

# REANDA HAROON ZAKARIA ASSOCIATES

LEGAL & LITIGATION | TAX & CORPORATE LEGAL CONSULTANTS | TRANSACTION & FINANCIAL ADVISORY

## INCOME TAX WITHHOLDING RATES SUBSEQUENT TO FINANCE ACT 2025 | TAX YEAR 2026

1st July 2025

TAX  
DEDUCTION

RHZA  
Law



**DEDUCTION/WITHHOLDING OF INCOME TAX UNDER THE INCOME TAX ORDINANCE 2001 - EFFECTIVE AS AT 01ST JULY 2025 [UNLESS SPECIFIED OTHERWISE] | TEXT IN BLUE DEPICTS THE CHANGES SUBSEQUENT TO THE FINANCE ACT 2025 [FA 2025]**

**Note to Client/Reader:** The information below is of general nature and is not intended to give specific advice of any nature whatsoever. Placing reliance on this document is at the sole discretion of the reader and it is recommended to seek appropriate professional advice before relying on this document.

SECTIONS	PART	DIVISION	DESCRIPTION	TAX RATE (FOR FILER OR PERSON APPEARING IN ATL LIST)	TAX RATE (FOR THE PERSONS NOT APPEARING IN ATL LIST OR NON FILER)	STATUS OF TAX IN THE HANDS OF THE TAXPAYER	OTHER
OTHER THAN SALARIED	I	DIVISION I (Clause 1)	Rates of tax imposed on income of every individual and association of persons except a salaried individual				
			Where taxable income does not exceed Rs. 600,000	0%	N/A		A surcharge shall be payable by every individual and association of persons at the rate of 10% (ten percent) of the income tax imposed under Division I of Part I of the First Schedule where the taxable income exceeds rupees ten million u/s 4AB of the Income Tax Ordinance, 2001. —Provided that in case of an individual deriving income chargeable under the head "Salary", a surcharge shall be payable at the rate of 9% (nine percent).
			Where taxable income exceeds Rs. 600,000 but does not exceed Rs. 1,200,000	15% of amount exceeding the Rs. 600,000			
			Where taxable income exceeds Rs. 1,200,000 but does not exceed Rs. 1,600,000	Rs. 90,000 + 20% of the amount exceeding Rs.1,200,000			
			Where taxable income exceeds Rs. 1,600,000 but does not exceed Rs. 3,200,000	Rs. 170,000 + 30% of the amount exceeding Rs.1,600,000			
			Where taxable income exceeds Rs. 3,200,000 but does not exceed Rs. 5,600,000	Rs. 650,000 + 40% of the amount exceeding Rs. 3,200,000			
			Where taxable income exceeds Rs. 5,600,000	Rs. 1,610,000 + 45% of the amount exceeding Rs. 5,600,000  Provided that in the case of an association of persons that is a professional firm prohibited from incorporating by any law or the rules of the body regulating their profession, the 45% rate of tax shall be 40%			

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SALARY U/S 149	I	DIVISION I (Clause 2)	In case where salary is greater than 75% of his/her taxable income:		N/A		A surcharge shall be payable by every salaried person at the rate of 9% (nine percent) of the income tax imposed under Division I of Part I of the First Schedule where the annual taxable income of such salaried individual exceeds rupees ten million u/s. 4AB of the Income Tax Ordinance, 2001. Furthermore, such surcharge shall be deducted/withheld by the employer.
			Where taxable income does not exceed Rs. 600,000/-	Rs. 0			
			Where taxable income exceeds Rs. 600,000 but does not exceed Rs. 1,200,000	1% of the amount exceeding Rs. 600,000			
			Where taxable income exceeds Rs. 1,200,000 but does not exceed Rs. 2,200,000	Rs. 6,000 + 11% of the amount exceeding Rs. 1,200,000			
			Where taxable income exceeds Rs. 2,200,000 but does not exceed Rs. 3,200,000	Rs. 116,000+ 23% of the amount exceeding Rs.2,200,000			
			Where taxable income exceeds Rs. 3,200,000 but does not exceed Rs. 4,100,000	Rs. 346,000 + 30% of the amount exceeding Rs.3,200,000			
			Where taxable income exceeds Rs. 4,100,000	Rs. 616,000 + 35% of the amount exceeding Rs.4,100,000			
149(3)	-	-	Payment for directorship fee or fee for attending board meeting	20% of the gross amount payable	40%	Adjustable	
PENSION U/S 149	I	DIVISION I (Clause 1 or 2, as the case maybe)	The pension of an individual who continues to work for former employer or its associate shall be charged to tax at the rates specified under clause (1) or (2) of Division I of Part I to First Schedule as the case may be, which are mentioned above	Rates Provided in Clause 1 and 2 of Division I of Part I, which are mentioned above	N/A	Adjustable	Surcharge as mentioned above will be applicable
PENSION U/S 149	I	Proviso to clause (2) of DIVISION I	Any person responsible for paying pension to a former employee who is below the age of <u>seventy years</u> and deriving pension income during a tax year:		N/A	Final	Insertion of section 149(1A) has not clarified about withholding in cases where an employee who has attained the age of 70 years and continues to work with the former employer. Therefore, in our view, in such a case there will be no withholding.
			Where the amount of pension received does not exceed rupees ten million	0% of the amount			
			Where the amount of pension received exceed rupees ten million	5% of the amount exceeding rupees ten million			

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DIVIDEND U/S 150	III	DIVISION I	(a) In case of dividend paid by Independent Power (Producers) where such dividend is pass through item under an Implementation Agreement or Power Purchase Agreement or Energy Purchase Agreement and is required to be reimbursed by Central Power Purchasing Agency (CPPA-G) or its predecessor or successor entity.	7.5%	15.0%	Final	
	III	DIVISION I	(b) Real Estate Investment Trusts and cases others than those mentioned in clauses (a), (ba), (c) and (d)	15%	30%		
	III	DIVISION I	(ba) <b>Persons other than corporate entity</b> receiving dividend from mutual funds contingent upon proportional income derived from average annual investments in debt securities and equities respectively.	25% (for debt securities) & 15% (for equity securities)	50% & 30%		
	III	DIVISION I	(ba) <b>Corporate entity</b> receiving dividend from mutual funds contingent upon proportional income derived from average annual investments in debt securities and equities respectively.	29% (for debt securities) & 15% (for equity securities)	58% & 30%		
	III	DIVISION I	(c) Dividend received by REIT scheme from Special Purpose Vehicle	0%	0%		
	III	DIVISION I	(c) Dividend received by others from Special Purpose Vehicle as defined under the REIT Regulations, 2015	35%	70%		
	III	DIVISION I	(d) Person receiving dividend from a company where no tax is payable by such company, due to exemption of income or carry forward of business losses under Part VIII of Chapter III or claim tax credits under Part X of Chapter III	25%	50%		



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<b>Capital gains U/S 37 sub section (6)</b>			The person acquiring a capital asset, being shares of an [unlisted] company, shall deduct advance adjustable tax from the gross amount paid or payable as consideration for the shares at the time of payment or at the time of registration of shares by the Securities and Exchange Commission of Pakistan or by the State Bank of Pakistan, whichever is earlier at the rate of ten percent of the fair market value of the shares which shall be paid to the Commissioner by way of credit to the Federal Government, within fifteen days of the payment.	10% of the fair market value	20% of the fair market value	Adjustable	
<b>PROFIT ON DEBT U/S 151</b>	III	DIVISION IA	(a) The rate of tax to be deducted under section 151 of the yield or profit paid by a banking company or financial institution on an account or deposit maintained with such company or institution	20%	40%	Final tax in the hands of a person other than a Company whose income from profit on debt does not exceed Rs.5 million	
	III	DIVISION IA	(b) The rate of tax to be deducted under section 151 of the yield or profit from any other person other than individual on Government Securities other than account, deposit or a certificate under the National Savings Scheme or Post Office Savings Account;	20%	40%		
	III	DIVISION IA	(b) The rate of tax to be deducted under section 151 of the yield or profit from individual on Government Securities and deposit or a certificate under the National Savings Scheme or Post Office Savings Account;	15%	30%		
	III	DIVISION IA	(c) The rate of tax to be deducted under section 151 of the yield or profit in cases other mentioned above in clause (a) & (b)	15%	30%		

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GAIN ARISING ON DISPOSAL OF CERTAIN DEBT SECURITIES U/S 151A	III	DIVISION IIIAA	Every custodian of debt securities including a banking company responsible to maintain Investor Portfolio Securities (IPS) Account on behalf of holder of a debt security shall at the time of disposal of debt securities including government securities deduct tax on the gross amount of capital gain arising to such holder.	15%	30%	-	This section shall not apply on disposal of debt securities made through registered stock exchange and which are settled through NCCPL
RETURN ON INVESTMENT IN SUKUKS U/S 151 READ WITH SECTION 5AA	III	DIVISION IB	Every special purpose vehicle or a company, at the time of making payment of a return on investment in sukuks to a sukuk holder shall deduct tax from the gross amount of return on investment.				
			For Companies	25%	35%	Minimum/Final	
			For Individual & AOP return below Rs.1 million	10%	35%	Minimum/Final	
			For Individual & AOP return above Rs.1 million	12.50%	35%	Minimum/Final	
PAYMENTS TO NON-RESIDENTS U/S 152	I	DIVISION IV	The rate of tax to be deducted from a payment referred to in sub-section (1) of section 152 shall be [royalty or fees for technical services or fee for digital services]	15%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
	III	DIVISION II	The rate of tax to be deducted from a payment referred to in sub-section (1A) of section 152 shall be [Execution of various types of Contracts]	7%	No double tax rate [as per Rule 10 of Tenth Schedule]	Minimum	
	III	DIVISION II	The rate of tax to be deducted from payments referred to in subsection (1AA) of section 152, shall be [Insurance or reinsurance Premium]	5%	No double tax rate [as per Rule 10 of Tenth Schedule]	Minimum	
	The rate of tax provided in sub-section 1BA of section 152		The rate of tax to be deducted from payments referred to in subsection (1BA) of section 152, shall be [Foreign produced commercial for advertisement on any television channel or any other media]	20%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	

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<b>PAYMENTS TO NON-RESIDENTS U/S 152</b>	I	DIVISION IV	The rate of tax to be deducted from payments referred to in subsection (1DC) of section 152, shall be [ payment of service charges or commissioner fee, by whatever name called, to the global money transfer operators, international money transfer operators or such other persons engaged in international money transfers or cross-border remittances for facilitating outward remittances]	10%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
	I	DIVISION IV	The rate of tax to be deducted from payments referred to in subsection (1DD) of section 152, shall be [ payment to card network company or payment gateway or any other person, of any transaction fee or licensing fee or service charges or commission or fee by whatever name called or interbank financial telecommunication services]	10%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
	III	DIVISION II	The rate of tax to be deducted under sub-section (2) of section 152 shall be [Every amount other than covered under sub-sections (1A), (1AA), (1AAA), (1C), or (2A)]	20%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
	III	DIVISION II	The rate of tax to be deducted under sub-section (1AAA) of section 152, shall be [Advertisement Services]	10%	No double tax rate [as per Rule 10 of Tenth Schedule]	Minimum	

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PAYMENTS TO NON-RESIDENTS U/S 152	I	DIVISION IV	The rate of tax to be deducted by banking company or a financial institution under sub-section 1C of section 152 shall be [fee for offshore digital services] - <b>This will not be applicable where the recipient is also liable to Digital Presence Proceeds Levy and same has been collected.</b>	10%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
	III	DIVISION II	The rate of tax to be deducted under [sub-sections (1D) and (1DA)] of section 152 shall be [Capital Gain on disposal of Debt instruments, Government Securities and Certificates]	10%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
	III	DIVISION IB	<b>The tax rate to be deducted under sub section (1DB) of section 152 shall be [ Return on Investment in Sukuks]</b>				
			For Companies	25%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
			For Individual & AOP return below Rs.1 million	10%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
			For Individual & AOP return above Rs.1 million	12.50%	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
	III	DIVISION II	<b>The rate of tax to be deducted from a payment referred to in clause (a) of sub-section (2A) of section 152 shall be</b>				
	III	DIVISION II	in case of a company	5%	10%	Minimum Tax, but for Company being Manufacturer it is Adjustable	
	III	DIVISION II	in any other case	5.5%	11.0%	Minimum Tax, but for Company being Manufacturer it is Adjustable	
	III	DIVISION II	<b>The rate of tax to be deducted from a payment referred to in clause (b) of sub-section (2A) of section 152 shall be</b>				



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PAYMENTS TO NON-RESIDENTS U/S 152	III	DIVISION II	in the cases of transport services, freight forwarding services, air cargo services, courier services, manpower outsourcing services, hotel services, security guard services, software development services, 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.	8%	16%	Minimum	
	III	DIVISION II	in the cases of IT services and IT enabled services as defined in section 2	4%	8%	Minimum	
	III	DIVISION II	in cases other than specified services mentioned above.				
	III	DIVISION II	in case of a company	15%	30%	Minimum	
	III	DIVISION II	in any other case	15%	30%	Minimum	
	III	DIVISION II	The rate of tax to be deducted from a payment referred to in clause (c) of sub-section (2A) of section 152 shall be				
	III	DIVISION II	in case of sportspersons	15%	30%	Minimum	
	III	DIVISION II	in case of a company	8%	16%	Minimum	
PAYMENTS FOR GOODS OR SERVICES U/S 153			The rate of tax to be deducted from a payment referred to in clause (a) of sub-section (1) of section 153 shall be				
	2nd Schedule	24A - Clause	Payment to Distributors of Cigarette	2.5%	5%	Advance tax for listed companies and companies engaged in manufacturing of such goods other than that Minimum Tax for other cases	
	III	DIVISION III	in the case of the sale of rice, cotton seed or edible oils	1.5%	3.0%		
	III	DIVISION III	in the case of sale of goods [excluding toll manufacturing]				
	III	DIVISION III	in case of a company	5%	10%		
	III	DIVISION III	in any other case	5.5%	11.0%		
	III	DIVISION III	in the case of toll manufacturing				
	III	DIVISION III	in case of a company	9%	18.0%		
	III	DIVISION III	in any other case	11%	22.0%		
			The rate of tax to be deducted from a payment referred to in clause (b) of sub-section (1) of section 153 shall be				

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PAYMENTS FOR GOODS OR SERVICES U/S 153	III	DIVISION III	in the cases of transport services, freight forwarding services, air cargo services, courier services, manpower outsourcing services, hotel services, security guard services, software development services, 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, car rental services, building maintenance services, services rendered by Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited, inspection, certification, testing and 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.	6%	12%	Minimum	
	III	DIVISION III	in the cases of IT services and IT enabled services as defined in section 2	4%	8%		
	III	DIVISION III	in case of rendering of or providing of services other than above				
	III	DIVISION III	in case of a company	15%	30%		
	III	DIVISION III	in any other case	15%	30%		
	III	DIVISION III	in respect of persons making payments to electronic and print media for advertising services	1.5%	3.0%		
			The rate of tax to be deducted from a payment referred to in clause (c) of sub-section (1) of section 153 shall be				
	III	DIVISION III	in case of sportspersons	15%	30%	Adjustable in case of payment to listed companies on the stock exchange otherwise minimum	
	III	DIVISION III	In case of payment made to Listed Companies on registered Stock Exchange	7.5%	15.0%		
	III	DIVISION III	in case of a company	7.5%	15.0%		
	III	DIVISION III	in any other case	8%	16%		
			The rate of tax to be deducted from a payment referred to in sub-section (2A) of section 153 shall be			Final	
	III	DIVISION III	In case of payment through digital means or banking channels by payment intermediary	1%	2%		
	III	DIVISION III	In case of payment through cash on delivery by courier service	2%	4%		

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EXPORTS U/S 154	III	DIVISION IV	The rate of tax to be deducted under sub-sections (1), (3), (3A), (3B) or (3C) of section 154 shall be	1%	No double tax rate [as per Rule 10 of Tenth Schedule]	Minimum	
	III	DIVISION IV	Every exporter or an Export house making a payment to a resident person or PE in Pakistan of a non-resident for rendering or providing Stitching, dying, printing, embroidery, washing, sizing and weaving services	1%	No double tax rate [as per Rule 10 of Tenth Schedule]	Minimum	
	III	DIVISION IV	Cooking oil/vegetable ghee exported to Afghanistan, if tax u/s 148 is paid on import of edible oil [clause 47C of Part IV of Second Schedule]	0%	No double tax rate [as per Rule 10 of Tenth Schedule]	N/A	
EXPORTS OF SERVICES U/S 154A	III	DIVISION IVA	Export proceeds of Computer software or IT services or IT Enabled services by persons registered with Pakistan Software Export Board	0.25% of proceeds of the export	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
	III	DIVISION IVA	Any other case	1% of proceeds	No double tax rate [as per Rule 10 of Tenth Schedule]	Final	
INCOME FROM PROPERTY U/S 155	III	DIVISION V	<b>The rate of tax to be deducted under section 155, in the case of individual and association of persons, shall be:</b>		100% increase	Adjustable	
	III	DIVISION V	Where the gross amount of rent does not exceed Rs.300,000.	Nil			
	III	DIVISION V	Where the gross amount of rent exceeds Rs.300,000 but does not exceed Rs.600,000.	5% of the gross amount exceeding Rs.300,000			
	III	DIVISION V	Where the gross amount of rent exceeds Rs.600,000 but does not exceed Rs.2,000,000	Rs.15,000 plus 10% of the gross amount exceeding Rs.600,000.			
	III	DIVISION V	Where the gross amount of rent exceed Rs.2,000,000.	Rs.155,000 plus 25% of the gross amount exceeding Rs.2,000,000.			
	III	DIVISION V	in the case of company shall be	15%	30%		

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PRIZE AND WINNINGS U/S 156	III	DIVISION VI	The rate of tax to be deducted under section 156 on a prize on prize bond or cross-word puzzle shall be	15%	30%	Final	
			The rate of tax to be deducted under section 156 on winnings from a raffle, lottery, prize on winning a quiz, prize offered by a company for promotion of sale, shall be	20%	40%	Final	
PETROLEUM PRODUCTS U/S 156A	III	DIVISION VIA	on amount of payment	12%	24%	Final	
ADVANCE TAX ON MOTOR VEHICLES AT THE TIME OF REGISTRATION & SALE U/S. 231B(1) & 231B(3)	IV	DIVISION VII	Engine Capacity	Tax	Increased by 200%	Adjustable	
			Up to 850 cc	0.5% of the value			
			851cc to 1000cc	1% of the value			
			1001cc to 1300cc	1.5% of the Value			
			1301cc to 1600cc	2% of the Value			
			1601cc to 1800cc	3% of the Value			
			1801cc to 2000cc	5% of the Value			
			2001cc to 2500cc	7% of the Value			
			2501cc to 3000cc	9% of the Value			
			Above 3000cc	12% of the Value			
			Provided that the value for the purpose of the above Table shall be in case of motor vehicle –				
			(i) imported in Pakistan, the import value assessed by the Customs authorities as increased by customs duty, federal excise duty and sales tax payable at import stage;				
			(ii) manufactured or assembled locally in Pakistan, the invoice value inclusive of all duties and taxes; or				
			(iii) auctioned, the auction value inclusive of all duties and taxes:				
			Provided further 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				

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ADVANCE TAX AT THE TIME OF TRANSFER OWNERSHIP OF MOTOR VEHICLES U/S. 231B(2)	IV	DIVISION VII	Engine Capacity	Tax	Increased by 200%	Adjustable	
			Up to 850 cc	-			
			851cc to 1000cc	5,000			
			1001cc to 1300cc	7,500			
			1301cc to 1600cc	12,500			
			1601cc to 1800cc	18,750			
			1801cc to 2000cc	25,000			
			2001cc to 2500cc	37,500			
			2501cc to 3000cc	50,000			
			Above 3000cc	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.				
			ADVANCE TAX AT THE TIME OF REGISTRATION OF MOTOR VEHICLES IF THE LOCALLY MANUFACTURED VEHICLE HAS BEEN SOLD PRIOR TO REGISTRATION BY THE PERSON WHO ORIGINALLY PURCHASED IT FROM LOCAL MANUFACTURER U/S. 231B(2A)	IV			DIVISION VII
Up to 1000 cc	100,000						
1001cc to 2000cc	200,000						
2001cc and above	400,000						



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ADVANCE TAX ON FOREIGN DOMESTIC WORKERS U/S 231C			Any authority issuing or renewing domestic aide visa to any foreign national as a domestic worker at the time of issuing or renewing such visa shall collect from the agency, sponsor or the person as the case may be, employing the services of such foreign national	Rs.200,000	Rs. 400,000	Adjustable [The tax collected or collectible under this section shall be adjustable advance tax for the tax year to which it relates on the income of such agency, sponsor or a person, as the case may be, employing the services of such foreign national.]	
ADVANCE TAX ON CASH WITHDRAWAL U/S 231AB			Advance Tax on Cash Withdrawal (Exceeding Rs. 50,000/- in aggregate in a day) for persons not appearing in ATL	-	0.8%	Adjustable	
BROKERAGE AND COMMISSION U/S 233	IV	DIVISION II	Advertising Agents	10%	20%	Minimum	
	IV	DIVISION II	Life Insurance Agents where commission received is less than Rs.0.5 million per annum	8%	16%		
	IV	DIVISION II	other persons	12%	24%		

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MOTOR VEHICLE U/S 234	IV	DIVISION III	In case of goods transport vehicles.	Tax of two rupees and fifty paisa per kilogram of the laden weight shall be charged	Increased by 100%		Adjustable
	IV	DIVISION III	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 first registration of vehicle in Pakistan	Rs. 1,200/ Annum	Increased by 100%		
	IV	DIVISION III	In the case of passenger transport vehicles plying for hire with registered seating capacity of				
			Capacity	Rs. Per seat per annum (Non-Air conditioned)	Rs. Per seat per annum [Air conditioned]	For ther person not appearing on ATL	
			4 or more persons but less than 10 persons	200	375	Increased by 100%	
			10 or more persons but less than 20 persons	500	750	Increased by 100%	
			20 persons or more	1000	1500	Increased by 100%	
			In case of other motor vehicles shall be as set out as:		Rs Per seat per annum		
	IV		upto 1000cc	Rs. 800	Rs.1,600		
			1001cc to 1199cc	Rs. 1,500	Rs.3,000		
			1200cc to 1299cc	Rs. 1,750	Rs.3,500		
			1300cc to 1499cc	Rs. 2,500	Rs.5,000		
			1500cc to 1599cc	Rs. 3,750	Rs.7,500		
		1600cc to 1999cc	Rs. 4,500	Rs.9,000			
		2000cc & above	Rs. 10,000	Rs.20,000			
		IV	Where the motor vehicle tax is collected in lump sum				
	upto 1000cc		Rs. 10,000	Rs.20,000			
	1001cc to 1199cc		Rs. 18,000	Rs.36,000			
	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 & above		Rs. 120,000	Rs.240,000			

SECTIONS	PART	DIVISION	DESCRIPTION	TAX RATE (FOR FILER OR PERSON APPEARING IN ATL LIST)	TAX RATE (FOR THE PERSONS NOT APPEARING IN ATL LIST OR NON FILER)	STATUS OF TAX IN THE HANDS OF THE TAXPAYER	OTHER
ELECTRICITY CONSUMPTION-SECTION 235	IV	IV	For Commercial & Industrial Consumers	Gross Amount of Bill	Tax	(a) in the case of a taxpayer other than a company, tax collected upto bill amount of [three hundred and sixty thousand Rupees per annum] shall be treated as minimum tax on the income of such persons and no refund shall be allowed;	No double tax rate for the commercial and industrial consumers as per Rule 10 of Tenth Schedule [however for residential persons not appearing on ATL provisions of section 235 will apply without any doubling of the tax rate]
				Upto Rs.500	Rs.0	(b) in the case of a taxpayer other than a company, tax collected on monthly bill over and above thirty thousand rupees per month shall be adjustable; and	
				Exceeds Rs.500 but does not exceed Rs.20,000	Rs.10% of amount		
				Exceeds Rs.20,000	Rs.1,950 plus 12% of amount exceeding Rs.20,000 for commercial consumers. Rs.1,950 plus 5% of amount exceeding Rs.20,000 for industrial consumers		
			For Non ATL Domestic Consumers	(i) zero percent the amount of monthly bill is less than Rs.25,000; and (ii) 7.5% if the amount of monthly bill is Rs.25,000 or more		(c) in the case of a company, tax collected shall be adjustable against tax liability.	

SECTIONS	PART	DIVISION	DESCRIPTION	TAX RATE (FOR FILER OR PERSON APPEARING IN ATL LIST)	TAX RATE (FOR THE PERSONS NOT APPEARING IN ATL LIST OR NON FILER)	STATUS OF TAX IN THE HANDS OF THE TAXPAYER	OTHER
TELEPHONE AND INTERNET USERS- SECTION 236	IV	DIVISION V	a) in the case of a telephone subscriber (other than mobile phone subscriber) where the amount of monthly bill exceeds Rs.1000, 10% of the exceeding amount of bill.  b) in the case of subscriber of internet, mobile telephone and pre-paid internet or telephone card, 15% of the amount of bill or sales price of internet pre-paid card or prepaid telephone card or sale of units through any electronic medium or whatever form. Provided that in the case of persons mentioned in income tax general order issued under section 114B, the rate of collection of tax shall be 75% of the amount of bill or sale price of internet pre-paid card or prepaid telephone card or sale of units to any electronic medium or whatever form.	-	No double tax rate [as per Rule 10 of Tenth Schedule].	Adjustable	
SALE BY PUBLIC AUCTION - SECTION 236A	IV	DIVISION VIII	Any property or good other than immoveable property	10%of gross sale price	20%of gross sale price	Adjustable	
			in case of immovable property sold by auction and sale by auction of train management services by Pakistan Railways	5%of gross sale price	10%of gross sale price	Adjustable	
SALE OR TRANSFER OF IMMOVABLE PROPERTY U/S 236C	IV	DIVISION X	The rate of tax to be collected of the gross amount of the consideration received	Person appearing in ATL	Person appearing in ATL who filed returns after due date [Read "Note A" for clarification at the bottom of this document]	Person not appearing in ATL	Adjustable, but Minimum where immovable property is acquired and disposed of within the same tax year
			upto Rs. 50 Million	4.5%	7.5%	11.5%	
			over Rs, 50 Millions to 100 Million	5.0%	8.5%	11.5%	
			Exceeding 100 Millions	5.5%	9.5%	11.5%	

SECTIONS	PART	DIVISION	DESCRIPTION	TAX RATE (FOR FILER OR PERSON APPEARING IN ATL LIST)	TAX RATE (FOR THE PERSONS NOT APPEARING IN ATL LIST OR NON FILER)	STATUS OF TAX IN THE HANDS OF THE TAXPAYER	OTHER
ADVANCE TAX ON FOREGIN TV SERIALS AND ADVERTISEMENTS - SECTION 236CA	IV	DIVISION XA	Foreign-produced TV drama serial or play	Rs. 1,000,000 per episode	Increased by 100%	Minimum	
			Foreign-produced TV play (single episode)	Rs. 3,000,000 for single episode			
			Advertisement starring foreign actor	Rs.100,000 per second			
ADVANCE TAX ON FUNCTIONS AND GATHERINGS- SECTION 236CB	IV	DIVISION XI	advance tax on the total amount of bill from a person arranging or holding function	10%	20%	Adjustable	
ADVANCE TAX ON SALE TO DISTRIBUTORS, DEALERS OR WHOLESALERS U/S 236G	IV	DIVISION XIV	Fertilizers	0.7%	1.4%	Adjustable	
	IV	DIVISION XIV	Other than Fertilizers	0.1%	2.0%		
	IV	DIVISION XIV	Rate of advance tax on sale to distributors, dealers or wholesalers of fertilizer (if they are appearing on both the ATL issued under the STA & ITO)	0.25%	-		
ADVANCE TAX ON SALE TO RETAILERS U/S 236H	IV	DIVISION XV	The rate of collection of tax on the gross amount of sales	0.5%	2.5%	Adjustable	
ADVANCE TAX ON PURCHASE OF IMMOVABLE PROPERTY U/S 236K	IV	DIVISION XVIII	The rate of collection of tax on the fair market value	Person appering in ATL	Person appearing in ATL who filed returns after due date [Read "Note A" for clarification at the bottom of this document]	Person not appearing in ATL	Adjustable
			upto Rs. 50 Million	1.5%	4.5%	10.5%	
			over Rs, 50 Millions to 100 Million	2.0%	5.5%	14.5%	
			Exceeding 100 Millions	2.5%	6.5%	18.5%	



SECTIONS	PART	DIVISION	DESCRIPTION	TAX RATE (FOR FILER OR PERSON APPEARING IN ATL LIST)	TAX RATE (FOR THE PERSONS NOT APPEARING IN ATL LIST OR NON FILER)	STATUS OF TAX IN THE HANDS OF THE TAXPAYER	OTHER
ADVANCE TAX ON MAOUNT REMITTED ABROAD THROUGH CREDIT, DEBIT OR PREPAID CARDSU/S 236Y	IV	DIVISION XXVII	Every Banking company shall collect at the time of transfer of any sum remitted outside Pakistan, on behalf of any person who has completed a credit card or debit card or prepaid card transaction with a person outside Pakistan	5% of the gross amount remitted abroad	10%	Adjustable	
BONUS SHARES ISSUED BY COMPANIES U/S 236Z	The rate of tax provided in section 236Z		Every company issuing bonus shares to the shareholders of the company (applicable on gross amount)	10%	20%	Final	

**SECTIONS TO WHICH TENTH SCHEDULE DOES NOT APPLY (I.E., THE DOUBLING OF TAX RATE OF TAXPAYER NOT ON ATL)**

Particular	Description
tax deducted under section 149	Salary
tax deducted under section 152 other than sub-section [(2A)(a),] (2A)(b) and (2A)(c) of section 152	Payments to non-residents
Tax deducted under clause (5A) of Part II of the Second Schedule read with sub-section (2) of section 152	-
tax deducted under sub-section (2) of section 152 to the extent of clause (5AA) of Part II	Payments to non-residents
tax collected or deducted under section 154	Exports
tax collected or deducted under section 154A	Exports of IT Services
tax deducted under section 231AB	Advance tax on cash withdrawal
tax deducted under section 235	Electricity consumption
tax collected under section 236	Telephone and Internet
tax collected under section 37A <a href="#">on disposal of securities acquired on and from 1st day of July, 2025</a>	Capital gain on securities

**Note:** Other than provided above, where tax is required to be deducted or collected under any provision of the Ordinance from persons not appearing in the active taxpayers' list, the rate of tax required to be deducted or collected, as the case may be, shall be increased by 100% (hundred percent) of the rate specified in this Ordinance.

**SPECIAL CASES FOR PERSONS NOT APPEARING IN ATL UNDER THE TENTH SCHEDULE**

Particular	Description
Tax required to be collected under section 231B shall be increased by two hundred percent of the rate specified	Motor vehicles
Tax required to be collected under section 236K shall be at the rates as set out in " <b>Table (1)</b> " below, in case of persons not appearing in the active taxpayers' list	See Table (1) Below
The tax required to be collected or deducted, under sections specified in column (2) against transactions specified in column (3) shall be at the rates specified in column (4) of the " <b>Table (2)</b> " below, in case of persons not appearing in the active taxpayers' list.	a) Profit on debt ---> Omitted through FA 2025 b) Sale of Immovable Property c) Sale to distributor, dealers, wholesalers other than fertilizer d) Sale to Retailers

**TABLE (1) FOR 236K [i.e. purchase of immoveable property]**

Fair Market Value of Immovable Property	Tax Rate
Where the fair market value does not exceed Rs. 50 million	10.50%
Where the fair market value exceeds Rs. 50 million but does not exceed Rs. 100 million	14.50%
Where the fair market value exceeds Rs. 100 million	18.50%

**TABLE (2)**

Section [column 2]	Description [column 3]	Tax Rate [column 4]
Section 151 [Profit on Debt]	On yield or profit on debt	Omitted, meaning thereby the applicable rate for persons not appearing in ATL will be increased by 100%
Section 236C [Sale of immoveable property]	On the gross amount of consideration received on sale or transfer of immovable property	11.50%
section 236G [Sale to distributor, dealers, wholesalers other than fertilizer]	On the gross amount of sale to distributors, dealers or wholesalers other than sale of fertilizer.	2%
Section 236H [Sale to Retailers]	On the gross amount of sale to retailers	2.50%

**Rule 1A of Tenth Schedule.**

**Rate of deduction or collection of tax from persons who are appearing on active taxpayers' list but have not filed return by the due date.**

Where tax is required to be collected in respect of persons appearing on the active taxpayas' list who have not filed the return by the due date specified in section 118 or by the due date as extended under section 119 or 214A, the rate of tax shall be as **provided under the Tables, i.e., "Table(a)" & "Table (b) below:**

**TABLE (a) - FOR WHT U/S 236C [Sale of Immovable Property]**

Where the gross amount of consideration received does not exceed Rs. 50 million	7.5%
Where the gross amount of consideration received exceeds Rs. 50 million but does not exceed Rs. 100 million	8.5%
Where the gross amount of consideration received exceeds Rs. 100 million	9.5%

**TABLE (a) - FOR WHT U/S 236K [Purchase of Immovable Property]**

Where the fair market value does not exceed Rs. 50 million	4.5%
Where the fair market value exceeds Rs. 50 million but does not exceed Rs. 100 million	5.5%
Where the fair market value exceeds Rs. 100 million	6.5%

**[Proviso to Rule 1A of Tenth Schedule]:** Provided that the provisions of this rule shall not apply to a person who has filed return by the due date specified in section 118 or by the due date as extended under section 119 or section 214A for all of the last three tax years preceding the tax year for which the return has not been filed by the due date specified in section 118 or by the due date as extended under section 119 or 214A.

**Capital Gain Tax u/s. 37A for persons not appearing on ATL. This is not part of Tenth Schedule, however it has been inserted under Division VII of Part-I of the First Schedule to the Ordinance.**

In case of Individuals and AOPs [where not appearing on ATL]	Higher of 15% and normal tax rate specified in Division I for individuals and AOPs
In case of companies [where not appearing on ATL]	Corporate Rate of tax as specified in Division II of Part I to the First Schedule

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