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TAX RATES TABLES TAX YEAR-2023

ZAHID JAMIL & CO.

Chartered Accountants

An Independent Member Firm
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Tax Rates for Non-Salaried Individuals / AOPs			Minimum Tax Section 113			
[Division I, Part I of the First Schedule]			[Division IX, Part I of the First Schedule]			
1	Upto Rs. 600,000	0%	1	Individual & AOP's (having annual turnover Rs. 100 Million or more)		1.25%
2	Rs. 600,000 to Rs. 800,000	5%				
3	Rs. 800,000 to Rs. 1,200,000	Rs. 10,000 + 12.5%	2	For Companies		1.25%
4	Rs. 1,200,000 to Rs. 2,400,000	Rs. 60,000 + 17.5%	3	(a) Sui Southern Gas Company Limited and Sui Northern Gas Pipelines Limited (for the cases where annual turnover exceeds rupees one billion.) (b) Pakistani International Airlines Corporation; and (c) Poultry industry including poultry breeding, broiler production, egg production and poultry feed production;		0.75%
5	Rs. 2,400,000 to Rs. 3,000,000	Rs. 270,000 + 22.5%				
6	Rs. 3,000,000 to Rs.4,000,000	Rs. 405,000 + 27.5%				
7	Rs. 4,000,000 to Rs. 6,000,000	Rs. 680,000 + 32.5%				
8	Exceeding Rs. 6,000,000	Rs. 1,330,000 + 35%				
<p align="center">Tax Rates for Salaried Persons</p> <p align="center">"salary" exceeds seventy-five per cent of his taxable income</p>						
[Division I, Part I of the First Schedule]			4	(a) Oil refineries (b) Motorcycle dealers registered under the Sales Tax Act, 1990 (c) Oil marketing companies		0.50%
1	up to Rs. 600,000	0%				
2	Rs. 600,000 to Rs. 1,200,000	2.5%	5	(a) Distributors of pharmaceutical products, fast moving consumer goods and cigarettes; (b) Petroleum agents and distributors who are registered under the Sales Tax Act, 1990; (c) Rice mills and dealers; (d) Tier-1 retailers of fast moving consumer goods who are integrated with Board or its computerized system for real time reporting of sales and receipts; (e) Person's turnover from supplies through ecommerce including from running an online marketplace as defined in clause (38B) of section (f) Persons engaged in the sale and purchase of used vehicles; and (g) Flour mills		0.25%
3	Rs. 1,200,000 to Rs. 2,400,000	Rs. 15,000 + 12.5%				
4	Rs. 2,400,000 to Rs. 3,600,000	Rs. 165,000 + 20%				
5	Rs. 3,600,000 to Rs. 6,000,000	Rs. 405,000 + 25%				
6	Rs. 6,000,000 to Rs.12,000,000	Rs. 1,005,000 + 32.5%				
7	Exceeding Rs. 12,000,000	Rs. 2,955,000 + 35%				
Tax Rates for Companies			Rate of Dividend Tax			
[Division II, Part I of the First Schedule]			[Division III, Part I of the First Schedule]			
Type	Rate	No.	Nature of Payment	Section	Rate	Person not Appear in ATL
Small Company	20%	a	IPP, (CPPA-G)	150	7.50%	15%
Public / Private Companies	29%	b	Mutual fund, (REIT) and other than a, c & d	150	15%	30%
Banking Companies	39%					

Alternate Corporate Tax		17%		c	REIT scheme from Special Purpose Vehicle	150	0%	0%
					Others from Special Purpose Vehicle	150	35%	70%
				d	Clause (c) of Division III of Part I of the First Schedule	150	25%	50%
Rates for Super Tax <i>[Division IIA, Part I of the First Schedule]</i>				Rate for Profit on Debt				
No.	Nature of Payment	Section	Rate	<i>[Division IIIA, Part I of the First Schedule]</i>				
1	Banking Company	4B	4%	Nature of Payment			Section	Rate
2	Other Companies	4B	0%	Profit on debt imposed under section 7B			151	15%

Capital Gain on Disposal of Securities

[Division VII, Part I of the First Schedule]

Under Section 37A

No	Period	Tax Year 2023 and onwards
(1)	(2)	(3)
1	Where the holding period does not exceed one year	15%
2	Where the holding period exceeds one year but does not exceed two years	12.5%
3	Where the holding period exceeds two years but does not exceed three years	10%
4	Where the holding period exceeds three years but does not exceed four years	7.5%
5	Where the holding period exceeds four years but does not exceed five years	5%
6	Where the holding period exceeds five years but does not exceed six years	2.5%
7	Where the holding period exceeds six years	0%
8	Future commodity contracts entered into by members of Pakistan Mercantile Exchange	5%

Capital Gain on Disposal of Immovable Property

[Division VIII, Part I of the First Schedule]

Sub-Section (1A) of Section 37

No	Holding Period	Open Plots	Constructed Property	Flats
(1)	(2)	(3)	(4)	(5)
1	Where the holding period does not exceed one year	15%	15%	15%
2	Where the holding period exceeds one year but does not exceed two years	12.5%	10%	7.5%
3	Where the holding period exceeds two years but does not exceed three years	10%	7.5%	0%
4	Where the holding period exceeds three years but does not exceed four years	7.5%	5%	-
5	Where the holding period exceeds four years but does not exceed five years	5%	0%	-
6	Where the holding period exceeds five years but does not exceed six years	2.5%	-	-
7	Where the holding period exceeds six years	0	-	-

Rate for Tax Collected at Import Stage

[Division IIIA, Part I of the First Schedule]

No.	Persons	Section	Rate
(1)	(2)		(3)
1	Persons importing goods classified in Part I of the Twelfth Schedule	148	1%
2	Persons importing goods classified in Part II of the Twelfth Schedule		2%
3	Persons importing goods classified in Part III of the Twelfth Schedule		5.5%
4	Manufacturers covered under Notification No. S.R.O. 1125(I)/2011 dated the 31st December, 2011 and importing items covered under S.R.O. 1125(I)/2011 dated the 31st December, 2011;	148	1%
5	Persons importing finished pharmaceutical products that are not manufactured otherwise in Pakistan, as certified by the Drug Regulatory Authority of Pakistan	148	4%
6	In case of importers of CKD kits of electric vehicles for small cars or SUVs with 50 kwh battery or below and LCVs with 150 kwh battery or below	148	1%

The rate of tax on value of import of mobile phone by any person shall be as set out in the following table: -

No.	C & F Value of mobile phone (in US Dollar)	Tax (in Rs.)	
		In CBU condition PCT Heading 8517.1219	IN CKD/SKD condition under PCT Heading 8517.1211
1	Up to 30 except smart phones	70	0
2	Exceeding 30 and up to 100 and smart phones up to 100	100	0
3	Exceeding 100 and up to 200	930	0
4	Exceeding 200 and up to 350	970	0
5	Exceeding 350 and up to 500	5,000	3,000
6	Exceeding 500	11,500	5,200

Payments to Non-Residents

[Division II, Part III of the First Schedule]

152	Nature of Payment	Rate	Person Not Appear in ATL
(1)	Royalty & fee for technical services	15%	15%
(1A)	a) Contract or sub-contract under a construction, assembly or installation project in Pakistan including a contract for the supply of supervisory activities relating to such project.	7%	7%
	b) Any other contract for construction or services rendered relating there to.		
	c) Contract for advertisement services rendered by TV Satellite Channels.		
(1AA)	Payment of insurance premium or re-insurance premium	5%	5%
(1AAA)	Payment for advertisement services from non-resident person relaying from outside Pakistan	10%	10%

(1C)	Tax shall be deducted on remittance outside Pakistan, of fee for off-shore digital services, chargeable to tax u/s 6, to a non-resident person on behalf of any resident or a permanent establishment of a non-resident in Pakistan	5%	5%
(2)	All other payment to non- resident	20%	40%
(2A)	Payment to Permanent Establishment of Non-Resident:		
	(a) For sale of goods		
	(i) In case of a company	4%	8%
	(ii) In any other case	4.5%	9%
	Transport services, freight forwarding services, air cargo services, courier services, manpower outsourcing services, hotel services, security guard services, software development services, IT services and IT enabled services as defined in section 2, tracking services, advertising services (other than by print or electronic media), share registrar services, engineering services, car rental services, building maintenance services, services rendered of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited inspection and certification, testing and training services, oilfield services		
	(b) For services other than above:		
	(i) In case of a company	8%	16%
	(ii) In any other case	10%	20%
	(c) For execution of contracts, other than a contract for sale of goods for providing/ rendering of services		
	(i) In case of sportspersons	10%	20%
(ii) In case of any person	7%	14%	
152A	Payments for foreign produced commercials		
	Payment to non-resident person directly to through an agent for foreign produced commercial for advertisement on any Television Channel or any other Media.	20%	40%

Payments for Goods or Services

[Division III, Part III of the First Schedule]

153	Nature of Payment	Rate	Person Not Appear in ATL
153(1)(a)	Sale of Goods		
	(a) Rice, cotton seed or edible oil.	1.50%	3%
	(b) For sale of any other goods		
	In case of a company	4%	8%
	In any other case	4.5%	9%
153(1)(b)	Rendering of Services		
	(i) Services		
	Transport Services		
	Freight Forwarding Services		
	Air Cargo Services		

	Courier Services		
	Manpower Outsourcing Services		
	Hotel Services		
	Security Guard Services		
	Software Development Services		
	IT Services and IT enabled services as defined in section 2		
	Tracking Services		
	Advertising services (Other than by print or electronic media)		
	Share registrar services		
	Engineering services including architectural services		
	Warehousing services		
	Services rendered by asset management companies		
	Data services provided under license issued by the Pakistan Telecommunication Authority		
	Telecommunication infrastructure (tower) services	3%	6%
	Car Rental services		
	Building maintenance services		
	Services rendered by PSX Limited and Pakistan Mercantile Exchange Limited		
	Inspection		
	Certification		
	Testing & training services		
	Oilfield services		
	Telecommunication services		
	Collateral management services		
	Travel and tour services		
	REIT management services		
	Services rendered by National Clearing Company of Pakistan Limited		
	(ii) All other services:		
	In case of a company	8%	16%
	In any other case	10%	20%
	Payments to electronic and print media for advertising services	1.5%	3%
153(1)(c)	Execution of Contracts		
	(i) In case of sportspersons	10%	20%
	(ii) In case of a company	6.5%	13%
	(iii) In any other case	7%	14%
153(2)	Every Exporter or Export House shall deduct Tax on payments in respect of services of stitching, dying, printing etc.	1%	2%

Exports Proceeds			Advance tax on Private Motor Vehicle		
<i>[Division IV, Part III of the First Schedule]</i>			Section 231B		
154	Nature of Payment	Rate	Advance tax on Registration of private motor vehicle:		
			<i>[Division VII, Part IV of the First Schedule]</i>		
(1)	Export proceeds realization	1%	Up to 850 cc	Rs. 10,000	Rs. 30,000
(2)	Realization of commission due to an indenting agent	1%	851 cc – 1000 cc	Rs. 20,000	Rs. 60,000
			1001 cc – 1300 cc	Rs. 25,000	Rs. 75,000
	I. Non-export indenting agent	1%	1301 cc – 1600 cc	Rs. 50,000	Rs. 150,000
	II. Export indenting agent / export buying house	1%	1601 cc – 1800 cc	Rs. 150,000	Rs. 450,000
(3)	On realization of proceeds under inland back-to-back LC	1%	1801 cc – 2000 cc	Rs. 200,000	Rs. 600,000
			2001 cc – 2500 cc	Rs. 300,000	Rs. 900,000
(3A)	Industrial undertaking in EPZ	1%	2501 cc – 3000 cc	Rs. 400,000	Rs. 1,200,000

(3B)	Indirect exporters (DTRE rules, 2001)	1%		above 3000 cc	Rs. 500,000	Rs. 1,500,000
(3C)	Clearance of goods exported	1%		Section 231B (1A)		
154A	Export proceeds of Computer software or IT services or IT Enabled services by persons registered with Pakistan Software Export Board	0.25%		Leasing of Motor Vehicle to a Person not appear in ATL. 4% of the value of Motor Vehicle		
	Any other services	1%				
Tax Rates of Rental Income				Section 231B (2)		
<i>[Division VIA, Part I of the First Schedule]</i>				Transfer of registration or ownership of motor vehicle		
<i>In the case of Individual & AOP (Section 155)</i>				Up to 850 cc	-	-
1	up to Rs. 300,000	Nil		851 cc – 1000 cc	Rs. 5,000	Rs. 15,000
2	Rs. 300,000 to Rs. 600,000	5%		1001 cc – 1300 cc	Rs. 7,500	Rs. 22,500
3	Rs. 600,000 to Rs. 2,000,000	Rs. 15,000 + 10%		1301 cc – 1600 cc	Rs. 12,500	Rs. 37,500
4	Exceeding Rs. 2,000,000	Rs. 155,000 + 25%		1601 cc – 1800 cc	Rs. 18,750	Rs. 56,250
In the case of Company (Section 155)		15%		1801 cc – 2000 cc	Rs. 25,000	Rs. 75,000
Prizes & Winnings				2001 cc – 2500 cc	Rs. 37,500	Rs. 112,500
<i>[Division VI, Part IV of the First Schedule]</i>				2501 cc – 3000 cc	Rs. 50,000	Rs. 150,000
156	Nature of Payment	Rate	Person Not Appear in ATL	above 3000 cc	Rs. 62,500	Rs. 187,500
				Section 231B (3)		
				Up to 850 cc	Rs. 10,000	Rs. 30,000
				851 cc – 1000 cc	Rs. 20,000	Rs. 60,000
				1001 cc – 1300 cc	Rs. 25,000	Rs. 75,000
Prizes on prize bonds or cross-word puzzle		15%	30%	1301 cc – 1600 cc	Rs. 50,000	Rs. 150,000
Winning from a raffle, lottery, quiz, prize offered by Companies for sale promotion		20%	40%	1601 cc – 1800 cc	Rs. 150,000	Rs. 450,000
				1801 cc – 2000 cc	Rs. 200,000	Rs. 600,000
Petroleum Products				2001 cc – 2500 cc	Rs. 300,000	Rs. 900,000
<i>[Division VIA, Part IV of the First Schedule]</i>				2501 cc – 3000 cc	Rs. 400,000	Rs. 1,200,000
156A	Nature of Payment	Rate	Person Not Appear in ATL	above 3000 cc	Rs. 500,000	Rs. 1,500,000
				Section 231B (2A)		
				Up to 1000 cc	Rs. 100,000	Rs. 300,000
Sale of petroleum products to petrol pump operators		12%	24%	1000 cc – 2000 cc	Rs. 200,000	Rs. 600,000
				above 2000 cc	Rs. 400,000	Rs. 1,200,000

Brokerage & Commission				Advance tax on Electricity		
233	Nature of Payment	Rate	Person Not Appear in ATL	[Division V, Part IV of the First Schedule]		
	In case of advertising agents	10%	20%	235	Gross amount of Electricity Bill of Commercial and Industrial consumer	
	Life Insurance Agents where Commission received is less than Rs, 0.5 Million per annum	8%	16%		Slabs (Rs.)	
	In all other cases	12%	24%		a) Up to Rs. 500	0
			b) Rs. 501 to Rs. 20,000		10% of the amount	
				c) exceeds Rs.20,000	Rs. 1950 plus 12% of the amount exceeding Rs.20,000 for commercial consumers	
					Rs. 1950 plus 5% of the amount exceeding Rs.20,000 for industrial consumers	
Tax on Motor Vehicles						
[Division III, Part IV of the First Schedule]						
234	Tax on Motor Vehicles:			235A	Tax on Domestic electricity consumption if the amount of monthly bill is	
	(i) Goods transport vehicles	Rs. 2.50 per Kg. of the laden weight	Rs. 5 per Kg. of the laden weight		less than Rs.25,000	0% of bill amount
					Rs,25,000/- or more	7.5% of bill amount, If the person not appear in ATL.
	1(A) Vehicle with laden weight of 8120 Kgs or more, tax after ten (10) years from first registration in Pakistan passenger transport.	Rs. 1,200	Rs. 2,400	99A	Tax on electricity consumption from retailers other than Tier-I retailers	
	(2) In the case of Passenger transport vehicles plying for hire, seating capacity of:	Rupees (per seat per annum)	Rupees (per seat per annum)		a) Up to Rs. 30,000	Rs. 3,000
	i) 4 to 10 persons	500	1000		b) Rs. 30,000 to Rs. 50,000	Rs. 5,000
	ii) 10 to 20 persons	1500	2000		c) Rs. 50,000 to Rs.100,000	Rs. 10,000
	iii) 20 and above	2500	4000		d) Retailers and service providers as notified by the Board in the income tax general order.	Up to Rs.200,000
	(3) Other Motor vehicles, including car, jeep, van, sport utility vehicle, pick-up trucks for private use, caravan automobile, limousine, wagon or any other automobile used for private purpose: -				Advance tax on Telephone Users	
	[Division IV, Part IV of the First Schedule]					
				236	Telephone and internet, where the monthly bill exceeds Rs. 1,000	10% of the exceeding amount of bill
Annual collection of tax:	(Rs. p.a.)	(Rs. p.a.)	In the case of subscriber of internet, mobile telephone and pre-paid internet or telephone card			
up to 1000 cc	800	1600	15% of amount of bill or price of internet prepaid card or prepaid telephone card or sale of units through any electronic medium or whatever form			
1001cc to 1199cc	1,500	3,000				
1200cc to 1299cc	1,750	4,500				
1300cc to 1499cc	2,500	5,000				
1500cc to 1599cc	3,750	7,500				
1600cc to 1999cc	4,500	9,000				

2000cc and above		10,000	20,000	Advance tax at the time of Sale by Auction			
(4) where the motor vehicle tax is collected in lump sum				<i>[Division VIII, Part IV of the First Schedule]</i>			
Engine capacity		lump sum		Nature of Payment	Rate	Person Not Appear in ATL	
up to 1000 cc		Rs. 10,000	Rs. 20,000				
1001cc to 1199cc		Rs. 18,000	Rs. 36,000	236A	Sale by public auction/ tender of any property or goods shall deduct tax including award of any lease to any person	10%	20%
1200cc to 1299cc		Rs. 20,000	Rs. 40,000				
1300cc to 1499cc		Rs. 30,000	Rs. 60,000				
1500cc to 1599cc		Rs. 45,000	Rs. 90,000				
1600cc to 1999cc		Rs. 60,000	Rs. 120,000				
2000cc and above		Rs. 120,000	Rs. 240,000				

Advance tax on Sale of Immovable Property				Advance tax on Purchase of Immovable Property			
<i>[Division X, Part IV of the First Schedule]</i>				<i>[Division XVIII, Part IV of the First Schedule]</i>			
Section	Nature of Payment	Rate	Person Not Appear in ATL	Section	Nature of Payment	Rate	Person Not Appear in ATL
236C	Registering or attesting the transfer of immovable property	2%	4%	236K(1)	Advance Tax on purchase of immovable property	2%	7%
Advance tax on Sale of distributors, dealers or wholesalers							
<i>[Division XIV, Part IV of the First Schedule]</i>				236K(3)	Advance Tax on payment of installment in respect of purchase of allotment of immovable property where transfer is to be effected after making payment of all installments:	2%	7%
236G	Every manufacturer or commercial importer shall has to be collected advance tax from wholesaler, distributor & dealers at the time of sales made to them (of pharmaceuticals, poultry and animal feed, edible oil and ghee, auto-parts, tyres, varnishes, chemicals, cosmetics, IT equipment, electronics, sugar, cement, iron and steel products, fertilizer, motorcycles, pesticides, cigarettes, glass, textile, beverages, paint or foam sector):		Person Not Appear in ATL				
	Nature of Payment	Rate	Person Not Appear in ATL				

	Fertilizers	0.7%	1.4%	Advance tax on amount remitted abroad through credit, debit or prepaid cards		
	Other than fertilizers	0.1%	0.2%			
	<p>Provided that the rate of advance tax on sale to distributors, dealers or wholesalers of fertilizer shall be 0.25%, if they are already appearing on both the Active Taxpayers' Lists issued under the provisions of the Sales Tax Act, 1990 and the Income Tax Ordinance, 2001 (XLIX of 2001)</p>			<i>[Division XXI, Part IV of the First Schedule]</i>		
Advance tax on sales to retailers						
<i>[Division XV, Part IV of the First Schedule]</i>						
236H	Sales to retailers by manufacturer, distributor, dealer, wholesaler or commercial importer shall has to be collected advance tax from (pharmaceuticals, poultry and animal feed, edible oil and ghee, auto-parts, tyres, varnishes, chemicals, cosmetics, IT equipment, electronics, sugar, cement, iron and steel products, fertilizer, motorcycles, pesticides, cigarettes, glass, textile, beverages, paint or foam sector):	Rate	Person Not Appear in ATL	236Y	Advance tax on amount remitted abroad through credit, debit or prepaid cards	1%
		0.5%	1%			



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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 Apartments, 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.7 KFK Plaza Adalat Road Near
Press Club Quetta, Pakistan.

Tel: +92-81-2828266