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BUDGET 2023-24

Income Tax Rate Card

Tax Year 2024 · As per Finance Act, 2023

Withholding · Salary · Business · Corporate · Capital Gains · Advance Taxes



Rs 14.48 tn	Rs 9.415 tn	3.5%
Budget outlay FY24	FBR revenue target	GDP growth target

Composed & Researched by Khuram Shahzad, Corporate Consultant

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PREAMBLE

Economy at a glance & foreword

0.29%
Real GDP growth FY23 (provisional)

29.2%
Average CPI inflation, Jul–May FY23

US$ 1,568
Per-capita income FY23

Rs 9.415 tn
FBR target FY24 (from Rs 9.2 tn)

FY2022-23 was a year of stress: flood losses, a contracting industrial sector and record inflation held growth near zero, while the rupee's slide cut per-capita income by 11%. The FY2023-24 budget, revised on 25 June 2023 to meet IMF conditions, set a Rs 14.48 trillion outlay, a 3.5% growth target, 21% average inflation and a fiscal deficit of about 6.5% of GDP, with Rs 215 billion of additional taxes.

The Finance Act, 2023 (Act No. XXIV of 2023, assented 26 June 2023) carries these measures into the Income Tax Ordinance, 2001 for Tax Year 2024. This booklet brings every rate in the First Schedule and the withholding regime into one place, cross-checked with the FBR Withholding Tax Rates Card (updated to 30 June 2023) and the text of the Act.

With best regards,

Khuram Shahzad
Corporate Consultant
Taxationist Corporate Consultants, Islamabad

Sources: Pakistan Economic Survey 2022-23 (Finance Division, 8 June 2023); National Assembly budget approval, 25 June 2023.

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01

Salient Features

The key income tax changes made by the Finance Act, 2023 for Tax Year 2024, in brief

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SALIENT FEATURES

Individuals, AOPs & companies

Salaried slabs re-cut

Exempt band stays at Rs 600,000. Rates from Rs 2.4m rise to 22.5% and 27.5%; the 35% top rate now starts at Rs 6m (Rs 12m earlier).

Non-salaried & AOPs

New seven-slab table from 7.5% to 35%. The 35% top rate now applies above Rs 4m of taxable income.

Super tax (s.4C)

Progressive slabs for TY2023 onwards: 1% above Rs 150m rising to 10% above Rs 500m. Advance tax (s.147) now applies to super tax.

Windfall tax (s.99D)

New additional tax of up to 50% on windfall income, profits or gains of companies in sectors notified by the Federal Government.

Corporate rates unchanged

29% for companies, 39% for banking companies and 20% for small companies. ACT at 17% and minimum tax at 1.25% continue.

Bonus shares taxed

Bonus shares are now income [s.39(1)(lb)]. Companies withhold 10% of shares and collect 10% of their value as final tax (s.236Z).

SALIENT FEATURES

Withholding & advance taxes

Cash withdrawal (s.231AB)

0.6% advance tax on cash withdrawals by non-ATL persons where the day's total exceeds Rs 50,000.

Property transfers

s.236C and s.236K raised from 2% to 3% for ATL persons. Non-ATL: 6% on sale and 10.5% on purchase.

Cards used abroad (s.236Y)

Advance tax on remittances through credit, debit or prepaid cards raised from 1% to 5% (10% for non-ATL).

Goods, services, contracts

s.153 rates up by about 1 point: goods 5% / 5.5%, services 4% / 9% / 11%, contracts 7.5% / 8%. Same changes for PE of non-residents.

Imports & exports

Commercial importers of Part III, 12th Schedule goods pay 6%. The 0.25% rate on IT export proceeds (s.154A) extends to TY2024–TY2026.

Motor vehicles & domestic aides

New s.231B(1) table up to 10% of value for vehicles above 2,000cc. s.231C: Rs 200,000 on domestic-aide visas for foreign workers.

SALIENT FEATURES

Property, compliance & administration

Builders & developers

New s.147(5C): adjustable advance tax per project, per sq. ft / sq. yd under new Part IIB, paid in four equal instalments.

Deemed income (s.7E)

Exclusions (a), (e), (f) and (g) no longer apply to non-ATL persons. Property cannot be transferred until s.7E tax is cleared [s.236C(2A)].

Virtual business presence

The definition of permanent establishment [s.2(41)] now covers business conducted through the internet or other electronic media.

Associates widened (s.85)

New tests of sufficient influence, economic dependence and transactions with zero-tax jurisdictions.

Dispute resolution (s.134A)

ADR redesigned for disputes of Rs 100m or more: committee led by a retired High Court judge, to decide within 45 days.

Other measures

Cash salary threshold under s.21(m) raised to Rs 32,000 a month; s.152(5A) exemption certificates issued automatically by Iris after 30 days.

02

Income Tax Rates

First Schedule, Part I – salary, business, AOPs, companies, super tax, dividend, profit on debt and capital gains

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PART I · DIVISION I · CLAUSE (2)

Salaried individuals

#	Taxable income (Rs)	Rate of tax
1	Up to 600,000	0%
2	600,001 – 1,200,000	2.5% of amount exceeding 600,000
3	1,200,001 – 2,400,000	15,000 + 12.5% of amount exceeding 1,200,000
4	2,400,001 – 3,600,000	165,000 + 22.5% of amount exceeding 2,400,000
5	3,600,001 – 6,000,000	435,000 + 27.5% of amount exceeding 3,600,000
6	Above 6,000,000	1,095,000 + 35% of amount exceeding 6,000,000

Applies where income from salary exceeds 75% of taxable income. Employers deduct monthly under s.149 at the same rates.

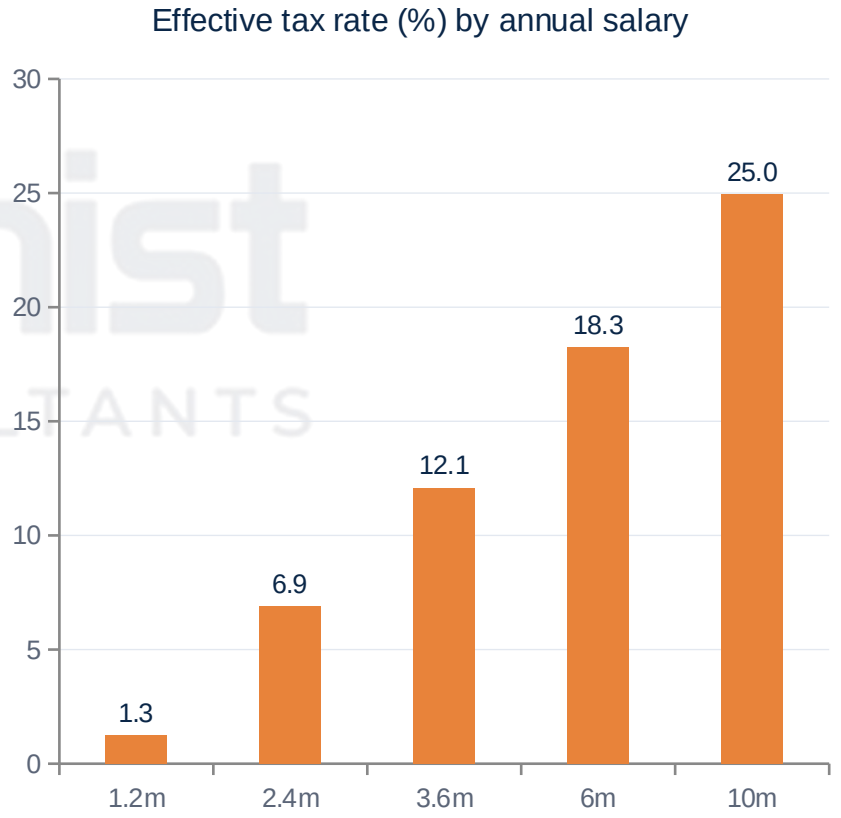


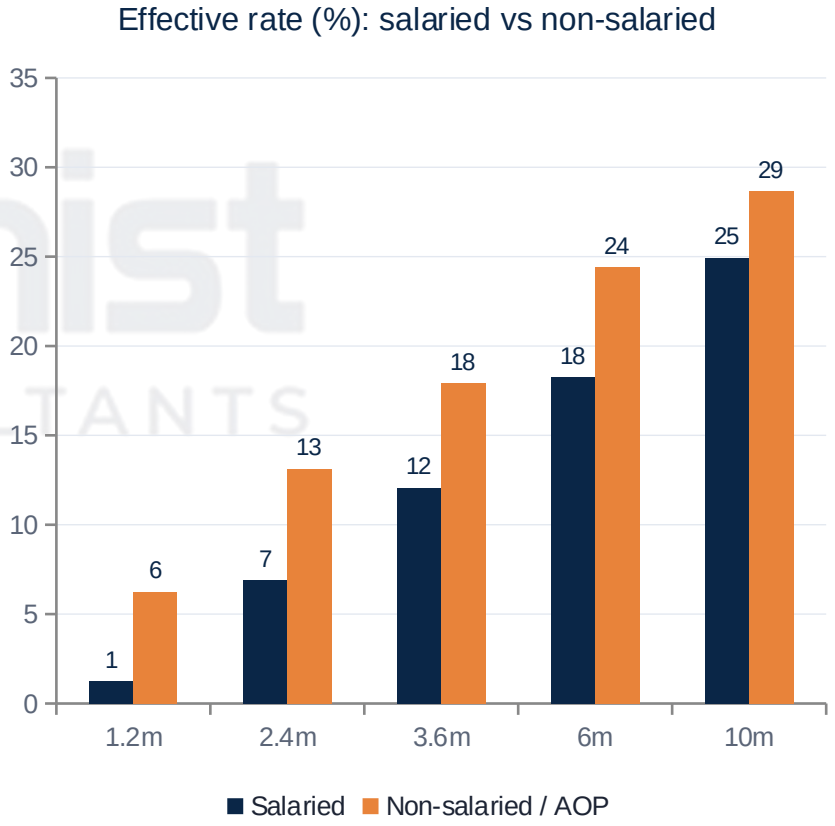
Illustration: tax ÷ taxable income at each salary level, before tax credits and adjustable withholding.

PART I · DIVISION I · CLAUSE (1)

Non-salaried individuals & AOPs

#	Taxable income (Rs)	Rate of tax
1	Up to 600,000	0%
2	600,001 – 800,000	7.5% of amount exceeding 600,000
3	800,001 – 1,200,000	15,000 + 15% of amount exceeding 800,000
4	1,200,001 – 2,400,000	75,000 + 20% of amount exceeding 1,200,000
5	2,400,001 – 3,000,000	315,000 + 25% of amount exceeding 2,400,000
6	3,000,001 – 4,000,000	465,000 + 30% of amount exceeding 3,000,000
7	Above 4,000,000	765,000 + 35% of amount exceeding 4,000,000

Applies to individuals with business, property or other income, to salaried individuals whose salary is 75% or less of taxable income, and to associations of persons.



PART I · DIVISION II, IX & SECTION 113C

Companies – corporate, minimum & alternate tax

29%
Companies (other than banking & small)
Div II

39%
Banking companies
Div II

20%
Small companies
Div II, s.2(59A)

17%
Alternate Corporate Tax on accounting profit
s.113C

1.25%
Minimum tax on turnover (general rate)
s.113, Div IX

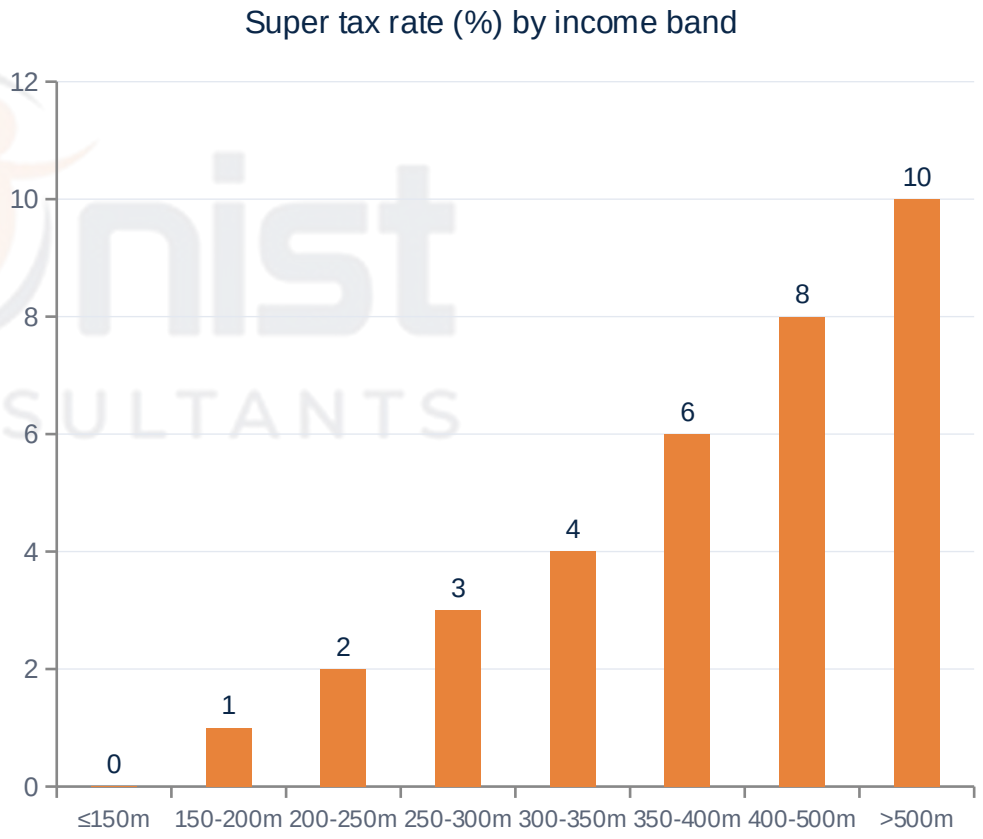
Item	Rate / treatment	Reference
Tax payable by a company	Higher of: normal tax at the corporate rate, minimum tax on turnover, and ACT at 17% of accounting profit	s.113, s.113C
Minimum tax – reduced rates	0.25% to 0.75% of turnover for specified sectors (distributors, OMCs, rice/flour mills, poultry, PIA, gas companies etc.)	Div IX, Part I
Deemed income on property (s.7E)	20% of deemed income equal to 5% of fair market value – effectively 1% of FMV	Div VIIIA
Windfall income (s.99D)	Additional tax up to 50% as notified by the Federal Government	s.99D
AOPs	Same slabs as non-salaried individuals	Div I, clause (1)

PART I · DIVISION IIB · SECTION 4C

Super tax on high-earning persons

#	Income under s.4C (Rs)	TY2022	TY2023 & onwards
1	Up to 150 million	0%	0%
2	150m – 200m	1%	1%
3	200m – 250m	2%	2%
4	250m – 300m	3%	3%
5	300m – 350m	4%	4%
6	350m – 400m	4%	6%
7	400m – 500m	4%	8%
8	Above 500 million	4%	10%

The rate applies to the whole of the income, not only the excess. Income under s.4C includes taxable income and income subject to final or fixed tax and capital gains. Advance tax under s.147 applies (s.4C(5A)); NCCPL collects super tax on capital gains on listed securities (Eighth Schedule, rule 4A).



PART I · DIVISIONS III, IIIA, IA & IB

Dividend & profit on debt

Nature of income	ATL	Non-ATL	Reference
Dividend (s.5 / s.150)			
Dividend from IPPs where dividend is a pass-through item	7.5%	15%	Div III
Dividend from mutual funds, REITs and other cases	15%	30%	Div III
Dividend received by a REIT scheme from a Special Purpose Vehicle	0%	0%	Div III
Dividend received by others from a Special Purpose Vehicle (REIT Regulations, 2015)	35%	70%	Div III
Dividend from a company paying no tax (exemption, carried-forward losses or tax credits)	25%	50%	Div III
Profit on debt (s.7B / s.151)			
Profit on debt [s.151(1)(a)–(d)]; s.7B final tax for individuals where profit on debt ≤ Rs 5m	15%	30%	Div IA, IIIA
Return on Sukuk – company	25%	50%	Div IB
Return on Sukuk – individual / AOP, return above Rs 1 million	12.5%	25%	Div IB
Return on Sukuk – individual / AOP, return up to Rs 1 million	10%	20%	Div IB

Non-ATL rates reflect rule 1 of the Tenth Schedule (100% increase). Dividend from a company to a company is subject to s.150 deduction; inter-corporate group relief rules continue.

PART I · DIVISION VII · SECTION 37A

Capital gains on securities

Securities acquired on or after 1 July 2022 – holding period	Rate
Does not exceed 1 year	15%
Exceeds 1 year but not 2 years	12.5%
Exceeds 2 years but not 3 years	10%
Exceeds 3 years but not 4 years	7.5%
Exceeds 4 years but not 5 years	5%
Exceeds 5 years but not 6 years	2.5%
Exceeds 6 years	0%

Earlier acquisitions & other cases	Rate
Acquired 1 July 2013 – 30 June 2022 (substituted by Finance Act, 2023)	12.5%
Acquired before 1 July 2013	0%
Future commodity contracts entered into by PMEX members	5%

Collection & super tax

Gains on listed securities are computed and collected by NCCPL under the Eighth Schedule. From TY2024 NCCPL also collects super tax under s.4C on these gains. Disposals outside the exchange or not settled through NCCPL fall under s.37 instead.

PART I · DIVISION VIII · SECTION 37(1A)

Capital gains on immovable property

Holding period	Open plots	Constructed property	Flats
Does not exceed 1 year	15%	15%	15%
Exceeds 1 year but not 2 years	12.5%	10%	7.5%
Exceeds 2 years but not 3 years	10%	7.5%	0%
Exceeds 3 years but not 4 years	7.5%	5%	0%
Exceeds 4 years but not 5 years	5%	0%	0%
Exceeds 5 years but not 6 years	2.5%	0%	0%
Exceeds 6 years	0%	0%	0%

Notes: Table introduced by Finance Act, 2022 for properties acquired on or after 1 July 2022; gains on earlier acquisitions follow the regime in force at the time of acquisition. Tax is final and computed on the whole gain. Deemed income under s.7E (1% of FMV effectively) applies to the second and further properties held, subject to exclusions.

03

Withholding Tax Rates

Deduction at source on imports, salary, dividends, profit on debt, non-residents, supplies, services, contracts, exports, rent and prizes

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SECTION 148 · PART II, FIRST SCHEDULE

Imports

Section	Nature of payment / transaction	ATL	Non-ATL	Reference
148	Goods in Part I, Twelfth Schedule	1%	2%	Part II, R.1 10th Sch.
148	Goods in Part II, Twelfth Schedule	2%	4%	Part II
148	Goods in Part II, Twelfth Schedule – commercial importer	3.5%	7%	Part II
148	Goods in Part III, Twelfth Schedule	5.5%	11%	Part II
148	Goods in Part III, Twelfth Schedule – commercial importer (FA 2023)	6%	12%	Part II
148	Manufacturers covered under SRO 1125(I)/2011 [proviso 1(a)]	1%	2%	Part II
148	Pharmaceutical products [proviso 1(b)]	4%	8%	Part II
148	CKD kits for electric vehicles [proviso 1(c)]	1%	2%	Part II
148	Mobile phones PCT 8517.1219 – fixed amount per set by value band	Rs 70 – 11,500	Rs 140 – 23,000	Part II, proviso 2
148	Mobile phones PCT 8517.1211 – fixed amount per set by value band	Rs 0 – 5,200	Rs 0 – 10,400	Part II, proviso 2

Tax on imports is collected by Customs at import stage on the import value as increased by customs duty, sales tax and FED; minimum tax for commercial importers.

SECTIONS 149, 150 & 151

Salary, dividend & profit on debt

Section	Nature of payment / transaction	ATL	Non-ATL	Reference
Salary – s.149				
149	Employer deducts monthly on salary at the rates of Division I, clause (2) (see page on salaried individuals)	Slab rates	Slab rates	Div I, Part I
Dividend – s.150				
150	IPPs where dividend is a pass-through item	7.5%	15%	Div I, Part III
150	Mutual funds, REITs and other cases	15%	30%	Div I, Part III
150	REIT scheme from Special Purpose Vehicle / others from SPV	0% / 35%	0% / 70%	Div I, Part III
150	Company paying no tax due to exemption, losses or tax credits	25%	50%	Div I, Part III
Profit on debt – s.151				
151	Profit on debt under clauses (a), (b), (c) or (d) of s.151(1)	15%	30%	Div IA, Part III
151(1A)	Sukuk – company	25%	50%	Div IB, Part III
151(1A)	Sukuk – individual / AOP, return above Rs 1m	12.5%	25%	Div IB, Part III
151(1A)	Sukuk – individual / AOP, return up to Rs 1m	10%	20%	Div IB, Part III

SECTION 152 · DIVISIONS II & IV

Payments to non-residents

Section	Nature of payment / transaction	ATL	Non-ATL	Reference
152(1)	Royalty and fee for technical services	15%	15%	Div IV, Part I
152(1A)	Contracts / construction, assembly or installation projects	7%	7%	Div II, Part III
152(1AA)	Insurance or re-insurance premium	5%	5%	Div II, Part III
152(1AAA)	Advertisement services to non-resident media persons	10%	10%	Div II, Part III
152(1BA)	Payments specified in sub-section (1BA)	20%	20%	s.152(1BA)
152(1C)	Fee for offshore digital services	10%	10%	Div IV, Part I
152(1D)/(1DA)	Capital gains on debt instruments & government securities through SCRA / FCVA / NRVA	10%	10%	Div II, Part III
152(1DB)	Return on Sukuk – company / individual & AOP above Rs 1m / up to Rs 1m	25% / 12.5% / 10%	Same	Div IB, Part III
152(2)	Any other payment to a non-resident	20%	20%	Div II, Part III
152(2A)(a)	PE of non-resident – sale of goods: company / others	5% / 5.5%	10% / 11%	Div II, Part III
152(2A)(b)	PE – services: specified services / company / others	4% / 9% / 11%	8% / 18% / 22%	Div II, Part III
152(2A)(c)	PE – contracts: sportspersons / others	10% / 8%	20% / 16%	Div II, Part III

Non-resident rates are generally not enhanced for ATL status. Treaty relief, where available, is subject to the conditions of s.107 and exemption certificates under s.152(5A).

SECTION 153 · DIVISION III, PART III

Payments for goods, services & contracts

Section	Nature of payment / transaction	ATL	Non-ATL	Reference
Sale of goods – s.153(1)(a)				
153(1)(a)	Sale of rice, cotton seed or edible oils	1.5%	3%	Div III, Part III
153(1)(a)	Sale of goods – company	5%	10%	Div III, Part III
153(1)(a)	Sale of goods – any other case	5.5%	11%	Div III, Part III
Rendering of services – s.153(1)(b)				
153(1)(b)	Specified services (transport, freight, IT, toll manufacturing, etc.)	4%	8%	Div III, Part III
153(1)(b)	Electronic and print media for advertising services	1.5%	3%	Div III, Part III
153(1)(b)	Other services – company	9%	18%	Div III, Part III
153(1)(b)	Other services – any other case	11%	22%	Div III, Part III
Execution of contracts – s.153(1)(c) and services to exporters – s.153(2)				
153(1)(c)	Contracts – sportspersons	10%	20%	Div III, Part III
153(1)(c)	Contracts – company	7.5%	15%	Div III, Part III
153(1)(c)	Contracts – any other case	8%	16%	Div III, Part III
153(2)	Services of stitching, dyeing, printing, embroidery, washing etc. to exporters	1%	2%	Div III, Part III

SECTIONS 154, 154A, 155, 156 & 156A

Exports, rent, prizes & petroleum

Section	Nature of payment / transaction	ATL	Non-ATL	Reference
154(1)	Export proceeds realised	1%	1%	Div IV, Part III
154(3)–(3C)	Indirect exports, export houses, EPZ / EFS / DTRE cases	1%	1%	Div IV, Part III
154A	Export of computer software / IT / ITeS by PSEB-registered persons (TY2024–2026)	0.25%	0.25%	Div IVA, Part III
154A	Export of services – any other case	1%	1%	Div IVA, Part III
155	Rent of immovable property – company	15%	30%	Div V, Part III
156	Prize bond or cross-word puzzle	15%	30%	Div VI, Part III
156	Raffle, lottery, quiz or prize on sale promotion by a company	20%	40%	Div VI, Part III
156A	Commission / discount to petrol pump operators on sale of petroleum products	12%	24%	Div VIA, Part III

Rent – individuals & AOPs (s.155)	Rate of tax (ATL)
Gross rent up to Rs 300,000	Nil
Rs 300,001 – 600,000	5% of amount exceeding Rs 300,000
Rs 600,001 – 2,000,000	Rs 15,000 + 10% of amount exceeding Rs 600,000
Above Rs 2,000,000	Rs 155,000 + 25% of amount exceeding Rs 2,000,000

Non-ATL individuals & AOPs: rates increased by 100%.

04

Advance Tax & Collection

Part IV, First Schedule – cash withdrawals, motor vehicles, commission, utilities, auctions, property and other collections

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SECTIONS 231AB, 231B(1) & (3), 231C

Cash withdrawal, vehicles & domestic workers

Engine capacity – s.231B(1) registration / (3) sale by manufacturer	ATL	Non-ATL
Up to 850cc	Rs 10,000	Rs 30,000
851cc – 1,000cc	Rs 20,000	Rs 60,000
1,001cc – 1,300cc	Rs 25,000	Rs 75,000
1,301cc – 1,600cc	Rs 50,000	Rs 150,000
1,601cc – 1,800cc	Rs 150,000	Rs 450,000
1,801cc – 2,000cc	Rs 200,000	Rs 600,000
2,001cc – 2,500cc	6% of value	18% of value
2,501cc – 3,000cc	8% of value	24% of value
Above 3,000cc	10% of value	30% of value
Engine capacity n/a, value Rs 5m or more	3% of value	9% of value

s.231AB – Cash withdrawal (new)

0.6% of cash withdrawn by a non-ATL person where total withdrawals in a day exceed Rs 50,000. Adjustable.

s.231C – Foreign domestic workers (new)

Rs 200,000 on issue or renewal of a domestic-aide visa, collected from the employer. Adjustable.

Value basis (S.No. 7–9)

Imported: assessed import value plus duties & taxes. Local: invoice value incl. duties & taxes. Auctioned: auction value.

Non-ATL rates under s.231B are increased by 200% (Tenth Schedule). Table substituted by Finance Act, 2023.

SECTION 231B(2) & (2A) · DIVISION VII, PART IV

Transfer of vehicles & sale before registration

Engine capacity – s.231B(2) transfer of registration	ATL	Non-ATL
Up to 850cc	Nil	Nil
851cc – 1,000cc	Rs 5,000	Rs 15,000
1,001cc – 1,300cc	Rs 7,500	Rs 22,500
1,301cc – 1,600cc	Rs 12,500	Rs 37,500
1,601cc – 1,800cc	Rs 18,750	Rs 56,250
1,801cc – 2,000cc	Rs 25,000	Rs 75,000
2,001cc – 2,500cc	Rs 37,500	Rs 112,500
2,501cc – 3,000cc	Rs 50,000	Rs 150,000
Above 3,000cc	Rs 62,500	Rs 187,500

s.231B(2A) – sale before first registration	ATL	Non-ATL
Up to 1,000cc	Rs 100,000	Rs 300,000
1,001cc – 2,000cc	Rs 200,000	Rs 600,000
2,001cc and above	Rs 400,000	Rs 1,200,000

Under s.231B(2), where engine capacity is not applicable and value is Rs 5 million or more, tax is Rs 20,000. Tax is reduced by 10% each year from the date of first registration in Pakistan.

SECTIONS 233 & 234 · DIVISIONS II & III, PART IV

Commission & tax on motor vehicles

Section	Nature of payment / transaction	ATL	Non-ATL	Reference
233	Advertising agents	10%	20%	Div II, Part IV
233	Life insurance agents – commission below Rs 0.5m per annum	8%	16%	Div II, Part IV
233	Persons not covered above (brokerage & commission)	12%	24%	Div II, Part IV
234	Goods transport vehicles – per kg of laden weight	Rs 2.50	Rs 2.50	Div III, Part IV
234	Goods transport above 8,120 kg laden weight, after 10 years of registration	Rs 1,200 p.a.	Rs 1,200 p.a.	Div III, Part IV

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Passenger transport – rate per seat per annum (s.234)	Non-AC	AC
4 or more persons but less than 10	Rs 200	Rs 375
10 or more persons but less than 20	Rs 500	Rs 750
20 persons or more	Rs 1,000	Rs 1,500

For passenger transport and goods transport vehicles, the rate for non-ATL persons is not increased (rule 10(ha), Tenth Schedule).

SECTION 234 · DIVISION III, PART IV

Private motor vehicles – annual & lump sum

Engine capacity	Annual – ATL	Annual – Non-ATL	Lump sum – ATL	Lump sum – Non-ATL
Up to 1,000cc	Rs 800	Rs 1,600	Rs 10,000	Rs 20,000
1,001cc – 1,199cc	Rs 1,500	Rs 3,000	Rs 18,000	Rs 36,000
1,200cc – 1,299cc	Rs 1,750	Rs 3,500	Rs 20,000	Rs 40,000
1,300cc – 1,499cc	Rs 2,500	Rs 5,000	Rs 30,000	Rs 60,000
1,500cc – 1,599cc	Rs 3,750	Rs 7,500	Rs 45,000	Rs 90,000
1,600cc – 1,999cc	Rs 4,500	Rs 9,000	Rs 60,000	Rs 120,000
2,000cc and above	Rs 10,000	Rs 20,000	Rs 120,000	Rs 240,000

Collected by the motor vehicle registering authority with the token tax (annual) or in lump sum. Adjustable advance tax.

SECTIONS 235, 236 & 236A · DIVISIONS IV, V & VIII, PART IV

Electricity, telephone & auctions

Electricity – commercial & industrial (s.235)	Tax
Monthly bill up to Rs 500	Rs 0
Rs 501 – 20,000	10% of the bill
Above Rs 20,000 – commercial	Rs 1,950 + 12% of amount over Rs 20,000
Above Rs 20,000 – industrial	Rs 1,950 + 5% of amount over Rs 20,000
Domestic, non-ATL: bill below Rs 25,000	0%
Domestic, non-ATL: bill Rs 25,000 or more	7.5% of the bill

Section	Nature	ATL	Non-ATL
236	Telephone (other than mobile) – bill above Rs 1,000	10% of excess	Same
236	Internet, mobile, prepaid cards & electronic units	15%	Same
236A	Public auction of property / goods (other than immovable)	10%	20%
236A	Auction of immovable property; Pakistan Railways train management services	5%	10%

Electricity tax on commercial and industrial users is not enhanced for non-ATL status; the domestic non-ATL charge applies only to persons not on the ATL.

SECTIONS 236C – 236Z · PART IV

Property, functions, distributors & bonus shares

Section	Nature of payment / transaction	ATL	Non-ATL	Reference
236C	Sale or transfer of immovable property – gross consideration	3%	6%	Div X, Part IV
236K	Purchase or transfer of immovable property – FMV	3%	10.5%	Div XVIII, Part IV
236CA	Foreign TV drama serial / play – per episode	Rs 1,000,000	Same	Div XA, Part IV
236CA	Foreign TV play – single episode	Rs 3,000,000	Same	Div XA, Part IV
236CA	Advertisement starring a foreign actor – per second	Rs 100,000	Same	Div XA, Part IV
236CB	Functions and gatherings – total bill	10%	20%	Div XI, Part IV
236G	Sales to distributors, dealers, wholesalers – fertilizer (recipient on ST & IT ATL)	0.25%	0.7%	Div XIV, Part IV
236G	Sales to distributors, dealers, wholesalers – other cases	0.1%	0.2%	Div XIV, Part IV
236H	Sales to retailers	0.5%	1%	Div XV, Part IV
236Y	Remittances abroad through credit, debit or prepaid cards	5%	10%	Div XXVII, Part IV
236Z	Bonus shares – value on day-end price at book closure (final tax)	10%	10%	s.236Z

s.236C(2A): registering authorities shall not record a property transfer until the seller shows that tax under s.7E has been discharged.

SECTION 147(5C) · PART IIB, FIRST SCHEDULE (NEW)

Builders & developers – advance tax per project

Category	Karachi, Lahore, Islamabad	Hyderabad, Sukkur, Multan, Faisalabad, Rawalpindi, Gujranwala, Sahiwal, Sialkot, Bahawalpur, Peshawar, Mardan, Abbottabad, Quetta	Other urban areas
Commercial buildings – any size (per sq. ft)	Rs 250	Rs 230	Rs 210
Residential buildings – up to 3,000 sq. ft (per sq. ft)	Rs 80	Rs 65	Rs 50
Residential buildings – 3,000 sq. ft and above (per sq. ft)	Rs 125	Rs 110	Rs 100
Development of plots – any size (per sq. yd)	Rs 150	Rs 130	Rs 100
Development of industrial area – any size (per sq. yd)	Rs 20	Rs 20	Rs 10

Adjustable advance tax payable project by project in four equal instalments with the s.147 due dates. Mixed-use buildings attract the respective commercial and residential rates; where plots are developed and built on as one project, both rates apply.

GENERAL NOTES

ATL status, nature of tax & disclaimer

Active Taxpayers' List

ATL rates apply to persons on the FBR Active Taxpayers' List on the date of payment or collection. For others, rule 1 of the Tenth Schedule generally doubles the rate, with specific multiples for s.231B (200%) and s.236K.

Adjustable vs final

Tax on imports (commercial importers), dividends, profit on debt (s.7B), prizes, petroleum commission, and s.236Z is final. Most Part IV collections are adjustable against the year's liability.

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Statutory references

Divisions refer to the First Schedule to the Income Tax Ordinance, 2001 as amended by the Finance Act, 2023, read with the Tenth Schedule.

Disclaimer

This rate card is a ready reference prepared from the Finance Act, 2023 and the FBR Withholding Tax Rates Card. The Ordinance prevails in case of conflict. Please seek professional advice before acting.

ABOUT US

Taxationist Corporate Consultants

Taxationist Corporate Consultants is an Islamabad-based professional services firm that puts clients first. We give ethical, practical advice across taxation, corporate law, finance and litigation, with a focus on compliance and sustainable growth.

Our team handles tax registrations, returns and wealth statements, withholding compliance, audits and appeals before FBR and SRB; company incorporation and regulatory filings with SECP, PEC, PESB, EOBI, PESSI, chambers and AEDB; and onsite or offsite bookkeeping, payroll and financial statements.

Tax & litigation

Corporate & legal advisory

Business & financial advisory

Accounting & reporting

Get in touch

107, 1st Floor, Paris Business Centre, Soan Garden, Islamabad

+92 51 8773477

+92 310 5197057

info@taxationist.com

www.taxationist.com

Monday – Friday, 9:00 am – 5:00 pm

Taxationist
CORPORATE CONSULTANTS

Tax · Corporate · Advisory · Accounting

107, 1st Floor, Paris Business Centre, Soan Garden, Islamabad

+92 51 8773477 · WhatsApp +92 310 5197057 · info@taxationist.com

www.taxationist.com

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