

G & S

Sale of goods

Local manufacturer

Individual/AOP

prescribed person @ 4.5% FTR

unprescribed person NTR at applicable rates

Company

NTR @ 30%

Local trader

Individual/AOP

prescribed person @ 4.5% FTR

unprescribed person NTR at applicable rates

Company

Listed

NTR @ 30% (WHT 4% / 3% for FMCG)

Unlisted public company & private company

unlisted

prescribed person @ 4% FTR

unprescribed person NTR @ 31%

Services

Individual/AOP

prescribed person

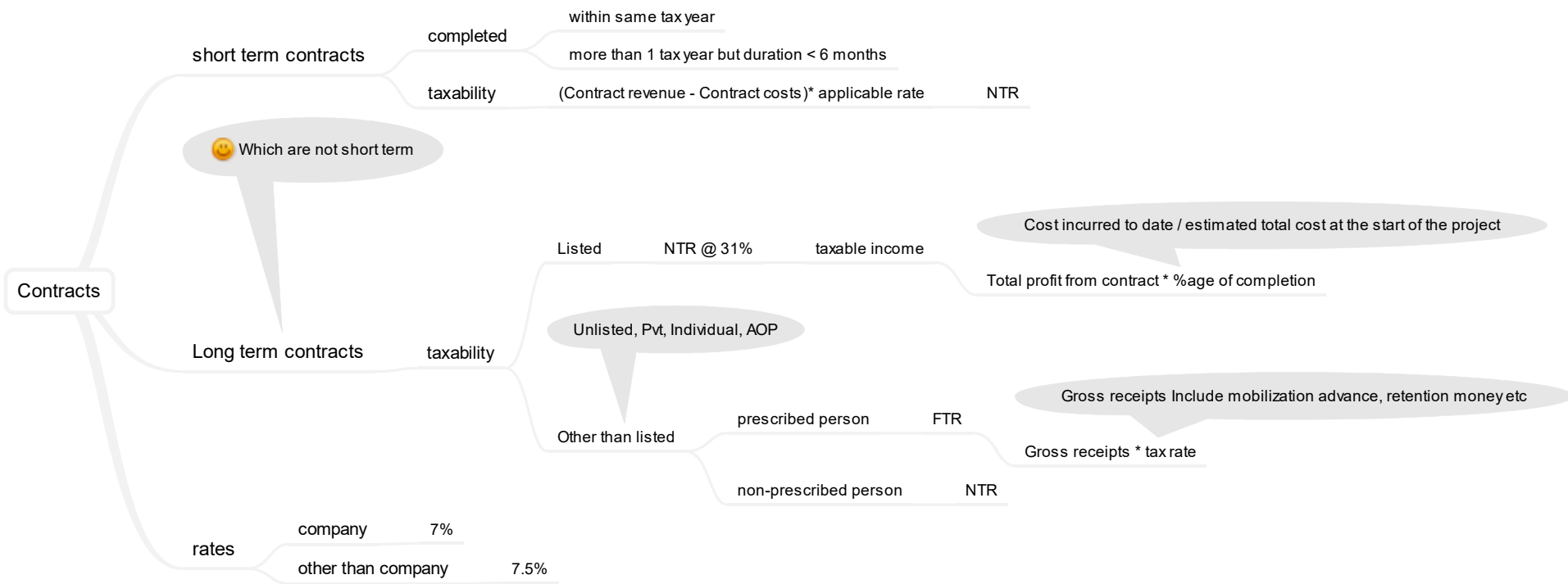
MTR

non-prescribed

NTR

Company

MTR



ECD

Exports

Valued at FOB for apportionment of expenses FOB = C&F value (cost of goods) + insurance + fareight

supply of goods realized amount (brought in to Pakistan) FTR

Gross receipts * 1%

company	4%
Ind/AOP	6%

50% * Normal WHT rate

services rendered out side Pakistan Condition receipts are brought in to Pakistan in Forex through normal banking channel

receipts * 1% FTR

services rendered

- of
 - stitching
 - dying
 - printing
 - embroidary
 - washing
 - sizing
 - weaving
- by
 - resident person
 - PE of non-resident
- to
 - exporter
 - export house

Commission

local 12% FTR

foreign indenting commission 5% FTR

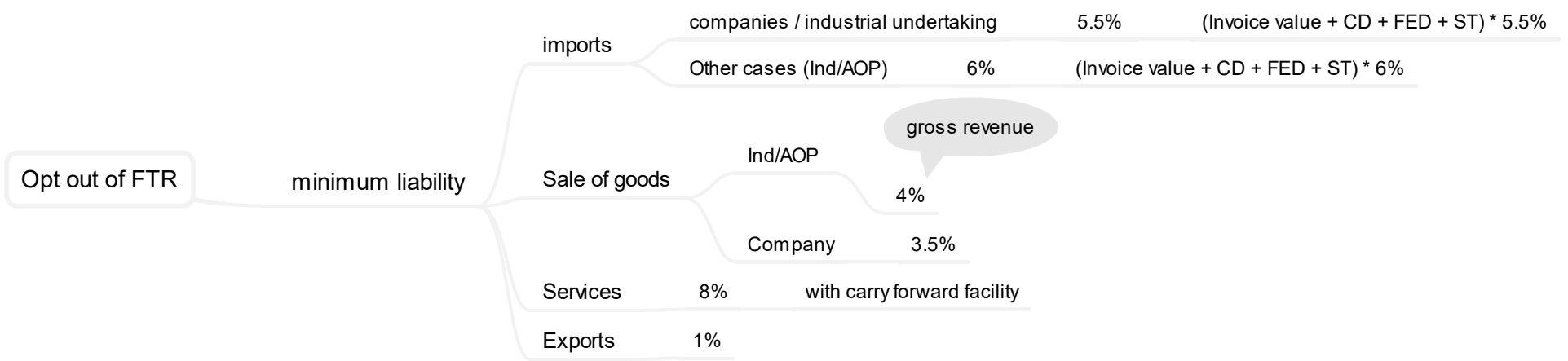
Dividend received

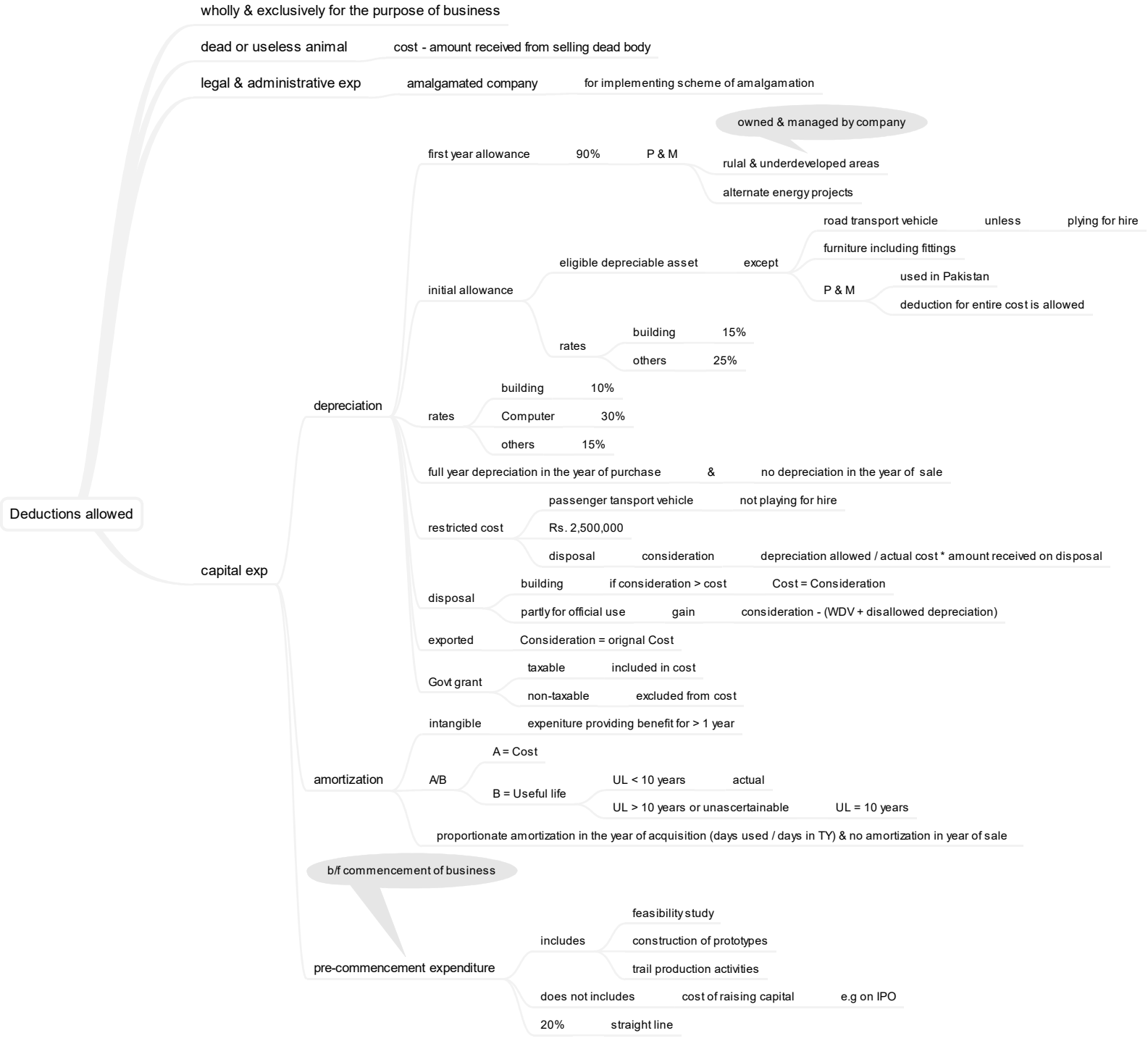
@ 15% gross amount

final tax

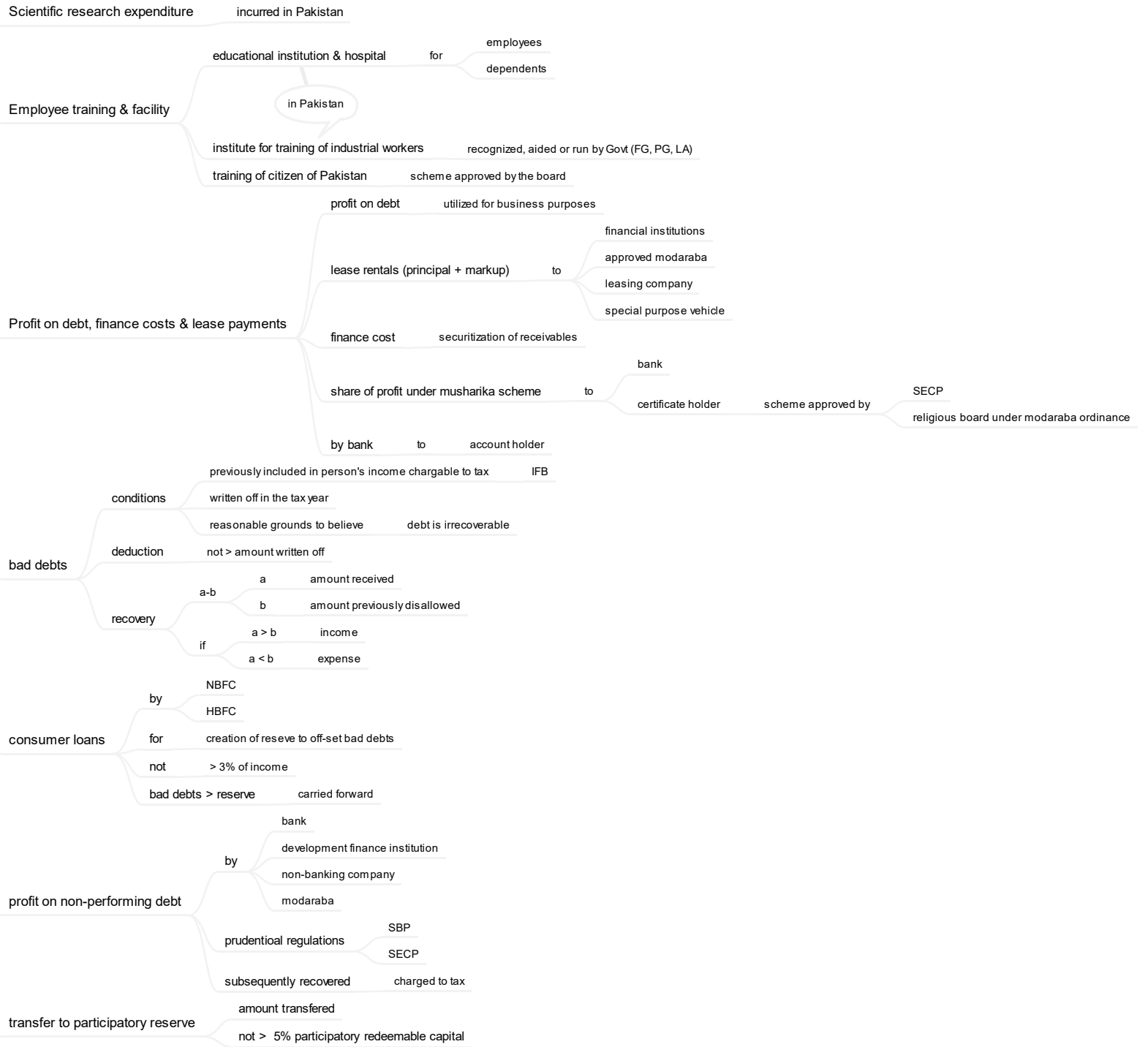
Specie dividend

(FMV at issue * no of shares) * 15%





Deductions (Specific provisions)



Valuation of stock in trade

lower of cost & NRV

accounting

cash basis

absorption cost (DM+DL+FOH)

prime cost (DM+DL+VOH)

accrual basis

absorption cost

once chosen, can only be changed with the approval of the commissioner

stock valuation

FIFO

average cost method

Deductions not allowed 1

any cess, rate or tax levied on profits or gains of business

no tax deducted at source

any expenditure on which tax has not been deducted or collected
for purchase of raw material & finished goods disallowance shall not exceed 20% of purchase
tax is recovered from withholding agent or taxpayer allowed

any entertainment expenditure for entertaining persons not related to business

contribution to unrecognized provident fund
unapproved superannuation fund
gratuity fund
pension fund

contribution to provident or other fund
effective arrangement to secure tax u/s 149 at the time of payment
exist allowed
do not exist disallowed

fine or penalty for violation of any law
rule
regulation

personal expenditure

expenditure for which taxpayer fails to provide documentary evidence

Deductions not allowed 2

amount carried to
reserve fund
capatalised

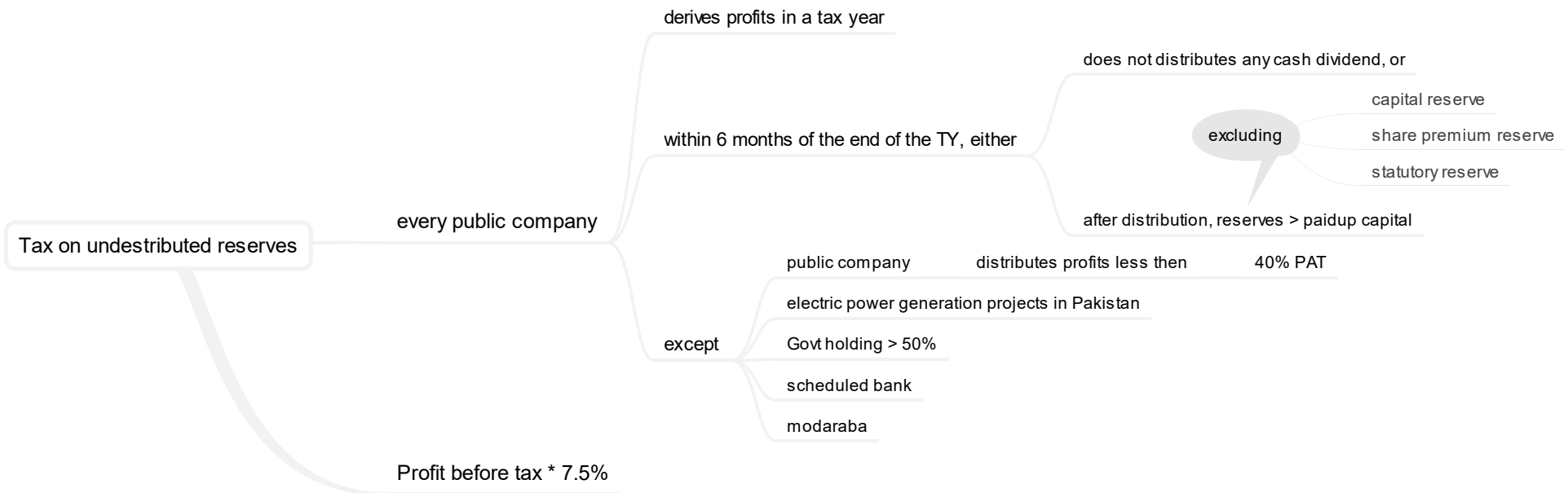
except rent
payment by AOP to member for
distribution of profits
profit on debt
brokerage
commission
salary

aggregate expenditure under single account head paid in cash > 50,000

except
on account of
expenditures not > 10,000
utility bills
freight charges
travel fare
postage
payment for
taxes
duties
fee
fine
any other statutory obligation
agriculture produce purchased from grower
Hajj operators

salary > 15,000 paid in cash

expenditure
for
sales promotion
advertisement
publicity
marketing costs
> 10% of turnover
excess disallowed
incurred by pharmaceutical manufacturers



Minimum tax u/s 113 (@ 1% of turnover)

