

INFORMATION ABOUT WITHHOLDING TAXES

APPENDIX – I

SECTION REFERENCE	NATURE OF PAYMENT/ TRANSACTION	TAX RATE (%/Rs)	DEDUCTING/COLLECTING AUTHORITY	WITHHOLDING TAX ADJUSTABLE/ FINAL
148	Import of goods except for the items mentioned below	5	Collector of Customs	Final except large import houses
	Import of gold, mobile telephone sets, silver, potassic fertilizers, urea fertilizer, fibres, yarn and fabrics and goods covered by the Zero Rating Regime of the Sales Tax notified by the Board	1	Collector of Customs	Final except large import houses
	Import of raw materials by an industrial undertaking for its own use	3	Collector of Customs	Adjustable
	Import of pulses	2	Collector of Customs	Final except large import houses
	Import of goods classified under Pakistan Customs Tariff falling under chapter 27, 52.01, 86 and 89	0	Collector of Customs	Not applicable
149	Payment of salary	Average rate of tax computed on the basis of formula	Employer	Adjustable
150	Payments of dividend where receiver is:			
	• Public company and insurance company or any other resident company	10	Every resident company	Final
	• Inter-corporate dividend within group companies	10		Adjustable
	• Purchaser of power project privatized by WAPDA	7.5		Final
	• Company set up for power generation	7.5		Final
• Others	10		Final	

SECTION REFERENCE	NATURE OF PAYMENT/ TRANSACTION	TAX RATE (%/Rs)	DEDUCTING/COLLECTING AUTHORITY	WITHHOLDING TAX ADJUSTABLE/ FINAL
151	<p>Payment of profit/yield to resident in respect of following after deducting zakat thereon:</p> <ul style="list-style-type: none"> • Deposit or account maintained with banking company or financial institution • Yield on National Saving Schemes and Post Office Saving Account where investment made on or after 01 July, 2001 exceeds Rs.150,000 • Profit on securities issued by Government and local authority • Profit on bond, certificates, debenture, security or instrument of any kind (other than a loan agreement between a borrower and banking Co. or a Development financial institution) 	<p>10</p> <p>10</p> <p>10</p> <p>10</p>	Payer of the profit or yield	<p>Final (for Indv. & AOP)</p> <p>Adjustable (for companies)</p>
152	<p>Payments to non-residents:</p> <ul style="list-style-type: none"> • Royalty • Fees for technical services • Shipping income • Air Transport income • Contract • Advertisement services 	<p>15</p> <p>15</p> <p>8</p> <p>3</p> <p>6</p> <p>6</p>	Every person	<p>Final</p> <p>Final</p> <p>Final</p> <p>Final</p> <p>Final</p> <p>(Subject to option)</p> <p>Final</p>

SECTION REFERENCE	NATURE OF PAYMENT/ TRANSACTION	TAX RATE (%/Rs)	DEDUCTING/COLLECTING AUTHORITY	WITHHOLDING TAX ADJUSTABLE/ FINAL
	<ul style="list-style-type: none"> • Other contract or services • Profit on debt • Insurance premium or re-insurance premium • Other cases 	<p>6</p> <p>10</p> <p>5</p> <p>20</p>	Every person	<p>Final</p> <p>Adjustable</p> <p>Final</p> <p>Adjustable</p>
153	<p>Payments to resident person or permanent establishment of non resident person on account of:</p> <ul style="list-style-type: none"> • Sale of goods on amount inclusive of Sales Tax <ul style="list-style-type: none"> ➤ General ➤ Rice, cotton seed and edible oil other than mentioned below ➤ Edible oil purchased locally by manufacturers of cooking oil and vegetable ghee or both • Sale of rice by Rice Exporter Association of Pakistan to Utility Store Corporation • From distributor of cigarette and pharmaceuticals products and for large distribution houses • Rendering of services <ul style="list-style-type: none"> ➤ General ➤ Transport ➤ News and print media services • Execution of contract 	<p>3.5</p> <p>1.5</p> <p>2</p> <p>1</p> <p>1</p> <p>6</p> <p>2</p> <p>2</p> <p>6</p>	<p>Federal Government, Company, Small company, Association of Persons(under law), Foreign Contractor or Consultant and Consortium or Joint Venture, Individual(turnover or 25M or above), AOP(normal)(50M or above)</p>	<p>Final</p> <p>Final</p> <p>Final</p> <p>Final</p> <p>Final</p> <p>Final</p> <p>Minimum</p> <p>Final</p>

SECTION REFERENCE	NATURE OF PAYMENT/ TRANSACTION	TAX RATE (%/Rs)	DEDUCTING/COLLECTING AUTHORITY	WITHHOLDING TAX ADJUSTABLE/ FINAL
156	Payment of prize on prize bond or crosswords puzzle	10	Person paying the amount where the payment is not in cash amount to be collect	Final
	Payment of prize on winning of raffle, lottery, a quiz, offered by companies for promotion of sale.	20		Final
156A	Payment of commission or discount allowed to a petrol pump operator	10	Person selling petroleum products to a petrol pump operator	Final
231A	Cash withdrawal from a bank (all payments in a day amount exceeding 25,000)	0.3	Every Banking Company	Adjustable
231AA	Advance tax on transactions in bank if the payment for withdrawal is made through any mode of banking transactions including Demand Draft, Payment Order, Online Transfer, Telegraphic Transfer, CDR, STDR, RTC, or the sum total of the payments for such transaction in a day, exceeds twenty-five thousand rupees	0.3	Every Banking Company	Adjustable
231B	Registration of new motor car or a jeep cars	7,500 to 50,000	Excise and Taxation(Motor Vehicle)	Final
233	Payment of Brokerage and Commission <ul style="list-style-type: none"> • General • Advertising 	10 5	Government, Local Authority, Company and Association of Person constituted by or under any law	Final
233A	On purchase of shares On sale of shares On trading of share	0.01	Registered Stock Exchange	Adjustable

SECTION REFERENCE	NATURE OF PAYMENT/ TRANSACTION	TAX RATE (%/Rs)	DEDUCTING/COLLECTING AUTHORITY	WITHHOLDING TAX ADJUSTABLE/ FINAL
234	<p>On collection of motor vehicle tax of :</p> <ul style="list-style-type: none"> Passenger transport vehicle with registered seating capacity of 10 or more persons upto 10 years of the year of the make of vehicle Goods transport vehicle. <p>In the case of goods transport vehicles with minimum laden weight of 8,120 Kg, advance tax after a period of ten years from the date of first registration of vehicle in Pakistan.</p> <ul style="list-style-type: none"> Other private motor cars 	<p>Rs.25 to 100 per seat per annum</p> <p>Rs. 1 per kilogram of the laden weight per annum</p> <p>Rs. 1,200 per annum</p> <p>Rs. 500 to 5,000 per annum.</p>	Person collecting motor vehicle tax	<p>Adjustable</p> <p>Final</p> <p>Final</p> <p>Adjustable</p>
234A	In the case of a compressed natural gas station	6	Person preparing Gas Consumption bills	Final
235	On collection of amount of electricity bill	Rs. 60 to 1,500 per month /5% of bill amount exceeds Rs. 20,000	Person preparing electricity consumption bill	Adjustable for Companies (minimum for others for bill amounting to Rs. 30,000 per month /adjustable for the amount of bill exceeds 30,000)

SECTION REFERENCE	NATURE OF PAYMENT/ TRANSACTION	TAX RATE (%/Rs)	DEDUCTING/COLLECTING AUTHORITY	WITHHOLDING TAX ADJUSTABLE/ FINAL
236	On collection of amount of telephone charges of: <ul style="list-style-type: none"> • Telephone subscriber (bill exceeds Rs. 1,000) • Postpaid mobile telephone and prepaid telephone cards 	10 10	Person preparing telephone bills	Adjustable
236 B	<ul style="list-style-type: none"> • Domestic air tickets 	5	Person preparing air tickets	Adjustable