

# **RATES**

**Amended upto 30-06-2020**

## **FOR THE TAX YEAR - 2021**

### **TAX RATES FOR INDIVIDUALS** **[Division I, Part I of the First Schedule]**

<b>Salary / Business Income (Rs)</b>		<b>Tax Rates</b>
1	Upto Rs. 600,000	0%
2	Rs. 600,001 to Rs. 1,200,000	5% exceeding 600,000
3	Rs. 1,200,001 to Rs. 1,800,000	30,000 + 10% exceeding 1,200,000
4	Rs. 1,800,001 to Rs. 2,500,000	90,000 + 15% exceeding 1,800,000
5	Rs. 2,500,001 to Rs. 3,500,000	195,000 + 17.5% exceeding 2,500,000
6	Rs. 3,500,001 to Rs. 5,000,000	370,000 + 20% exceeding 3,500,000
7	Rs. 5,000,001 to Rs. 8,000,000	670,000 + 22.5% exceeding 5,000,000
8	Rs. 8,000,001 to Rs. 12,000,000	1,345,000 + 25% exceeding 8,000,000
9	Rs. 12,000,001 to Rs. 30,000,000	2,345,000 + 27.5% exceeding 12,000,000
10	Rs. 30,000,001 to Rs. 50,000,000	7,295,000 + 30% exceeding 30,000,000
11	Rs. 50,000,001 to Rs. 75,000,000	13,295,000 + 32.5% exceeding 50,000,000
12	Above 75,000,000	21,420,000 + 35% exceeding 75,000,000

### **TAX RATES FOR AOPs and NON-SALARIED INDIVIDUALS**

<b>Business Income (Rs)</b>		<b>Tax Rates</b>
1	Upto Rs. 400,000	0%
2	Rs. 400,001 to Rs. 600,000	5% exceeding 400,000
3	Rs. 600,001 to Rs. 1,200,000	10,000 + 10% exceeding 600,000
4	Rs. 1,200,001 to Rs. 2,400,000	70,000 + 15% exceeding 1,200,000
5	Rs. 2,400,001 to Rs. 3,000,000	250,000 + 20% exceeding 2,400,000
6	Rs. 3,000,001 to Rs. 4,000,000	370,000 + 25% exceeding 3,000,000
7	Rs. 4,000,001 to Rs. 6,000,000	620,000 + 30% exceeding 4,000,000
8	Above 6,000,000	1,220,000 + 35% exceeding 6,000,000

### **TAX RATES FOR RENT OF IMMOVABLE PROPERTY - INDIVIDUAL AND AOPs**

Rental Income (Rs)		Tax Rates
1	Upto Rs. 200,000	NIL
2	Rs. 200,001 to Rs. 600,000	5% exceeding 200,000
3	Rs. 600,001 to Rs. 1,000,000	20,000 + 10% exceeding 600,000
4	Rs. 1,000,001 to Rs. 2,000,000	60,000 + 15% exceeding 1,000,000
5	Rs. 2,000,001 to Rs. 4,000,000	210,000 + 20% exceeding 2,000,000
6	Rs. 4,000,001 to Rs. 6,000,000	610,000 + 25% exceeding 4,000,000
7	Rs. 6,000,001 to Rs. 8,000,000	1,110,000 + 30% exceeding 6,000,000
8	Above 8,000,000	1,710,000 + 35% exceeding 8,000,000
<b>Tax Rates for Rent of Immovable Property -Companies</b>		
15% of gross rent		

## TAX RATES FOR RENT OF IMMOVABLE PROPERTY - COMPANIES

15% of gross rent	
<b>Other important tax rates</b>	
<b>Companies Genral</b>	<b>Tax Rates</b>
	22%
Banking Company	35%
All other Company	29%
Alternate Corporate Tax (ACT)	17%
Minimum Turnover Tax	1.50%

## SUPER TAX

1	Banking Company	4%
2	Other persons	0%

## TAX ON SALE - SPECIFIED SECTOR

Tax on Sale - Specified Sector		Filer	Non-Filer
1	Sale to Distributors, Dealers and wholesalers	0.1%	0.2%
2	Tax on sale to Retailers - Electronics	1%	2%
3	Tax on sale to Retailers - Others	0.5%	1%

## GAIN ON IMMOVABLE PROPERTY

<b>Immovable Property</b>		
1	Sold within 1 year	100%
2	Sold after 1 year but not exceeding 2 years of	75%

	purchase	
3	Sold after 2 year but not exceeding 3 years of purchase	50%
4	Sold after 3 year but not exceeding 4 years of purchase	25%
5	Sold after 4 years of purchase	0%

## CAPITAL GAIN ON DISPOSAL OF IMMOVABLE PROPERTY

Section 37(1A)	
Where gain does not exceed Rs. 5,000,000/-	2.5%
Where gain exceed Rs. 5,000,000/- but does not exceed 10,000,000/-	5%
Where gain exceed Rs. 10,000,000/- but does not exceed 15,000,000/-	7.5%
Where gain exceed Rs. 15,000,000/	10%
<b>Taxability of gain immovable property (sale price-cost)</b>	
Where holding period is less than 1 year - 100%	
Where holding period is less than 2 year - 75%	
Where holding period is less than 3 year - 50%	
Where holding period is less than 4 year - 25%	
Where holding period is less than 4 year - 0%	

## PURCHASE OF AIR TICKETS / OTHERS

	Filer	Non-Filer
<b>Purchase of Air Tickets - Domestic</b>	5%	
<b>Purchase of Air Tickets - International</b>		
Economy Class	0%	
Executive / First Class	Rs. 16,000 per person	
Other excluding economy	Rs. 12,000 per person	
CNG Business	4%	8%
CNG Stations u/s 236V	4%	8%
Services / Contracts outside Pakistan	50% rebate on tax rates u/s 153	
General Insurance Premium	0%	0%
Foreign parments through credit cards u/s 236Y	1%	2%
Life Insurance Premium over 0.3M	0%	0%
Offshore digital services from non-resident	5%	10%
Royalty and technical services (Resident)	15%	30%

Royalty and technical services (Non-Resident)	15%	15%
On Prize Bonds	15%	30%

### SALE OF GOODS

Sale of Goods		Filer	Non-Filer
1	By Company	4%	8%
2	By Individual and AOP	4.5%	9%

### FAST MOVING CONSUMER GOODS

Sale of Goods		Filer	Non-Filer
1	By Company	2%	4%
2	By Individual and AOP	2.5%	5%
Minimum limit on tax deduction for payments against goods Rs. 75,000 and on services Rs. 30,000 per annum.			

### SERVICES

Services	Filer	Non-Filer
By Company	8%	16%
By Individual and AOP	10%	20%
Royalty to resident persons	15%	30%
By export houses for services rendered	1%	2%
Advertisement Services (Electronics/print media)	1.5%	3%
Advertisement Services (Electronics/print media)	3%	6%
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 clause (33) of Part I of Second Schedule		
Tracking Services		
Share Registered Services		
Engineering Services		
Car Rental Services		
Building maintenance Services		
Inspection Services		
Certification Services		
Testing Services		
Training Services		
Warehouse services		
Asset management services		
Data services under license issued by (PTA)		

Telecommunication Infrastructure (tower) services Services rendered by Pakistan Stock Exchange Limited		
---	--	--

### TRAINING SERVICES

Contracts		Filer	Non-Filer
1	By Company	7%	14%
2	By Individual and AOP	7.5%	15%

### BROKERAGE AND COMMISSION

Brokerage and Commission		Filer	Non-Filer
1	Advertisement agents	10%	20%
2	Life Insurance agents (Less than 0.5M)	8%	16%
3	Other cases	12%	24%

### TAX AT IMPORT STAGE

Tax at Import Stage		Filer	Non-Filer
1	Persons Importing goods classified in Part I of the Twelfth Schedule	1%	2%
2	Persons Importing goods classified in Part II of the Twelfth Schedule	2%	4%
3	Persons Importing goods classified in Part III of the Twelfth Schedule	5.5%	11%

### PROFIT ON DEBIT

Profit on debit u/s 151		Filer	Non-Filer
Upto 500,000		10%	10%
Up to 5M		15%	15%
From 5M to 25M		17.5%	17.5%
From 25M to 36M		20%	20%
Above 36M		Normal Tax Regime	

### DIVIDEND

Dividend u/s 150		Filer	Non-Filer
Divident paid independent power purchasers		7.5%	15%
Received from mutual funds & other		15%	30%
Received from Companies		25%	50%
RETURN ON INVESTMENT IN SUKUKS		Filer	Non-Filer
Received by an individual or an AOP, if the profit is less than Rs. 1 Million		10%	20%

## TAX RATES --- FOR THE TAX YEAR - 2021

Received by an individual or an AOP, if the profit is more than Rs. 1 Million	12.5%	25%
Received by company	25%	50%

**IMMOVABLE PROPERTY**

IMMOVABLE PROPERTY	Filer	Non-filer
Advance Tax on buyer	1%	2%
Advance Tax on seller holding period within 4 years	1%	2%
Advance Tax on seller holding period after 4 years	0%	0%

**ADVANCE TAX ON SALE BY AUCTIONS**

Advance Tax on Sale by Auctions	Filer	Non-filer
Advance Tax on sales immovable property by auction	5%	10%
Advance Tax on sales other than immovable property by auction	10%	20%
On function and gatherings	0%	0%
Charge by local educational institutions	0%	5%
Charge by foreign educational institutions	0%	0%

**Other important withholding tax rates**

Tax on sale - specified sectors	Filer	Non-Filer
Sale to distributors, dealers and wholesalers-Fertilizers-236G	0.7%	1.4%
Sale to distributors, dealers and wholesalers-others-236G	0.1%	0.2%
Tax on sale to retailers-electronics-236H	1%	2%
Tax on sale to retailers-others-236H (Electronics, sugar, cement, iron and steel products, motorcycles, pesticides, cigarettes, glass, textile, beverages, paint or foam sector)	0.5%	1%