



**PrimeGlobal**

*The Association of  
Advisory and Accounting Firms*

# TAX HANDBOOK FINANCE (SUPPLEMENTARY) BILL, 2023

# **ZAHID JAMIL & CO.**

Chartered Accountants

An Independent Member Firm  
of PrimeGlobal

Audit | Tax | Advisory | Risk

[www.zahidjamilco.com](http://www.zahidjamilco.com)

## AMMENMENTS IN INCOME TAX ORDINANCE, 2001

| SECTION / CLAUSE  | DESCRIPTION   |
|---|---|
| <p><b>Section 37</b><br/><b>Capital gains</b></p>                           | <p>Capital gains arising on disposal of 'securities' which is executed otherwise through stock exchange and are not settled through NCCPL, shall be taxed under section 37 of the Ordinance at applicable slab rates for non-corporate shareholders and corporate tax rate for corporate shareholders, as the case maybe.</p>   |
| <p><b>Section 37A</b><br/><b>Capital gain on disposal of securities</b></p> | <p>Taxation under section 37A would apply where the securities are either: -</p> <p>(a) executed through stock exchange; OR</p> <p>(b) settled through NCCPL.</p>   |
| <p><b>Section 236CB Advance tax on functions and gatherings</b></p>         | <p><b>236CB. Advance tax on functions and gatherings. –</b></p> <p>The collection of adjustable advance tax at the rate of 10% of total amount of bill, including bill for food, services or any other facility whether arranged by the withholding agent or not.</p> <p>The owner, lease-holder, operator / manager of marriage hall, marquee, hotel, restaurant, commercial lawn, club, community place etc. are proposed as withholding agent for the purpose of this provision.</p> <p>The tax collection will be made from the person arranging the functions and gatherings related to wedding, seminar, workshop, session, exhibition, concert, show, party or any other gathering for such purpose.</p> |

## AMMENMENTS IN SALES TAX ACT, 1990

| SECTION / CLAUSE                        | BEFORE AMMENMENTS   | AFTER AMMENMENTS   |
|---|---|--|
| <b>Section 3</b><br><b>Scope of tax</b> | <ul style="list-style-type: none"> <li>The standard rate of sales tax was 17%.</li> <li>The rate of sales tax was 17% for the goods specified under the Third Schedule.</li> </ul>  | <ul style="list-style-type: none"> <li>The standard rate of sales tax has been increased from 17% to 18% through SRO 179(I)/2023 dated February 14, 2023.</li> <li>Increase in sales tax rate from 17% to 18% for the goods specified under the Third Schedule which will be effective from the date on which the Act takes into effect.</li> <li>Federal Government may by notification in the Official Gazette, charge sales tax, on goods specified in Third Schedule, on such higher rates as may be specified. It is expected that a separate notification in this respect will be issued later for certain goods specified in Third Schedule.</li> </ul> |
| <b>Eighth Schedule</b>                  | <p>(i) Locally produced coal, Rs. 700 per metric tone or 17% ad valorem, whichever is higher</p> <p>(ii) Potassium Chlorate (KCLO3), 17% along with rupees 60 per kilogram</p>  | <p>Sales tax applicable on import of cellular mobile phones in CBU is proposed to be increased as under: -</p> <p>(i) Locally produced coal, Rs. 700 per metric tone or 18% ad valorem, whichever is higher</p> <p>(ii) Potassium Chlorate (KCLO3), 18% along with rupees 60 per kilogram</p>  |
| <b>Ninth Schedule</b>                   | <p>Cellular mobile phones or satellite phones to be charged on the basis of import value per set, or equivalent value in rupees in case of supply by the manufacturer, at the rate as indicated against each category: -</p> <p>(i) Exceeding USD 200 but not exceeding USD 350@ 17%</p> <p>(ii) Exceeding USD 350 but not exceeding USD 500@ 17%</p> <p>(iii) Exceeding USD 500 @ 17%.</p> | <p>Cellular mobile phones or satellite phones to be charged on the basis of import value per set, or equivalent value in rupees in case of supply by the manufacturer, at the rate as indicated against each category: -</p> <p>(i) Exceeding USD 200 but not exceeding USD 350@ 18%.</p> <p>(ii) Exceeding USD 350 but not exceeding USD 500@ 18%.</p> <p>(iii) Exceeding USD 500 @ 25%</p>   |



# ZAHID JAMIL & CO.

## Chartered Accountants

### LAHORE

702 - 7th Floor, Eden Heights, Main Gulberg, Jail Road,  
Lahore, Pakistan.

Tel: +92 - 42 - 35786824-5

### FAISALABAD

First Floor, Al-Jamil Plaza, 7-Madina Town Ext.  
Off Jaranwala Road, Faisalabad, Punjab, Pakistan.

Tel: +92-41-8725065-68

### ISLAMABAD

Office No 05 , 2nd Floor, Block 20,  
PHA Appartments, G-7/1, Islamabad, Pakistan

Tel: +92-51-8732952, 8735360

### KARACHI

Office No, 107, King's Trade Centre, SB - 15,  
Block 3-A, Gulistan-e-Johar, Karachi, Pakistan.

Tel: +92-21-34524696

### PESHAWAR

3rd Floor, Zaad Paraca 1Plaza, Abdara Road,  
University Town, Peshawar, Pakistan.

Tel: +92-91-5701658

### MULTAN

15-A, Punjab Small Industries Coop Society (PSIC),  
Northern Bypass, Multan, Pakistan.

Tel: +92-61-6777006

### QUETTA

Office No. S.6, Second Floor, KFK Plaza,  
Adalat Road, Near Press Club, Quetta, Pakistan.

Tel: +92-81-2828266