
13. Agreement in writing stating a question for the opinion of the Court under the Code of Civil Procedure, 1908: Twenty rupees.
14. Every petition under the Divorce Act, 1869 except petitions under section 44 of the same Act, and every memorandum of appeal under section 55 of the same Act: Twenty rupees.
15. Plaint or memorandum of appeal under the Parsi Marriage and Divorce Act, 1936: Twenty rupees.
16. Plaint or memorandum of appeal in a suit by a reversioner under the Punjab Customary law for a declaration in respect of an alienation of ancestral land. Twenty rupees.

Sl.No. Article Proper Fee

1 2 3

17. For determination of fair rent or eviction of tenant under sections 4 and 13 of the *[West Pakistan] Urban Rent Restriction Ordinance, 1959 (VI of 1959)-

(i) Where the property involved is exempted from Property Tax under the 2[West Pakistan] Urban Immovable Property Tax Act: Five rupees

(ii) Where such property is assessed to Urban Immovable property Tax: Fifteen rupees.]

3[18 Plaint or memorandum of appeal for recovery of compensation or damages under the Fatal Accidents Act, 1855. Fifteen rupees.]

4[SCHEDULE III

(See Section 19-1)

FORM OF VALUATION (TO BE USED WITH SUCH MODIFICATIONS, IF ANY AS MAY BE NECESSARY)

IN THE COURT OF

Re Probate of the Will of (or administer of the property

and credits of), deceased.

I (solemnly affirm)

(make oath)

and say that I am the executor (or one of the executors or one of the next-of-

kin) of , deceased, and that I have truly set forth in

Annexure A to this affidavit all the property and credits of which the above-named deceased died possessed or was entitled to at the time of his death, and which have come or are likely to come, to my hands.

2. I further say that I have also truly set forth in Annexure B all the items I am by law allowed to deduct.

3. I further say that the said assets, exclusive only of such last- mentioned items, but inclusive of all rents, interest, dividends and increased values since the date of the death of the said deceased, are under the value of-

1 Now "The Punjab".

2 Now the Punjab Urban Rent Restriction Ordinance, 1959.

3 Inserted by the Court Fees (Punjab Amendment) Ordinance, 1981 (XIV of 1981), which was not subject to the limitation as to its duration under the Constitution, vide the Laws (Continuance in Force) Order, 1977 (CMLA's Orders No. 1 of 1977), and was validated by Article 270A of the Constitution of the Islamic Republic of Pakistan (1973).

4 This Schedule was added by the Court-fees (Amendment) Act, 1899 (II of 1899)

ANNEXURE A

Rs. A P

VALUATION OF THE MOVABLE AND IMMOVABLE PROPERTY OF DECEASED

Cash in the house and at the banks household goods, wearing-apparel, books, plate, jewels, etc.

(State estimated value according to best of Executor's or Administrator's belief).

Property in Government securities transferable at the Public Debt Office.

(State description and value at the price of the day; also interest separately, calculating it to the time of making the application).

Immovable property consisting of

(State description, giving, in the case of houses, the assessed value, if any, and the number of years' assessment the market-value is estimated at, and, in the case of land, the area, the market-value and all rents that have accrued).

Leasehold property

(If the deceased held any leases for years determinable, state the number of years, purchase the profit rents are estimated to be worth and the value of such inserting separately arrears due at the date of death and all rents received or due since that date to the time of making the application).

Property in public companies

(State the particulars and the value calculated at the price of the day, also the interest separately calculating it to the time of making the application).

Policy of insurance upon life, money but on marriage and other societies such as bonds, mortgages, bills, notes and other securities for money.

(State the amount of the whole; also the interest separately, calculating it to the time of making the application).

Books debts (Other than bad)

Stock in trade

(State the estimated value, if any)

Other property not comprised under the foregoing heads. (State the estimated value, if any).

TOTAL:

Deduct amount shown in Annexure B not subject to duty.

NET TOTAL:

ANNEXURE B

SCHEDULE OF DEBTS, ETC.

Amount of debts due and owing from the deceased, payable by law out of the estate.

Amount of funeral expenses Amount of mortgage incumbrances

Property held in trust not beneficially or with general power to confer a beneficial interest.

Other property not subject to duty

TOTAL:

PUNJAB

STAMP FEES RATES

THE STAMP ACT, 1899

(Act II of 1899)

Following text of section 3 and Schedule of the Stamp Act, 1899 (Act II of 1899) applicable in Punjab—

3. Instruments chargeable with duty.- Subject to the provisions of this Act and the exemptions contained in Schedule I, the following instruments shall be chargeable with duty of the amount indicated in that schedule as the proper duty therefor respectively, that is to say-

(a) every instrument mentioned in that Schedule which, not having been previously executed by any person, is executed in 1[Pakistan] on or after the first day of July, 1899;

(b) every bill of exchange [payable otherwise than on demand] or promissory note drawn or made out of [Pakistan] on or after that day and accepted or paid, or presented for acceptance or payment, or endorsed, transferred or otherwise negotiated, in 4[Pakistan]; and

(c) every instrument (other than a bill of exchange [* * *] or promissory note) mentioned in that Schedule, which, not having been previously executed by any person, is executed out of 6[Pakistan] on or after that day, relates to any property situate, or to any matter or thing done or to be done, in [Pakistan] and is received in [Pakistan]:

Provided that no duty shall be chargeable in respect of-

(1) any instrument executed by, or on behalf of, or in favour of, the ^Government] in cases where, but for this exemption, the 2[Government] would be liable to pay the duty chargeable in respect of such instrument;

(2) any instrument for the sale, transfer or other disposition, either absolutely or by way of mortgage or otherwise, of any ship or vessel, or any part, interest, share or property of or in any ship or vessel registered under the Merchant Shipping Act, 1894 or under Act XIX of 18383, or the Registration of Ships Act, 18414, as amended by subsequent Acts.

5[Schedule I

Stamp-Duty on Instruments (See Section 3)

Sr.No Description of Instrument Proper Stamp-duty

1. ^ACKNOWLEDGMENT of a debt exceeding twenty rupees in amount or value, written or signed by, or on behalf of, a debtor in order to supply evidence of such debt in any book other than a banker's pass-book or on a separate piece of paper when such book or paper is left in the creditor's possession:

Provided that such acknowledgment does not contain any promise to pay the debt or any stipulation to pay interest or to deliver any goods or other property-

(a) where such amount does not exceed ten thousand rupees.

(b) where such amount exceeds ten thousand rupees but does not exceed twenty thousand rupees.

(c) where such amount exceeds twenty thousand rupees. Ten rupees Twenty rupees.

Fifty rupees].

2. ADMINISTRATION BOND, including a bond given under sections 291, 375 and 376 of the Succession Act 1925, section 6 of the Government Savings Banks Act, 1873:-

'[J 7[J 8[J

9[One hundred] rupees. 10[Note: In case of registration of the instrument, an additional stamp duty of Rs.25/- shall be charged.]

3. ADOPTION DEED, that is to say, any instrument (other than a will) recording an adoption or conferring or purporting to confer an authority to adopt. n[One hundred] rupees.

Sr.No Description of Instrument Proper Stamp-duty

ADVOCATE, See ENTRY AS AN ADVOCATE (No. 30). 1[Note: In case of registration of the instrument, an additional stamp duty of Rs.10/- shall be charged.]

4. AFFIDAVIT, including an affirmation or declaration in the case of persons by law allowed to affirm or declare instead of swearing.

Exemptions

Affidavit or declaration in writing when made-

(a) as a condition of enrolment under the Indian Army Act, 1911³, or the Pakistan Army Act, 1952⁴ or the Indian Air Force Act, 1932⁵, or the Pakistan Air Force Act, 1953⁶;

(b) for the immediate purpose of being filed or used in any Court or before the officer of any Court; or

(c) for the sole purpose of enabling any person to receive any pension or charitable allowance. ²[One hundred rupees.]

5. AGREEMENT OR MEMORANDUM OF AN AGREEMENT-

(a) if relating to the sale of a bill of exchange;

(b) if relating to the sale of a Government security;

(c) if relating to the sale of a share in an incorporated company or other body corporate;

¹²[(cc) if relating to the sale of immovable property.

¹⁴[(ccc) for collection or recovery of octroi or goods exit tax or tax on transfer of immovable property by a contractor with a Local Council.

(d) if not otherwise provided for '[Two] rupee.

⁸[One rupee] for every Rs.10,000 or part thereof of the value of the security, ⁹[subject to a maximum of one hundred rupees.]

¹⁰[but shall not be less than one hundred rupees] ¹¹[One rupee] for every rupees 5,000 or part thereof of the value of the share.

¹³[Twelve hundred rupees.] Fifty paise for every one hundred rupees or part thereof of the amount of the contract] [but shall not be less than one hundred rupees].

¹⁶[One hundred] rupees.

Sr.No Description of Instrument Proper Stamp-duty

Exemptions *[Note: In case of registration of

Agreement or Memorandum of an Agreement-

(a) for or relating to the purchase of or sale of goods or merchandise exclusively, not being a NOTE OR MEMORANDUM chargeable under No. 43;

(b) made in the form of tenders to the Central Government for or relating to any loan.

AGREEMENT TO LEASE, see LEASE (No. 35). the instrument, an additional stamp duty at the rate of 0.1% shall be charged.]

3[6. AGREEMENT RELATING TO DEPOSIT OF TITLE DEEDS, PAWN OR PLEDGE, that is to say, any instrument evidencing an agreement relating to-

(1) the deposit of title-deeds or instruments constituting or being evidence of the title to any property whatever (other than marketable security), or

(2) the pawn or pledge of movable property, where such deposit, pawn or pledge has been made by way of security for the re-payment of money advanced or to be advanced by way of loan or an existing or future debt-

(a) if such loan or debt is repayable on demand or more than three months from the date of the instrument evidencing the agreement;

(i) in the case of banking companies or other financial institutions, when the entire finance is not based on to say, 0.2% of the loan amount

interest; and subject to a maximum of [five hundred thousand] rupees [but shall not be less than one hundred rupees].

(ii) in any other case.

(b) if such loan or debt is repayable not more than three months from the date of such instrument; One-fifth of one percent, that is to say, 0.2% of the loan amount 6[but shall not be less than one hundred rupees].

(i) in the case of banking companies or other financial institutions, when the entire finance is not based on to say, 0.1% of the loan amount,

interest; and subject to a maximum of [five hundred thousand] rupees [but shall not be less than one hundred rupees].

(ii) in any other case. One-tenth of one percent, that is to say, 0.1% of the loan amount 9[but shall not be less than one hundred rupees].

(i) in the case of banking companies or other financial institutions, when the entire finance is not based on to say, 0.1% of the loan amount,

Sr.No Description of Instrument Proper Stamp-duty

! [Note: In case of registration of the instrument, an additional stamp duty at the rate of 0.1% shall be charged.]

7. APPOINTMENT IN EXECUTION OF A POWER, where made by any writing not being a will-

(a) of trustees

(b) of property, movable or immovable. 2[One hundred] rupees. 3[One hundred].

8. APPRAISEMENT OR VALUATION made otherwise than under an order of the Court in the course of a suit- 4[***]

6[***]

Exemptions

(a) Appraisalment of valuation made for the information of one party only, and not being in any manner obligatory between parties either by agreement or operation of law.

(b) Appraisalment of crop for the purpose of ascertaining the amount to be given to a landlord as rent. 5[***].

7[One hundred] rupees.

9. APPRENTICESHIP-DEED, including every writing relating to the service or tuition of any apprentice clerk or servant, placed with any master to learn any profession, trade or employment not being ARTICLES OF CLERKSHIP (No. 11).

Exemptions

Instrument of apprenticeship executed by a Magistrate under the Apprentices Act, 1850 , or by which a person is apprenticed by or at the charge of any public charity. 8[One hundred] rupees.

10[10. * * * * *]

11. ARTICLES OF CLERKSHIP or contract whereby any person first becomes bound to serve as a clerk in order to his admission as an attorney in any High Court.

ASSIGNMENT, see CONVEYANCE (No. 23), TRANSFER (No. 62) and TRANSFER OF LEASE (No. 63), as the case may be. ATTORNEY. see ENTRY AS AN ATTORNEY (No. 30), AND POWER OF ATTORNEY (No. 48).

AUTHORITY TO ADOPT, see ADOPTION-DEED (No. 3). n[Seven hundred and fifty]

rupees.

12[11-A AIR TICKETS issued by any Airline-

(i) for domestic flights;

(ii) for international flights. Twenty five rupees per ticket Two hundred and fifty rupees per ticket].

Sr.No Description of Instrument Proper Stamp-duty

1[11-B AUTHENTICATED DECLARATIONS that is to say declarations of newspapers, periodicals or printing presses authenticated by a legally competent authority.

EXPLANATION I. The duty shall be paid by the declarant. EXPLANATION II. The declaration shall not be authenticated unless the duty is paid. Five thousand rupees per Declaration].

12. AWARD, that is to say, any decision in writing by an arbitrator or umpire, not being an award directing a partition, on a reference made otherwise than by an order of the Court in the course of a suit. 2[Three percent] of] the amount or value of the property to which the award relates as set forth in such award. [*]

12-A 4[* * * * *]

12-B 5[*****]

13. BILL OF EXCHANGE as defined by section 2(2) not being BOND, bank note or currency note-

6[(a) where payable otherwise than on demand but not more than one year after date or sight-

(i) if drawn singly

(ii) if drawn in set of two or more, for each part of the set.

(b) where payable more than one year after date or sight- 9[If drawn singly;

If drawn in set of two, for each part of the set; Two rupees for every one thousand rupees or part thereof of the amount of the Bill [but shall not be less than one hundred rupees].

One rupee for every one thousand rupees or part thereof of the amount of the Bill] [but shall not be less than one hundred rupees].

Three rupees for every one thousand rupees or part thereof of the amount of the Bill 10[but shall not be less than one hundred rupees].

Two rupees for every one thousand rupees or part thereof of the amount of the Bill n[but shall not be less than one hundred rupees].

1 Inserted by the Punjab Finance Act, 1998 (VII of 1998).

2 Substituted for "Two percent" by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted for "Three rupees for every one hundred rupees or part thereof for" by the Punjab Finance Act, 2004 (XIX of 2004).

3 Omitted by the Punjab Finance Act, 1990 (I of 1990).

4 Article 12-A omitted by the Punjab Finance Ordinance, 2000 (III of 2000). Earlier it was inserted by the Punjab Finance Act, 1997 (IX of 1997). Under Article 5A of the Provisional Constitution Order 1999 (I of 1999), as amended, read with Article 270AA of the Constitution of the Islamic Republic of Pakistan, 1973, it shall not be subject to any limitation as to duration prescribed in the Constitution.

5 Article 12-B omitted by the Punjab Finance Ordinance, 2000 (III of 2000). Earlier it was inserted by the Punjab Finance Act, 1997 (IX of 1997). Under Article 5A of the Provisional Constitution Order 1999 (I of 1999), as amended, read with Article 270AA of the Constitution of the Islamic Republic of Pakistan, 1973, it shall not be subject to any limitation as to duration prescribed in the Constitution.

6 Substituted by the Punjab Finance Act 1995 (VI of 1995).

7 Words inserted by Stamp (Amendment) Act, 2021.

8 Words inserted by Stamp (Amendment) Act, 2021.

9 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

10 Words inserted by Stamp (Amendment) Act, 2021.

11 Words inserted by Stamp (Amendment) Act, 2021.

Sr.No Description of Instrument Proper Stamp-duty

If drawn in set of three, for each part of the set; One rupee for every one thousand rupees or part thereof of the amount of the Bill !/but shall not be less than one hundred rupeesy.]

14. BILL OF LADING (including a through bill of lading).

Note—If a bill of lading is drawn in parts, the proper stamp therefor must be borne by each one of the sets.

Exemptions-

(a) Bill of lading when the goods therein described are received at a place within the limits of any port as defined under the Ports Act, 19084, and are to be delivered at another place within the limits of the same port.

(b) Bill of lading when executed out of Pakistan and relating to property to be delivered in Pakistan. 2[3/One hundredy rupees].

5[15. BOND as defined by section 2 (5) not being a DEBENTURE (No. 27) and not being otherwise provided for by this Act, or by the Court Fees Act, 1870-

(i) where the amount or value secured does not exceed five hundred rupees.

(ii) where it exceeds five hundred rupees, for every additional amount of five hundred rupees or part thereof.

See ADMINISTRATION BOND (No.2), BOTTOMERY BOND (No.16), CUSTOMS BOND (No.26).

INDEMNITY BOND (No.34), RESPONDENTIA BOND (No.56), SECURITY BOND (No.57). Fifteen rupees 6[but shall not be less than one hundred rupees].

Fifteen rupees] 7[but shall not be less than one hundred rupees]

8[Note: In case of registration of the instrument, an additional stamp duty of Rs.25/- shall be charged.]

Exemption

Bond when executed by any person for the purpose of guaranteeing that the local income derived from private subscription to a Charitable dispensary or hospital or any other object of public utility shall not be less than a specified sum per mensem.

16. BOTTOMERY BOND, that is to say, any instrument where by the master of a seagoing ship borrows money on the security of ship to enable him to preserve the ship or prosecute her voyage. The same duty as on a bond (No. 15) for the same amount.

9[Note: In case of registration of the instrument, an additional stamp duty of Rs.25/- shall be charged.]

Sr.No Description of Instrument Proper Stamp-duty

17. CANCELLATION— instrument of (including any instrument by which any instrument previously executed is cancelled), if attested and not otherwise provided for.

See also RELEASE (No. 55), REVOCATION OF SETTLEMENT (No. 58- B), SURRENDER OF LEASE (No. 61), REVOCATION OF TRUST (No. 64-B). ![One hundred rupees].

18. 2[CERTIFICATE OF SALE (in respect of each property put up as a separate lot and sold) granted to the purchaser of any property sold by public auction by a Civil or Revenue Court, or Collector or other Revenue Officer:

a) in case of immovable property in an urban area; and

b) in any other case 3[Two] percent of the value of the property. Three percent of the value of the property. NOTE: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs. 1000/-, if the consideration exceeds Rs.500,000/.

19. ^CERTIFICATE OR OTHER DOCUMENT evidencing the right or title of the holder thereof or any other person, either to any shares, scrip or stock in or of any incorporated company or other body corporate, or to become proprietor of shares, scrip or stock in or of any such company or body. One hundred rupees]

20. CHARTER PARTY, that is to say, any instrument (except an agreement for the hire of a tug-steamer) where by a vessel or some specified principal part thereof is let for the specified purposes of the charterer, whether it includes a penalty clause or not. 5[One hundred] rupees.

21. 6[* * * *]

22. COMPOSITION-DEED, that is to say, any instrument executed by a debtor whereby he conveys his property for the benefit of his creditors, or whereby payment of a composition or dividend on their debts is secured to the creditors, or whereby provision is made for the continuance of the debtor's business under the supervision of inspector or under letters of licence for the benefit of his creditors. 7[One hundred] rupees.

1 Substituted for "fifty rupees" by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted by the Punjab Finance Act, 1995 (VI of 1995).

2 Entries in column 2 and 3 substituted by Punjab Finance Act, 2017.

3 Substituted for "One" by Punjab Finance Act, 2022. Earlier "One" was substituted for "Five" by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1,2020. Earlier the same amendment was made by Stamp (Amendment) Ordinance, 2020.

4 Substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

5 Substituted for "Ten" by Stamp (Amendment) Act, 2021. Earlier it was also substituted by the Punjab Finance Act, 1995 (VI of 1995).

6 In the original schedule, this article was omitted by the Indian Finance Act, 1927 (V of 1927). The Punjab Finance Ordinance, 1969 (VII of 1969), which substituted the schedule has left it as such.

7 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

Sr.No Description of Instrument Proper Stamp-duty

1[22-A. 2[CONTRACT, that is to say any instrument of the nature of memorandum of Agreement made or entered into by a contractor with Government, Corporation, Local Body, Local Authority, agency or organization set up or controlled by the 3[Federal Government] or the Provincial Government-

(a) to execute any work-

(i) where the amount of the contract does not exceed five lac rupees. Twelve hundred rupees

(ii) where it exceeds five lac rupees but does not exceed ten lac rupees. Two thousand rupees

(iii) where it exceeds ten lac rupees but does not exceed fifty lac rupees. Three thousand rupees

(iv) where it exceeds fifty lac rupees but does not exceed one crore and fifty lac rupees. Five thousand rupees

(v) where it exceeds one crore and fifty lac rupees. Ten thousand rupees

(b) to procure stores and materials Twenty-five paises for every one hundred rupees or part thereof of the amount of the contract subject to a minimum of twelve hundred rupees.]

4[23. 5[CONVEYANCE as defined by section 2(10) not being a TRANSFER charged or exempted under Article 62:

(a) In case of immovable property in an urban area; and 6[Two] percent of the value of property.

(b) in any other case Three percent of the value of the property. 7[Note-I]: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs.1000/-, if the amount of consideration exceeds Rs.500,000/-.

1 Inserted by the Punjab Finance Act, 1995 (VI of 1995).

2 Substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

3 Substituted for "Federal" by Stamp (Amendment) Act, 2021.

4 Substituted by the Punjab Finance Act 2010 (VI of 2010).

5 Entries in column 2 and 3 substituted by Punjab Finance Act, 2017.

6 Substituted for "One" by Punjab Finance Act, 2022. Earlier "One" was substituted for "Five" by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1,2020. Earlier the same amendment was made by Stamp (Amendment) Ordinance, 2020.

7 Substituted for "Note" by Punjab Finance Act, 2022.

Sr.No Description of Instrument Proper Stamp-duty

2[***] '[Note-II: The rate of the stamp duty shall be 0.5 percent of the value of a property to be transferred to a Real Estate Investment Trust (RETT), and the rate of the stamp duty shall be one percent of the value of a property which is to be transferred by REIT to the end users.]

Explanation. The term "value" means the real value but not below the one prescribed in valuation table issued under section 27-A of this Act.]

3[***]

24. COPY OR EXTRACT certified to be a true copy or extract by or by order of any public officer and not chargeable under the law for the time being in force relating to court-fees-

(i) if the original was not chargeable with duty or if the duty with which it was chargeable does not exceed four rupees;

(ii) in any other case Exemptions-

(a) Copy of any paper which a public officer is expressly required by law to make or furnish for record in any public office or for any public purpose;

(b) Copy of, or extract from, any register relating to births, baptisms, namings, dedications, marriages (divorces), deaths or burials. 4[Ten] rupees.

25. "[COUNTERPART OR DUPLICATE of any instrument chargeable with duty and in respect of which the proper duty has been paid- 6[***]

8[***]

Exemption-

Counterpart of any lease granted to cultivator when such lease is exempted from duty 7[***]

One hundred rupees]

26. CUSTOMS' BOND- 9[***] n[***] 10[***]

12[One hundred] rupees.

1 Note-II & Explanation inserted by Punjab Finance Act, 2022.

2 Clause (c) omitted by Stamp (Amendment) Act, 2021. This provision shall be deemed to have been in force from 1st of July 2012.

3 Words "one hundred rupees" omitted by Stamp (Amendment) Act, 2021. This provision shall be deemed to have been in force from 1st of July 2012.

4 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

5 Substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

6 Clause (a) omitted by Stamp (Amendment) Act, 2021.

7 Words "Fifty rupees" omitted by Stamp (Amendment) Act, 2021.

8 Clause (b) omitted by Stamp (Amendment) Act, 2021.

9 Clause (a) omitted by Stamp (Amendment) Act, 2021.

10 Words "The same duty as on a Bond (No. 15) for such amount" omitted by Stamp (Amendment) Act, 2021.

11 Clause (b) omitted by Stamp (Amendment) Act, 2021.

12 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

Sr.No Description of Instrument Proper Stamp-duty

1[Note: In case of registration of the instrument, an additional stamp duty of Rs.25/- shall be charged.]

2[27. DEBENTURE OR PARTICIPATION TERM CERTIFICATE OR TERM FINANCE CERTIFICATE OR ANY OTHER INSTRUMENT OF REDEEMABLE CAPITAL OTHER THAN A COMMERCIAL PAPER (whether or not a mortgage debenture, a Participation Term Certificate, a Term Finance Certificate or any other instrument of redeemable capital), being a marketable security transferable by endorsement or by separate instrument of transfer or by delivery.

Explanation-I. The term "Debenture" includes any interest coupons attached thereto, but the amount of such coupons shall not be included in estimating the duty.

Explanation-II. The term "Participation Term Certificate" means an instrument or certificate of a specified denomination called the face value or nominal value, issued by a company for raising capital, the holder whereof participates in the profit and loss of the company over such period to such extent and on such conditions as may be specified at the time of its issue.

Explanation-III. The term "Term Finance Certificate" means a fixed tenure instrument or certificate of a specified denomination called the face value or nominal value issued to raise capital by a body corporate in the form of transferable security.] One-twentieth of one percent, that is to say, 0.05% of the face value 3[*] subject to a maximum of one million rupees 4[but shall not be less than one hundred rupees].

5[27-A. 6[DECREE, RULE OF A COURT OR AN ORDER OF A

COURT based on mutual consent of the parties in cases involving transfer of an immovable property including sale, exchange, gift or mortgage, declaring or conferring a right in, or title to, an immovable property:

a) in case of immovable property in an urban area; and

b) in any other case

EXPLANATION.- Value, in this Article, means the value of the property in accordance with the valuation table as notified by the Collector or where valuation table is not available, the average sale price of a property of similar nature in the same revenue estate or 7[Two] percent of the value of the property.

Three percent of the value of the property.

NOTE: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs. 1000/-, if the consideration exceeds Rs.500,000/-.

]

1 Note inserted by Punjab Finance Act, 2017.

2 Article 27 substituted by the Punjab Finance Act 2006 (V of 2006).

3 The words “per annum” omitted by the Punjab Finance Act 2007 (IV of 2007).

4 Words inserted by Stamp (Amendment) Act, 2021.

5 Article 27-A inserted by Punjab Finance Act 2008 (I of 2008).

6 Entries in column 2 and 3 substituted by Punjab Finance Act, 2017.

7 Substituted for “One” by Punjab Finance Act, 2022. Earlier “One” was substituted for “Five” by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1,2020. Earlier the same amendment was made by Stamp (Amendment) Ordinance, 2020.

Sr.No Description of Instrument Proper Stamp-duty

locality in the preceding year as may be determined by the Collector.

28. 1 [DELIVERY-ORDER IN RESPECT OF GOODS, that is to say,

any instrument entitling any person therein named, or his assigns or the holder thereof, to the delivery of any goods lying in any dock or port, or in any ware-house in which goods are stored or deposited on rent or hire, or upon any wharf such instrument being signed by or on behalf of the owner of such goods upon the sale or transfer of the property therein, when such goods exceed in value twenty rupees.

DEPOSIT OF TITLE-DEEDS. see AGREEMENT relating to DEPOSIT OF TITLE-DEEDS, PAWN OR PLEDGE (No.6). DISSOLUTION OF PARTNERSHIP, See PARTNERSHIP (No. 46). One hundred rupees]

29. DIVORCE-Instrument of, that is to say, any instrument by which any person effects the dissolution of his marriage.

DOWER- Instrument of, See SETTLEMENT (No. 58). DUPLICATE, See COUNTERPART (No. 25). 2[One hundred rupees.]

30. 3[* * * * *]

4[31. EXCHANGE of immovable property:

(a) in case of immovable property in an urban area;

(b) in case of immovable property in rural area;

(c) in case of exchange between urban and rural property. 5[Two] percent of the value of each immovable property
Three percent of the value of each immovable property 6[Two] percent of the value of urban immovable property
and three percent of the value of rural immovable property. Note: In case of registration of the instrument, an
additional stamp duty shall be charged as under:

(a) five hundred rupees if the amount of consideration does not exceed five hundred thousand rupees; and

(b) one thousand rupees if the amount of consideration exceeds five hundred thousand rupees.]

32. FURTHER CHARGE-Instrument of, that is to say, any instrument imposing a further charge on mortgaged
property- (a) when the original mortgage is one of the description referred to in clause (a) of Article No. 40 (that is,
with possession); '[Two percent of the] consideration equal to the amount of the further charge secured by such
instrument.

1 Substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

2 Substituted for "thirty rupees" by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted by the
Punjab Finance Act, 1995 (VI of 1995).

3 Omitted by the Punjab Finance Act, 1990 (I of 1990).

4 Article 31 substituted by Stamp (Amendment) Act, 2021.

5 Substituted for "One" by Punjab Finance Act, 2022.

6 Substituted for "One" by Punjab Finance Act, 2022.

7 Substituted for "The same duty as on a Conveyance (No.23) for a" by the Punjab Finance Act 2004 (XIX of 2004).

Sr.No Description of Instrument Proper Stamp-duty

(b) when such mortgage is one of the description referred to in clause (b) of Article No. 40 (that is, without
possession)—

(i) if at the time of execution of the instrument of further charge possession of the property is given or agreed to be
given under such instrument;

(ii) if possession is not so given; '[Two percent of the] consideration equal to the total amount of the charge
(including the original mortgage and any further charge already made) less the duty already paid on such original
mortgage and further charge.

2[Two percent of] the amount of the further charge secured by such instrument.

3[Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs.1000/-, if the amount of consideration exceeds Rs.500,000/-.]

4[33. 5[GIFT — Instrument of, including a memorandum of oral gift of an immovable property, not being a SETTLEMENT (Article 58) or WILL or TRANSFER (Article 62) — when executed in respect of an immovable property:

a) in case of immovable property in an urban area; and

b) in any other case 6[Two] percent of the value of the property: provided that if the gift deed is executed between spouses, father, mother, son, daughter, grandparent, sibling or from one wife or widow to another wife or widow of the same husband, the rate of stamp duty shall be 7[two] percent of the value of the property. Three percent of the value of the property.

Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

1 Substituted for “The same duty as on a Conveyance (No.23) for a” by the Punjab Finance Act 2004 (XIX of 2004).

2 Substituted for “The same duty as on a Bond (No.15) for” by the Punjab Finance Act 2004 (XIX of 2004).

3 Note inserted by Punjab Finance Act, 2017.

4 Substituted by the Punjab Finance Act 2010 (VI of 2010).

5 Entries in column 2 and 3 substituted by Punjab Finance Act, 2017.

6 Substituted for “One” by Punjab Finance Act, 2022. Earlier “One” was substituted for “Five” by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1,2020. Earlier the same amendment was made by Stamp (Amendment) Ordinance, 2020.

7 Substituted for “one” by Punjab Finance Act, 2022. Earlier “one” was substituted for “Three” by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1,2020. Earlier the same amendment was made by Stamp (Amendment) Ordinance, 2020.

Sr.No Description of Instrument Proper Stamp-duty

(b) Rs.1000/-, if the amount of consideration exceeds Rs.500,000/-.]

34. INDEMNITY BOND The same duty as on a Security Bond (No. 57) for the same amount.

INSPECTORSHIP-DEED, see COMPOSITION-DEED (No. 22). ![Note: In case of registration

INSURANCE, see POLICY OF INSURANCE (No. 47). of the instrument, an additional stamp duty of Rs.25/- shah be charged.]

2[35. LEASE, including an under lease or sub-lease and any agreement to let or sub-let:

(1) where by such lease the rent is fixed and no premium is paid or delivered:

(a) Where the lease purports to be for a term of less than 3.25 percent of the average twenty years;

(b) Where the lease purports to be for a term of twenty years or above or in perpetuity:: annual rent of the lease.

(i) in case of immovable property in an urban area; Two percent of the value of the immovable property or rental values whichever is higher

(ii) in any other case

(c) where the lease is granted for advance money and where no rent is reserved: Three percent of the value of the immovable property or rental value whichever is higher.

Note: An additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs.1000/-, if amount of consideration exceeds Rs.500,000/-.

(i) in case of immovable property in an urban area; and Two percent of the consideration equal to the amount of advance as set forth in the lease.

Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs. 1000/-, if amount of consideration exceeds Rs.500,000/-.

1 Note inserted by Punjab Finance Act, 2017.

2 Article 31 substituted by Stamp (Amendment) Act, 2021.

Sr.No

Description of Instrument

(ii) in any other case

(d) where the lease is granted for a fine or premium and where no rent is reserved:

(i) in case of immovable property in an urban area; and

(ii) in any other case

(2) (a) where the lease is granted for money advanced in addition to the rent reserved:

(i) in case of immovable property in an urban area; and

Proper Stamp-duty

Three percent of the consideration equal to the amount of advance as set forth in the lease.

Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-,if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs.1000/-,if the amount of consideration exceeds Rs.500,000/-

Two percent of the consideration equal to the amount of a fine or premium as set forth in the lease.

Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs. 1000/-, if amount of consideration exceeds Rs.500,000/-.

Three percent of the consideration equal to the amount of advance as set forth in the lease.

Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs.1000/-, if amount of consideration exceeds Rs.500,000/-.

Two percent of the consideration equal to the amount of advance as set forth in the lease, in addition to the duty which would have been payable on such lease, if no advance had been paid or delivered.

Note: In case of registration of the instrument, an additional

Sr.No

Description of Instrument

(ii) in any other case

(b) where the lease is granted for a fine or premium in addition to the rent reserved

(i) in case of immovable property in an urban area; and

(ii) in any other case

Proper Stamp-duty

stamp duty shall be charged as under:

(a) Rs.500/-,if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs.1000/-, if amount of consideration exceeds Rs.500,000/-.

Three percent of the consideration equal to the amount of advance as set forth in the lease, in addition to the duty which would have been payable on such lease, if no advance had been paid or delivered.

Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/-, if the amount of. Consideration does not exceeds Rs.500,000 /-; and

(b) Rs.1000/-, if amount of consideration exceeds Rs.500,000/-

Two percent of the consideration equal to the amount of advance as set forth in the lease, in addition to the duty which would have been payable on such lease, if no advance had been paid or delivered.

Note. In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/- if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs. 1000/- if amount of consideration exceeds Rs.500,000/-

Three percent of the consideration equal to the amount of advance as set forth in the lease, in addition to the duty which would have been payable on such lease, if no advance had been paid or delivered.

Note: in case of registration of the instrument, an additional

Sr.No Description of Instrument Proper Stamp-duty

Note: in case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs.500/- if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs.1000/- if amount of consideration exceeds Rs.500,000/-.]

36. 1 [LETTER OF ALLOTMENT OF SHARES in any company or proposed company or in respect of any loan to be raised by any company or proposed company.

See also CERTIFICATE OR OTHER DOCUMENT (No. 19). Fifty rupees]

37. 2[* * * * *]

38. LETTER OF LICENCE, that is to say, any agreement between a debtor and his creditors, that the letter shall, for a specified time, suspend their claims and allow the debtor to carry on business at his own discretion. 3[One hundred] rupees.

4[39. * * * * *]

40. MORTGAGE-DEED not being an AGREEMENT RELATING TO DEPOSIT OF TITLE-DEEDS, PAWN OR PLEDGE (No. 6), BOTTOMERY BOND (No. 16), MORTGAGE OF A CROP (No. 41), RESPONDENTIA BOND (No. 56). OR SECURITY BOND (No. 57)- (a) when possession of the property or any part of the property comprised in such deed is given by the mortgagor or agreed to be given; 5[Three percent] of the] consideration equal to the amount secured by such deed.

(b) when possession is not given or agreed to be given as aforesaid; 6[Three percent] of] the amount secured by such deed.

Explanation- A mortgagor who gives to the mortgagee a power of attorney to collect rents or a lease of the property mortgaged or part thereof, is deemed to give possession within the meaning of this Article. (c) when a collateral or auxiliary or additional or substituted security,

or by way of further assurance for the above mentioned purposes where the principal or primary security is duly stamped- for every sum secured not exceeding Rs. 1,000; Ten rupees.

and for every Rs.1000 or part thereof secured in excess of Rs.1000. Ten rupees.

7[Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

1 Substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

2 Article 37 Omitted by the Punjab Finance Ordinance, 2000 (III of 2000). Under Article 5A of the Provisional Constitution Order 1999 (I of 1999), as amended, read with Article 270AA of the Constitution of the Islamic Republic of Pakistan, 1973, it shall not be subject to any limitation as to duration prescribed in the Constitution.

3 Substituted for “Fifty” by Stamp (Amendment) Act, 2021. Earlier “Fifty” was substituted by the Punjab Finance Act, 1995 (VI of 1995).

4 Omitted by the Punjab Finance Act, 2004 (XIX of 2004).

5 Substituted for “two percent” by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted for “The same duty as on a Conveyance (No.23) for a” by the Punjab Finance Act, 2004 (XIX of 2004).

6 Substituted for “two percent” by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted for “The same duty as on a Bond (No.15) for” by the Punjab Finance Act, 2004 (XIX of 2004).

7 Note inserted by Punjab Finance Act, 2017.

Sr.No Description of Instrument Proper Stamp-duty

1[(d) [(i) 0.45% of the loan amount subject to a maximum of one hundred thousand rupees; and] (a) Rs. 500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs. 1000/-, if the amount of consideration exceeds Rs.500,000/-]

One-fifth of one percent, that is to say, 0.2% of the loan amount subject to a maximum of [five hundred thousand] rupees.

4[(ii) 0.45% of the loan amount.]

Exemptions

(1) Instruments, executed by persons taking advances under the Land Improvement Loans Act, 1883, or the [Punjab] Agriculturists Loans Act, 1958 or by their sureties as security for the repayment of such advances.

(2) Letter of hypothecation accompanying a Bill of Exchange. One-fifth of one percent, that is to say, 0.2% of the loan amount.]

6[41. MORTGAGE OF A CROP, including any instrument evidencing an agreement to secure the repayment of a loan made upon any mortgage of a crop, whether the crop is or is not in existence at the time of mortgage-

(a) When the loan is repayable, not more than three months from the date of the instrument.

(b) When the loan is repayable more than three months, but not more than eighteen months from the date of the instrument. 0.5 percent of the loan amount subject to a minimum of one hundred rupees.

2 percent of the loan amount subject to a minimum of one hundred rupees.]

42. '[NOTARIAL ACT, that is to say, any instrument, endorsement, note, attestation, certificate or entry not being a PROTEST (No. 50) made or signed by a Notary Public in the execution of the duties of his office, or by any other person lawfully acting as a Notary Public.

See also PROTEST OF BILL OR NOTE (No.50). Fifty rupees]

43. NOTE OR MEMORANDUM sent by a broker or agent to his principal intimating the purchase or sale on account of such principal-

(a) of any goods exceeding in value twenty rupees;

(b) of any stock or marketable security exceeding in value twenty rupees, not being a Government Security;

(c) of a Government security 8[Five] rupees.

9[Five] rupees for every Rs.5,000 or part thereof of the value of the stock or security.

10[One rupee] for every 10,000 rupees or part thereof of the value of the security subject to a maximum of n[Fifty] rupees.

1 Inserted by the Punjab Finance Act 2006 (V of 2006).

2 Substituted by Punjab Finance Act, 2017.

3 Substituted for "one hundred thousand" by Punjab Finance Act, 2019.

4 Substituted by Punjab Finance Act, 2017.

5 Substituted by the Punjab Laws (Adaptation) Order, 1974 (Pb. A.O. 1 of 1974), for "West Pakistan".

6 Article 41 substituted by Stamp (Amendment) Act, 2021.

7 Substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

8 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

9 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

10 Substituted by the Punjab Finance Act, 1990 (I of 1990).

11 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

Sr.No Description of Instrument Proper Stamp-duty

44. NOTE OF PROTEST BY THE MASTER OF A SHIP. See also PROTEST BY MASTER OF A SHIP (No. 51). ORDER FOR THE PAYMENT OF MONEY.

See BILL OF EXCHANGE (No. 13). 1[One hundred] rupees.

45. PARTITION-Instrument of [as defined by section 2 (15)]. 2[3[One percent] of] the amount of the value of the separated share or shares of the property.

Explanation- The largest share remaining after the property is partitioned (or if there are two or more shares of equal value and not smaller than any of the other shares, than one of such equal shares) shall be deemed to be that from which other shares are separated:

Provided always that-

(a) when an instrument of partition containing an agreement to divide property in severalty is executed and a partition is effected in pursuance of such agreement, the duty chargeable upon the instrument affecting such partition shall be reduced by the amount of duty paid in respect of the first instrument but shall not be less than 4[one hundred rupees];

(b) where land is held on Revenue Settlement for a period not exceeding thirty years and paying the full assessment, the value for purpose of duty shall be calculated at not more than five times the annual revenue;

(c) where a final order for effecting a partition passed by any Revenue authority or any Civil Court, or an award by an arbitrator directing a partition, is stamped with the stamp required for an instrument of partition in pursuance of such order or award is subsequently executed, the duty on such instrument shall not exceed 5[one hundred rupees];

Sr.No Description of Instrument Proper Stamp-duty

*[(d) when instrument of partition is executed in respect of agricultural land, the Stamp Duty shall be charged as one rupee for every rupees one hundred or part thereof of the value of such land].

2[Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs. 500/-, if the amount of consideration does not exceed Rs. 500,000/-; and

(b) Rs.1000/-, if the amount of consideration exceeds Rs. 500,000/-.]

3[Exception. Notwithstanding anything contained herein, a fixed stamp duty of five hundred rupees shall be charged in respect of an instrument of partition relating to an urban or rural property including agricultural land, which is partly or wholly based on opening of inheritance.]

46. PARTNERSHIP- A-IN STRUMENT OF-

(a) where the capital of the partnership does not exceed Rs.4[10,000/-] 5[Two hundred rupees.]

(b) in any other case 6[One thousand rupees.]

B-DISSOLUTION OF- 7[Half of the stamp duty payable on original]

PAWN OR PLEDGE, See AGREEMENT RELATING TO DEPOSIT OF TITLE-DEEDS, PAWN OR PLEDGE (No. 6). 8[Note: In case of registration of the instrument, an additional stamp duty of Rs.25/- shad be charged.]

47. 9[POLICY OF INSURANCE- A-See INSURANCE (see section 7)-

(1) For each voyage- if drawn singly. if drawn in duplicate, for each part.

1 Substituted by the Punjab Finance Act, 1975 (XL of 1975).

2 Note inserted by Punjab Finance Act, 2017.

3 Inserted by the Punjab Finance Act 2012 (XLI of 2012).

4 Substituted by the Punjab Finance Act, 1990 (I of 1990).

5 Substituted for “one hundred rupees” by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted by the Punjab Finance Act, 1995 (VI of 1995).

6 Substituted for “five hundred rupees” by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted by the Punjab Finance Act, 1995 (VI of 1995).

7 Substituted by the Punjab Finance Act, 1990 (I of 1990).

8 Note inserted by Punjab Finance Act, 2017.

9 Substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

Sr.No Description of Instrument Proper Stamp-duty

(i) where the premium or consideration does not exceed the Ten rupees Ten rupees

rate of 1/8 percent of the amount insured by the policy; for every full sum of Rs. 5,000 and also any fractional parts thereof insured by the policy-;

(ii) in any other case, in respect of every full sum of Rs. 2,000 Ten rupees Ten rupees

and also any fractional part thereof insured by the policy-.

(2) For time-

in respect of every full sum of Rs.2,000 or part thereof insured by the policy-

(i) where the insurance shall be made for any time not exceeding six months; Ten rupees Ten rupees

(ii) where the insurance shall be made for any time exceeding six months and not exceeding twelve months- . Ten rupees Ten rupees

B-FIRE-INSURANCE AND OTHER CLASSES OF INSURANCE, NOT ELSEWHERE INCLUDED IN THIS ARTICLE, COVERING GOODS, MERCHANDISE, PERSONAL EFFECTS, CROPS, AND OTHER PROPERTY AGAINST LOSS OR DAMAGE-

(1) in respect of an original policy-

(i) when the sum insured does not exceed Rs.5,000; Fifty rupees

(ii) in any other case and One hundred rupees

(2) in respect of each receipt for any payment of a premium on One half of the duty payable in

any renewal of an original policy. respect of the original policy in addition to the amount, if any, chargeable under No. 53

C-ACCIDENT AND SICKNESS-INSURANCE-

(a) Against railway accident, valid for a single journey only. Exemption

When issued to a passenger travelling by the intermediate or the third class in any railway. Fifty rupees

(b) In any other case for the maximum amount which may Ten rupees; provided that, in

become payable in the case of any single accident or sickness case of a policy of insurance

where such amount does not exceed Rs.2,000 and also where such against death by accident when

amount exceeds Rs.2,000 for every Rs.2,000 or part thereof. the annual premium payable does not exceed Rs. 10 per Rs. 100,000 the duty on such instrument shall be ten rupees for every Rs. 1,000 or part thereof of the maximum amount which may become payable

under it.

D-INSURANCE BY WAY OF INDEMNITY- Against liability to pay damages on account of accidents to workmen employed by or under the insurer or against liability to pay compensation under the Workmen's Compensation Act, 1923, for every Rs.100 or part thereof payable as premium. Three rupees

E-LIFE INSURANCE OR OTHER INSURANCE NOT If drawn singly If drawn in

SPECIFICALLY PROVIDED FOR, except such a RE- duplicate for

INSURANCE as is described in Division of this article- each part

(i) for every sum insured not exceeding Rs.250; Ten rupees Ten rupees

(ii) for every sum insured exceeding Rs.250 but not exceeding Ten rupees Ten rupees

Rs.500;

Sr.No Description of Instrument Proper Stamp-duty

(iii) for every sum insured exceeding Rs.500 but not exceeding Rs.1,000 and also for every Rs.1,000 or part thereof in excess of Rs.1,000. Ten rupees Ten rupees

Exemption

Policies of life insurance granted by the Director-General of Post Offices in accordance with rules for Postal Life Insurance issued under the authority of the Federal Government.

F-RE-INSURANCE BY AN INSURANCE COMPANY WHICH HAS GRANTED A POLICY OF THE NATURE SPECIFIED IN DIVISION A OR DIVISION B OF THIS ARTICLE WITH ANOTHER COMPANY BY WAY OF INDEMNITY OR GUARANTEE AGAINST THE PAYMENT ON THE ORIGINAL INSURANCE OF A CERTAIN PART OF THE SUM INSURED THEREBY.

General Exemption

Letter of cover or engagement to issue a policy of insurance:

Provided that, unless such letter or engagement bears the stamp prescribed by this Act for such policy nothing shall be claimable thereunder, nor shall it be available for any purpose, except to compel the delivery of the policy therein mentioned. One half of the duty payable in respect of the original insurance but not less than ten rupees or more than one hundred rupees

48. POWER-OF-ATTORNEY as defined by section 2(21), not being a proxy (No. 52)—

![(a) when executed for authorizing not more than ten persons;

(b) when given for consideration and authorizing the attorney to sell any immovable property; 2[Five hundred] rupees.

3[Note: In case of registration of the instrument, an additional stamp duty of Rs.25/- shall be charged.]

4[Three percent of the amount calculated according to the value notified by the District Collector].

5[Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs. 500/-, if the amount of consideration does not exceed Rs. 500,000/-; and

(b) Rs.1000/-, if the amount of

consideration exceeds Rs. 500,000/-.]

1 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

2 Substituted by the Punjab Finance Act, 1998 (VII of 1998).

3 Note inserted by Punjab Finance Act, 2017.

4 Substituted for "Three percent of the amount of the consideration" by Punjab Finance Act, 2016 (Act XXXV of 2016). Earlier "Three percent" was substituted for "Two percent" by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted for "The same duty as is leviable on a Conveyance (No.23) for" by the Punjab Finance Act, 2004 (XIX of 2004).

5 Note inserted by Punjab Finance Act, 2017.

Sr.No Description of Instrument Proper Stamp-duty

![(bb) when given without consideration for authorising the attorney to sell any immovable property.

(c) in any other case.

Explanation 1- For the purposes of this Article more persons than one when belonging to the same firm shall be deemed to be one person. Explanation 2- The term "Registration" includes every operation incidental to registration under the Registration Act, 1908. 2[(a) Twelve hundred rupees in case the Power of Attorney is executed between spouses or between one wife or widow and another wife or widow of the same husband, or between father, mother, son, daughter, grandparents, grandchildren or siblings; and (b) Two percent of the value calculated according to the value notified by the District Collector in all other cases.] 3[Note: In case of registration of the instrument, an additional stamp duty of Rs.25/- shall be charged.]

4[One hundred] rupees for each person authorized].

49. 5[PROMISSORY NOTE as defined by section 2(22)-

(a) when payable on demand-

(i) when the amount or value does not exceed Rs. 2,50,000/-

(ii) when the amount or value exceeds Rs. 2,50,000/- but does not exceed Rs. 5,00,000/-

(iii) in any other case

(b) when payable otherwise than on demand, including a commercial paper. Two hundred rupees Three hundred rupees

Five hundred rupees One-fiftieth of one percent, that is to say, 0.02% per annum of the amount payable subject to a maximum of one hundred thousand rupees.]

1 Inserted by the Punjab Finance Act, 1998 (VII of 1998).

2 Substituted for "Twelve hundred rupees" by Punjab Finance Act, 2016 (Act XXXV of 2016). Earlier "Twelve hundred rupees" was substituted for "One thousand rupees" by Punjab Finance Act, 2014 (Act XVII of 2014).

3 Note inserted by Punjab Finance Act, 2017.

4 Substituted for "Ten" by Stamp (Amendment) Act, 2021.

5 Substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

Sr.No Description of Instrument Proper Stamp-duty

50. ^PROTEST OF BILL OR NOTE, that is to say, any declaration in writing made by a Notary Public, or other person lawfully acting as such, attesting the dishonour of a Bill of Exchange for promissory note. One hundred rupees.]

51. PROTEST BY THE MASTER OF A SHIP, that is to say, any declaration of the particulars of her voyage drawn up by him with a view to the adjustment of losses or the calculation of averages, and every declaration in writing made by him against the charterers or the consignees or not loading or unloading the ship, such declaration is attested or certified by a Notary Public or other person lawfully acting as such.

See also NOTE OF PROTEST BY THE MASTER OF A SHIP (No. 44). 2[One hundred] rupees.

52. ![PROXY empowering any person to vote at any one election of the members of a district or local board or of a body of municipal commissioners, or at any one meeting of (a) members of an incorporated company or other body corporate whose stock or funds is or are divided into shares and transferable; (b) a local authority; or (c) proprietors, members or contributors to the funds of any institution. Fifty rupees.]

53. ^RECEIPTS as defined by section 2 (23) for any money or other property the amount or value of which exceeds twenty rupees-

(a) where such amount does not exceed ten thousand rupees

(b) where such amount exceeds ten thousand rupees but does not exceed twenty thousand rupees

(c) where such amount exceeds twenty thousand rupees Ten rupee. Twenty rupees.

Fifty rupees]

Exemption

Receipts-

(a) endorsed on or contained in any instrument duly stamped or any instrument exempted under the proviso to section 3 (instruments executed on behalf of the Government) or any cheque or bill of exchange, payable on demand acknowledging the receipt of the consideration money therein expressed, or the receipt of any principal-money, interest or annuity, or other periodical payment thereby secured;

(b) for any payment of money without consideration;

(c) for any payment of rent by a cultivator on account of land assessed to Government revenue;

(d) for pay or allowances by non-commissioned or petty officers, soldiers, sailors or airmen of the armed forces of Pakistan/Pakistan's military, naval or air forces, when serving in such capacity, or by mounted police-constables;

(e) given by holders of family-certificates in cases where the person from whose pay or allowances the sum comprised in the receipt has been assigned as a non-commissioned or petty officer, soldier, sailor or airman, or any of the said forces and serving in such capacity;

(f) for pensions or allowances by persons receiving such pensions or allowances in respect of their services as such, non-commissioned or petty officers, soldiers, sailors or airmen, and not serving the State in any other capacity;

(g) given by a headman or lambardar for land-revenue or taxes collected by him;

(h) given for money or securities for money deposited in the hands of any banker to be accounted for:

1 Substituted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

2 Substituted for "Ten" by Stamp (Amendment) Act, 2021. Earlier "Ten" was substituted by the Punjab Finance Act, 1995 (VI of 1995).

Sr.No Description of Instrument Proper Stamp-duty

Provided that the same is not expressed to be received of, or by the hands of, any other than the person to whom the same is to be accounted for:

Provided also that this exemption shall not extend to receipt or acknowledgment for any sum paid or deposited for, or upon a letter of allotment of a share, or in respect of a call upon any scrip or share of, or in, any incorporated company or other body corporate or such proposed or intended company or body or in respect of a debenture being a marketable security.

54. RE-CONVEYANCE OF MORTGAGED PROPERTY-

1[1 3[1 2[J.

4[One hundred] rupees.

5[Note: in case of the registration of the instrument, an additional stamp duty shall be charged equal to the amount of the registration fee paid on the principal mortgage deed.]

6[55. RELEASE, that is to say any instrument not being such a release as is provided for by section 23A whereby a person renounces a claim on another person or against any specified property.

(a) When executed between spouses or between one wife or widow of the same husband or between father, mother, son, daughter, grandparents, grandchildren, or sibling.

(i) In case of immovable property in an urban area. 7[2] percent of the value of the share of the immovable property over which the claim is renounced.

(ii) In case of immovable property in rural area (b) In any other case. 3 percent of the value of the share of the immovable property over which the claim is renounced.

(i) In case of immovable property in an urban area. 8[2] percent of the value of the share of the immovable property over which the claim is renounced.

1 Clause (a) omitted by Stamp (Amendment) Act, 2021.

2 Words "Thirty rupees" omitted by Stamp (Amendment) Act, 2021. Earlier "Thirty rupees" was substituted by the Punjab Finance Act, 1995 (VI of 1995).

3 Clause (b) omitted by Stamp (Amendment) Act, 2021.

4 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

5 Note inserted by Punjab Finance Act, 2017.

6 Article 55 substituted by Stamp (Amendment) Act, 2021. Earlier it was also Substituted by the Punjab Finance Act, 1990 (I of 1990).

7 Substituted for "1" by Punjab Finance Act, 2022.

8 Substituted for "1" by Punjab Finance Act, 2022.

Sr.No Description of Instrument Proper Stamp-duty

(ii) In case of immovable property in rural area 3 percent of the value of the share of the immovable property over which the claim is renounced.

Note: In case of registration of the instrument:

(a) Rs.500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs. 1000/-, if the amount of consideration exceeds Rs.500,000/-.]

56. RESPONDENTIA BOND that is to say, any instrument securing a loan on the cargo laden or to be laden on board a ship and making repayment contingent on the arrival of the cargo at the port of destination.

REVOCATION OF ANY TRUST OR SETTLEMENT.

See SETTLEMENT (No. 58), TRUST (No. 64). The same duty as on a Bond (No.

15) for the amount of the loan secured.

! [Note: In case of registration of the instrument, an additional stamp duty of Rs.25/- shall be charged.]

57. SECURITY BOND OR MORTGAGE DEED executed by way of security for the due execution of an office, or to account for money or other property received by virtue thereof or executed in favour of a Court for the due discharge of a contingent liability or executed by a surety to secure the due performance of a contract-

(a) when the amount secured does not exceed Rs. 1,000;

(b) in any other case.

Exemption

Bond or other instrument, when executed-

(a) by any person for the purpose of guaranteeing that to the local income derived from private subscriptions to a charitable dispensary or hospital or any other object of public utility shall not be less than a specified sum per mensem;

(b) under No. 3-A of the rules made by the Provincial Government under section 70 of the Sind Irrigation Act, 1879; 2[Thirty rupees].

3[One hundred] rupees.

4[Note: In case of registration of the instruments, an additional stamp duty of Rs.25/- shall be charged.]

(c) executed by persons taking advances under the Land Improvement Loans Act, 1883, or the [Punjab] Agriculturists Loans Act, 1958, or by their sureties, as security for repayment of such advances;

(d) executed by servants of the State or their sureties to secure the due execution of an office or the due accounting for money or other property received by virtue thereof.

58. SETTLEMENT-

A-Instrument of (including a deed of dower)- 6[(i) where the settlement is made in favour of legal heirs in respect of agricultural land. 7[[One] percent] of the value of the property].

Sr.No Description of Instrument Proper Stamp-duty

1 [(ii)] where the settlement is made for a religious or charitable purpose;

4[(iii)] in any other case.

Exemption-

Deed of dower executed on the occasion of marriage between Muslims. 2[3[One] percent] of the] sum equal to the amount or value of the property settled. 5[6[One] percent] of the] consideration equal to the amount or value of the property settled:

Provided that, where an agreement to settle is stamped with the stamp required for an instrument of settlement, and an instrument of settlement in pursuance of such agreement is subsequently executed, the duty on such instrument shall not exceed 7[one hundred rupees]:

Provided further that, where an instrument of settlement contains any provision for the revocation of the settlement, the amount or value of the property settled shall, for the purposes of duty, be determined as if no such provisions were contained in the instrument.

B-Revocation of—

See also TRUST (No. 64). 8[9[One] percent of the] consideration equal to the amount or value of the property concerned as set forth in the instrument of revocation but not exceeding 10[one hundred rupees].

11[Note: In case of registration of the instruments, an additional stamp duty shall be charged as under:

(a) Rs. 500/-, if the amount of consideration does not exceed Rs. 500,000/-; and

(b) Rs. 1000/-, if the amount of consideration exceeds Rs. 500,000/-.]

59. SHARE WARRANTS to bearer issued under the Companies Act, 1913 12 One and a half times the duty payable on a debenture [No. 27 (b)] for a consideration equal to the nominal amount of the shares specified in the warrant.

1 Clause (i) re-lettered by the Punjab Finance Act, 1975 (XL of 1975).

2 Substituted for "Two percent" by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted for the words "The same duty as on a Bond (No.15) for a" by the Punjab Finance Act, 2004 (XIX of 2004).

3 Substituted for "Three" by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1, 2020. Earlier the same amendment was made by Stamp (Amendment) Ordinance, 2020.

4 Clause (ii) re-lettered the Punjab Finance Act, 1975 (XL of 1975).

5 Substituted for "Two percent" by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted for "The same duty as is leviable on a Conveyance (No.23) for a" by the Punjab Finance Act, 2004 (XIX of 2004).

6 Substituted for "Three" by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1, 2020. Earlier the same amendment was made by Stamp (Amendment) Ordinance, 2020.

7 Substituted for "four rupees" by the Punjab Finance Act, 2004 (XIX of 2004).

8 Substituted for "The same duty as is leviable on a Conveyance (No.23) for a" by the Punjab Finance Act, 2004 (XIX of 2004).

9 Substituted for "Two" by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1, 2020. Earlier the same amendment was made by Stamp (Amendment) Ordinance, 2020.

10 Substituted for "fifty rupees" by the Punjab Finance Act, 2004 (XIX of 2004).

11 Note inserted by Punjab Finance Act, 2017.

12 Now the Companies Ordinance, 1984.

Sr.No Description of Instrument Proper Stamp-duty

Exemption

Share warrant when issued by a company in pursuance of the Companies Act, 1913, section 30, to have effect only upon payment, as composition for that duty, to the Collector of Stamp revenue of-

(a) one and a half per centum of the whole subscribed capital of the company; or

(b) if any company which has paid the said duty or composition in full subsequently issues an addition to its subscribed capital-one and a half per centum of the additional capital so issued.

SCRIP-See CERTIFICATE (No. 19).

60. SHIPPING ORDER for or relating to the conveyance of goods on board of any vessel. 2[Five] rupees.

61. SURRENDER OF LEASE-

3[J 5[J 4[J

6[One hundred] rupees.

Exemption- 7[Note: An additional stamp

Surrender of lease, when such lease exempted from duty. duty at the rate of 5/8th of the stamp duty which was paid on the original lease deed.]

62. TRANSFER (Whether with or without consideration)-

(a) of shares in an incorporated company or other body One-fourth of the duty payable

corporate; on a conveyance (No. 23) for a consideration equal to the value of the share.

8[(b) of Debenture or Participation Term Certificate or Term One-tenth of one percent, that is

Finance Certificate or any other instrument of redeemable to say, 0.1% of the face value of

capital (other than Commercial Paper), whether mortgaged or not, being a transferable security, whether liable to duty or not except as provided for by section 8; and (c) of any interest secured by a bond, mortgage-deed or policy of insurance- the instrument.]

(i) if the duty on such bond, mortgage-deed or policy does The duty with which such bond,

not exceed twenty rupees; mortgage-deed or policy of insurance is chargeable.

(ii) in any other case 9[One hundred] rupees.

(d) of any property under the Administrator-General's Act 1913, section 31; 10[One hundred] rupees.

(e) of any trust-property without consideration from one trustee to another trustee or from a trustee to a beneficiary. n[One hundred rupees]

1 Now the Companies Ordinance, 1984.

2 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

3 Clause (a) omitted by Stamp (Amendment) Act, 2021.

4 Words "The duty with which lease is chargeable." omitted by Stamp (Amendment) Act, 2021.

5 Clause (b) omitted by Stamp (Amendment) Act, 2021.

6 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

7 Note inserted by Punjab Finance Act, 2017.

8 Substituted by the Punjab Finance Act 2006 (V of 2006).

9 Substituted for "Fifty" by Stamp (Amendment) Act, 2021. Earlier it was substituted by the Punjab Finance Act, 1990 (I of 1990).

10 Substituted for "Fifty" by Stamp (Amendment) Act, 2021. Earlier it was substituted by the Punjab Finance Act, 1990 (I of 1990).

11 Substituted for "Twenty rupees or such smaller amount as may be chargeable under clauses (a) to (c) of this Article" by Stamp

(Amendment) Act, 2021.

Sr.No Description of Instrument Proper Stamp-duty

![(f) of a promissory note, including a commercial paper, when payable otherwise than on demand.

Exemptions

Transfers by endorsement-

(a) of a bill of exchange, cheque or promissory note;

(b) of a bill of lading, delivery order, warrant for goods, or other mercantile document of title to goods;

(c) of a policy of insurance;

(d) of securities of the 2Central Government.

See also section 8- Nil.]

63. 3[TRANSFER OF LEASE by way of assignment and not by way of under-lease:

(i) in case of immovable property in an urban area; and 4[Two] percent of the amount of consideration for the transfer.

(ii) in any other case.

Exemption:

Transfer of any lease exempt from duty. Three percent of the amount of consideration for the transfer. Note: In case of registration of the instrument, an additional stamp duty shall be charged as under:

(a) Rs. 500/-, if the amount of consideration does not exceed Rs.500,000/-; and

(b) Rs. 1000/-, if the amount of consideration exceeds Rs.500,000/-]

5[63-A 1 [TRANSFER OF A RIGHT OR INTEREST RELATING TO AN IMMOVABLE PROPERTY, that is to say:

(i) An instrument of transfer of a right or interest relating to an immovable property or an acknowledgement of such transfer, by a development authority, housing authority or a statutory body. Explanation-I.- In cases where allotment is to be made consequent upon payment of the installments or transfer of a right or interest is made by original allottee before the payment of the last installment, stamp duty shall be charged at the time of transfer whichever is earlier.

Explanation-II.- Transfer or allotment made through auction by a development authority is not entitled to an exemption from the payment of stamp duty.

(ii) An instrument of transfer of right or interest relating to an immovable property or an acknowledgment of such transfer by a cooperative housing society.

Explanation-I.- First time allotment is exempted from the payment of stamp duty. However, transfer/ allotment made through open auction is not entitled to the exemption from the payment of stamp duty. 2[3/Two] percent of the value of the property]]

1 Inserted by the Punjab Finance Act 2006 (V of 2006).

2 Now 'Federal Government', see the Federal Adaptation of Laws Order, 1975 (P.O. 4 of 1975).

3 Entries in column 2 and 3 substituted by Punjab Finance Act, 2017.

4 Substituted for "One" by Punjab Finance Act, 2022. Earlier "One" was substituted for "Five" by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1,2020. Earlier the same amendment was made by Stamp (Amendment) Ordinance, 2020.

5 Article 63-A inserted by Punjab Finance Act 2008 (I of 2008). Earlier it was omitted by Punjab Finance Ordinance, 2000 (III of

Sr.No Description of Instrument Proper Stamp-duty

Explanation-II.- Transfer of a right or interest includes transfer made through electronic form and open transfer letter.]

64. TRUST-

A. Declaration of-of, or concerning any property when made by any writing not being a WILL.

B. Revocation of, or concerning any property when made by any instrument other than a WILL.

See also SETTLEMENT (No. 58). VALUATION See APPRAISEMENT (No. 8). The same duty as on a Bond (No. 15) for a sum equal to the amount or value of the property concerned as set forth in the instrument but not exceeding 4[Two hundred rupees.]

The same duty as on a bond (No. 15) for a sum equal to the amount or value of the property concerned as set forth in the instrument but not exceeding 5[One hundred] rupees.

65. WARRANT FOR GOODS, that is to say, any instrument evidencing the title of any person therein named, or his assigns, or the holder thereof, to the property in any goods lying in or upon any dock, warehouse or wharf, such instrument being signed or certified by or on behalf of the person in whose custody such goods may be. 6[Five] rupees.]

1 Words "a designated bank or any other office specified by" omitted by Punjab Finance Act, 2018.

Section 35(1)-Substitution.- Before substitution by Punjab Finance Act, 2020 sub-section (1) read as follows:-

"(1) Every registered person shall furnish, not later than the due date, a true, correct and properly filled-up return in the prescribed form to 1[***] the Authority, indicating the tax due and paid during a tax period and such

other information or particulars as may be prescribed by the Authority.”

Section 39(4)-Substitution.- Before substitution by Punjab Finance Act, 2017 sub-section (4) read as follows:-

“(4) The Audit Officers and Inspectors and the officers of other such equal or lower designations, if any, shall be subordinate to the Deputy Commissioner or to the Assistant Commissioner.”

Section 60(1)(b)-Substitution.- Before substitution by Punjab Finance Act, 2020 clause (b) read as follows:-

“(b) Deputy Commissioner: Cases where the amount of the tax involved or the amount erroneously refunded * 1[***] does not exceed two and a half million rupees;”

1 Words and comma “exceeds one million rupees, but” omitted by Punjab Finance Act, 2016.

Section 60(1)(c)-Substitution.- Before substitution by Punjab Finance Act, 2020 clause (c) read as follows:-

“(c) Assistant Commissioner: Cases where the amount of the tax involved or the amount erroneously refunded does not exceed one million rupees; and”

Section 60(1)(d)-Substitution.- Before substitution by Punjab Finance Act, 2019 clause (d) read as follows:- “(d) other officers of the Authority: such cases, other than those mentioned above, as may be prescribed.”

1 Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

2 Words inserted by Punjab Finance Act, 2015.

3 Words inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

4 Word and figure inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

5 Substituted for “98.12” by Notification No.SO(TAX)1-1/2013-14, dated May 22, 2013.

6 Words etc. “(all sub-headings under 98.12 of the First Schedule)” omitted by Notification No.SO(TAX)1-1/2014-15, dated November 25, 2015. Earlier these were inserted by No.SO(TAX)1-1/2014-15 (Vol-I), dated May 28, 2015.

1 Explanation inserted by Punjab Finance Act, 2022.

2 Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

3 Figures and comma inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

4 Substituted for “Services provided by other consultants *[including but not limited to human resource and personnel development services, exhibition or convention services, event management services, valuation services (including competency and eligibility testing services), market research services and credit rating services].” by Punjab Finance Act, 2015.

* Words inserted by Punjab Finance Act, 2014.

5 Words inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1, 2018.

6 Figures, commas and word inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

7 Words etc. inserted by Punjab Finance Act, 2015.

1 Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

2 Words inserted by No.SO(TAX)1-9/2014, dated September 30, 2014.

3 Figures and word inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

4 Substituted for "Sixteen percent" by Punjab Finance Act, 2020.

5 Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

6 Substituted for "Share transfer or depository agents including services provided through manual or electronic book-entry system used to record and maintain securities and to register the transfer of shares, securities and derivatives." by Finance Act, 2015. Earlier these were substituted for "Services provided by share transfer agents." by Punjab Finance Act, 2014.

7 Substituted for "respective headings" by Punjab Finance Act, 2015. Earlier "respective headings" was substituted for "9805.9000" by Punjab Finance Act, 2014.

1 Words and brackets inserted by Punjab Finance Act, 2015.

2 Substituted for "9819.3000" by Punjab Finance Act, 2015.

3 Substituted for "Sixteen percent" by Punjab Finance Act, 2020.

4 Word and figure inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

5 Words inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

6 Figures and word inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

7 S. Nos. 38 to 47 inserted by Punjab Finance Act, 2014 (Act XVII of 2014).

1 Substituted for "Services provided by warehouses or depots for storage including cold storages." by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

2 Substituted for "Sixteen percent" by Punjab Finance Act, 2021 (Act XIX of 2021).

3 Serial No. 63 inserted by Punjab Finance Act, 2018 (Act XXX of 2018) w.e.f. November 1,2018.

4 Substituted for "Sixteen percent" by Punjab Finance Act, 2020.

5 Serial No. 64 inserted by Punjab Finance Act, 2019.

6 Serial No. 65 inserted by Punjab Finance Act, 2019.

7 Serial No. 66 inserted by Punjab Finance Act, 2019.

1 Words inserted by Stamp (Amendment) Act, 2021.

2 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

4 XV of 1908.

5 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

6 Words inserted by Stamp (Amendment) Act, 2021.

9 Note inserted by Punjab Finance Act, 2017.

1 Substituted for "Fifty" by Stamp (Amendment) Act, 2021. Earlier "Fifty" was substituted by the Punjab Finance Act, 1990 (I of 1990).

4 Substituted for "three rupees" by the Punjab Finance Act, 2004 (XIX of 2004).

2000) and inserted by the Punjab Finance Act, 1998 (VII of 1998).

1 Provisions of column 2 substituted by Stamp (Amendment) Act, 2021.

2 Substituted for entries in column 3 "* *[One] percent of the value of the property." & "Three percent of the value of the property." by Punjab Finance Act, 2020 (Act VIII of 2020) w.e.f. July 1, 2020.

* Substituted for "Five" by Stamp (Amendment) Ordinance, 2020.

3 Substituted for "One" by Punjab Finance Act, 2022.

4 Substituted for "One hundred rupees" by Punjab Finance Act, 2014 (Act XVII of 2014). Earlier it was substituted by Punjab Finance Act, 1995 (VI of 1995).

5 Substituted by the Punjab Finance Act, 1995 (VI of 1995).

6 Substituted by the Punjab Finance Act, 1990 (I of 1990).