

CHAPTER 9 WITHHOLDING TAX RATES

Section	Nature of Payment/Transaction	Rate	Responsible Person / Withholding Agent	Adjustable (A) / Final Discharge (F) Minimum Tax (MT)
148	Imports	5.00%	Collector of Customs	F (Except industrial undertaking, Large Import houses)
	Import of Items mentioned in CI 9, P II, 2nd Sch, CI 13E, P II, 2nd Sch, CI 13G P II, 2nd Sch (Gold, Silver & Mobile phone), CI 23, P II, 2 nd Sch, CI. 24A, P II, 2 nd Sch.	1.00%		F
	Import of edible oil and packing material by manufacturer of ghee & edible oil. Import of raw material by Industrial undertaking for its own use C. 9A, P II 2 nd Sch.	3.00%		Edible Oil MT. Raw Material A
	Import of items mentioned in CI 24, P II 2nd Sch, CI 13C, P II 2nd Sch,.	2.00%		F
	In respect of old and used automotive vehicles, tax under section 148 shall not exceed the amount specified in Notification No. SRO. 577(I)/2005, dated the 6 th June, 2005			F
149	Salary	Average	Employer	A
	Flying Allowance, Submarine Allowance	2.50%	Employer	F
150	Dividend			
	a) Dividend Income	10.00%	Every Person	F other than company
	b) Paid by a purchaser of a power project privatized by WAPDA CI 17, PII, 2 nd Sch.	7.50%		F other than company

	c) Paid by a company set up for power generation CI 20, PII, 2 nd Sch.	7.50%		F other than company
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Section	Nature of Payment/Transaction	Rate	Responsible Person / Withholding Agent	Adjustable (A) / Final Discharge (F)
151	Profit on Debt			
	a) Profits on DSC or National Saving Deposit certificates	10.00%	Every Person	F (Except Companies)
	b) Profit on account or deposit	10.00%	Banking company or financial institution	F (Except Companies)
	c) Govt. Securities etc	10.00%	Federal/Provincial Government / Local Authority	F (Except Companies)
	d) Profit to any person other than a financial institution, or any bond, certificate, debenture, security, or instrument of any kind (other than a loan agreement between a borrower & a banking company or a development finance institution)	10.00%	Banking company, financial institution, company or finance society	F (Except Companies)
	e) Payment to non-resident having no PE [Clause (5A), Part II, 2nd Sch.]	10.00%	Every Person	F
152	Payment to non-resident			
	Royalties or fee for technical services	15.00%	Every Person	F
	Execution of contract or sub contract under a construction, assembly or installation project in Pakistan including a contract for supply of supervisory activities relating to such project and any other contract for construction or services rendered relating thereto	6.00%	Every Person	F
	Contract for advertisement services rendered by TV satellite channels	6.00%	Every Person	F
	Payment of insurance or re-insurance premium	5.00%	Every Person	F

Other than royalty, fee for technical services, salary, dividend, rent, winnings and prizes, commission, brokerage, taxable in the hands of PE of Non-resident, payable by a person who is liable to pay tax as representative of the non-resident and exempt for non-resident	20.00%	Every Person	A
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Section	Nature of Payment/Transaction	Rate	Responsible Person / Withholding Agent	Adjustable (A) / Final Discharge (F)
153	Payment for goods and services and contracts			
	Payments to resident persons or permanent establishment of non-resident for:			
	<u>Sales of goods</u>			
	* Sale of rice, cotton seed or edible oil	1.50%	Federal Government, Provincial Government, Company, AOP constituted or formed under the law, Foreign contractor or consultant, Consortium or Joint Venture, AOP having turnover of Rs. 50m or above, NPO	F
	* sale of any other goods	3.50%		F (except manufacturer cum supplier companies and commercial supplies by public company)
	<u>Rendering of services:</u>			
	* Transport services	2.00%		Minimum Tax
	* Other services rendered or provided	6.00%		Minimum Tax
	<u>Execution of contracts:</u>			
	Other than a contractor for the supply of goods or rendering or providing of services,	6.00%		F, A for public companies
Services rendered or provided for stitching, dying, printing, embroidery, washing, sizing and weaving	0.50%	Exporter / Export house	F	

153A	<u>Payment to non-resident media person</u> Payment for advertisement services to a non-resident media person relaying from outside Pakistan	10%	Every person	F
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Section	<u>Nature of Payment/Transaction</u>	Rate	Responsible Person / Withholding Agent	Adjustable (A) / Final Discharge (F) Minimum Tax (MT)
154	<u>Exports/Indirect Exports/EPZ/Export House:</u>			
	On realization of proceeds on account of export of goods	1.00%	Authorized Dealer / Banking Company / Collector of Customs	F
	Commission to non-export indenting agent	5%		A
	Commission to Export Indenting Agent / export buying house	5.00%		
	On realization of proceeds on account of sale of goods to an exporter under inland back to back LC or any other arrangement as may be prescribed by CBR	1.00%		F
	Exports of goods located in EPZ	1.00%	EPZ Authority	F
	payment to indirect exporters as defined in DTRE Rules, 2001	1.00%	Exporter / Export house registered under DTRE Rules, 2001	F

Section	<u>Nature of Payment/Transaction</u>	Rate	Responsible Person / Withholding Agent	Adjustable (A) / Final Discharge (F) Minimum Tax (MT)
155	<p><u>Income from property</u></p> <p>Any payment in full or in part including by way of advance on account of rent of immovable property including rent of furniture and fixtures and services relating to such property and amounts mentioned in section 16(1) or (3) to <u>Individual or AOP</u></p> <p>Any payment in full or in part including by way of advance on account of rent of immovable property including rent of furniture and fixtures and services relating to such property and amounts mentioned in section 16(1) or (3) to <u>a Company</u></p>	<ul style="list-style-type: none"> • Upto 150,000 = Nil • 150,001 – 400,000 = 5% • 400,001 – 1,000,000 = Rs. 12,500 + 7.5% of the maount exceeding Rs. 400,000 • Above 1,000,000 = 57,500 + 10% of the amount exceeding Rs. 1,000,000 <ul style="list-style-type: none"> • Upto 400,000 = 5% • 400,001 – 1,000,000 = Rs. 20,000 + 7.5% of the maount exceeding Rs. 400,000 • Above 1,000,000 = 65,000 + 10% of the maount exceeding 	<p>Federal/Provincial Government, Company, Foreign Mission, Foreign Contractor or Consultant, Consortium or Joint Venture</p>	<p>F</p> <p>F</p>

		Rs. 1,000,000		
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Section	<u>Nature of Payment/Transaction</u>	Rate	Responsible Person / Withholding Agent	Adjustable (A) / Final Discharge (F) Minimum Tax (MT)
156	<u>Prizes and winnings</u>			
	Prize on Prize bond & cross word puzzle	10%	Every Person	F
	Lotteries, Raffles Prizes on quizzes or offered by companies.	20%		F
156A	<u>Commission/discount on Petroleum Products</u>			
	Commission or discount on Petroleum Products to Petrol Pump Operators	10%	Every Person	F
156B	<u>Withdrawal of balance under Pension Fund</u>		Pension Fund Manager	A
	1) Withdrawal before retirement age 2) Withdrawal, if in excess of 25% of accumulated balance at or after the retirement age.	Average rate of tax on taxable income of 3 preceding years		
231A	<u>Cash Withdrawal from bank</u>			
	Cash withdrawal exceeding Rs. 25,000 in a day	0.2% when the amount exceeds Rs. 25,000/- in a day	Every Banking Company	A

Section	<u>Nature of Payment/Transaction</u>	Rate	Responsible Person / Withholding Agent	Adjustable (A) / Final Discharge (F) Minimum Tax (MT)
231AA	<u>Advance Tax on Transactions in Bank</u> Sale against cash of any instrument, including DD, PO,	0.3% when the amount exceeds	Every banking company, Non-Banking Financial Institution,	A

	CDR, STDR, SDR, RTC or any other bearer nature or on receipt of cash on cancellation of any of these instruments, Transfer of amount against cash through online transfer.	Rs. 25,000/- in a day	Exchange Company, Authorized dealer of Foreign Exchange	
231B	Advance tax on private motor vehicles	<ul style="list-style-type: none"> • Above 850cc = 7,500 • 851-1000 = 10,500 • 1001-1300 = 16,875 • 1301-1600 = 16,875 • 1601-1800 = 22,500 • 1801 – 2000 = 16,875 • Above 2000 = 50,00 	Motor Vehicle Registration Authority	A
233	Brokerage and commission income (including non-resident agents)	10% of the amount of payment 5% in case of advertising agents {Cl 26 PII, 2 nd Sch}	Federal Government, Provisional government, Local authority, Company, AOP constituted by or under any law.	F
Section	Nature of Payment/Transaction	Rate	Responsible Person / Withholding Agent	Adjustable (A) / Final Discharge (F)
233A	Purchase & Sale of Shares		Stock Exchange	

	On purchase of shares in lieu of the commission earned by its Members	0.01%	registered in Pakistan	Minimum Tax
	On sale of shares in lieu of the commission earned by its Members.	0.01%		Minimum Tax
	From its Members in respect of trading of shares	0.01%		Minimum Tax
	From its members in respect of financing of carryover trade (Badla) in shares business	10.00%		A
234	<u>Tax on Motor Vehicles</u>			
	From plying or hiring of goods transport;	One Rupee per KG of the laden weight	Person collecting motor vehicle tax	F
	Reduced rates for goods transport vehicle with laden weight of 8120 kg or more after a period ten years from the date of first registration of the vehicle in Pakistan	Rs. 1200		F
	Passenger transport	Rs. 25 to Rs. 100 per seat		A
	All Private Motor Cars including less than 1000 cc	Rs. 750 to Rs. 8,000 per annum		A
234A	On the amount of gas bill of a CNG	4.00%	Person preparing Gas consumption bill	F
235	<u>Electricity</u>			
	Commercial/Industrial Consumer of electricity	<ul style="list-style-type: none"> • Upto Rs. 20,000 (Rs. 80 to Rs. 1,500) • Above Rs. 20,000 (10% for Commercial & 5% for Industrial Consumers) 	Person preparing electricity bills	MT upto the monthly bill amount of Rs. 30,000) otherwise adjustable. Fully adjustable for companies

Section	<u>Nature of Payment/Transaction</u>	Rate	Responsible Person / Withholding Agent	Adjustable (A) / Final Discharge (F)
236	<p data-bbox="326 394 472 426"><u>Telephone</u></p> <p data-bbox="326 432 818 506">Telephone Subscribers (Bill exceeding Rs. 1,000/-)</p> <p data-bbox="326 512 711 585">Mobile telephones & prepaid telephone cards.</p> <p data-bbox="326 627 789 701">Sale of units through any electronic medium or whatever form</p>	<p data-bbox="860 449 919 480">10%</p> <p data-bbox="860 701 919 732">10%</p>	<p data-bbox="1042 432 1235 932">Person preparing telephone bills / issuing or selling prepaid card or sale of units through any electronic medium or whatever form for mobile phones.</p>	<p data-bbox="1261 669 1284 701">A</p>
236A	<p data-bbox="326 942 769 1052">Advance tax at the time of sale by auction (including confiscated or attached) properties</p>	<p data-bbox="860 1005 902 1037">5%</p>	<p data-bbox="1042 1005 1214 1037">Every person</p>	<p data-bbox="1261 1005 1284 1037">A</p>
236B	<p data-bbox="326 1115 810 1146">Advance tax on purchase or air ticket</p>	<p data-bbox="860 1178 902 1209">5%</p>	<p data-bbox="1042 1146 1214 1255">Person preparing Air ticket</p>	<p data-bbox="1261 1178 1284 1209">A</p>