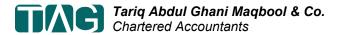
Nature of Payment	Tax Rate		ro of Daymont		Nature of Tax
Nature of Fayment	Filer	Non-filer	(Advance/ Final/ Minimum Tax)		
DIVIDEND, INCLUDING DIVIDEND IN SPECIE					
[Section 150, 236S, Division I Part III First Schedule & Clause 11B Part IV Second Schedule]					
Dividends from privatized power projects or companies set up for power generation or companies supplying coal exclusively to power generation projects	7.50%				
Dividends received by a company from a collective investment scheme, REIT scheme or a mutual fund, other than a stock fund	25%				
Dividends received from stock funds, if dividend receipts are less than capital gains	12.5%	17.5%	Final Tax		
Inter-corporate dividend within the group companies covered under group taxation, where return of the group has been filed for the latest completed tax year	0%		rinai iax		
Other cases, including repatriation of after-tax profits by branches of foreign companies	12.5%	17.5%			
Dividends for 3 years from June 30, 2018 paid by Developmental REIT Schemes set up by June 30, 2018 with the object of development and construction of residential buildings	Rate to be reduced by 50%				
SHIPPING OR AIR TRANSPORT INCOME OF NON-RESIDENTS [Section 7 & Division V Part I First Schedule]					
Shipping income	8	3%			
Air transport income	3	3%			
INCOME OF RESIDENTS FROM SHIPS and all floating crafts including tugs, dredgers, surve	ey vessels and other	specialized craft purc	hased or bare-boat		
[Section 7A]					
Chartered and flying Pakistan flag	USD 1 per gross registered tonnage				
Not registered in Pakistan and hired any charter other than bare-boat charter	USD 0.15 / ton of gross registered tonnage per chartered voyage, subject to a maximum annual amount of USD 1 per ton of gross registered tonnage		Final Tax		

Nature of Bornard	Tax Rate Nature of Tax	Nature of Tax		
Nature of Payment	Filer	Non-filer	(Advance/ Final/ Minimum Tax)	
CAPITAL GAINS TAX collected by mutual funds, collective investment schemes or REIT sch [Second Proviso to Division VII of Part I of First Schedule]	nemes at the time of	redemption of securi	ties	
Received by individuals and AOPs, where holding period of securities is up to 4 years	1	0%		
Received by companies, if holding period of securities is up to 4 years	10.0% for stock fu	nds 25.0% for others	Advance Tax	
All type of recipients, where holding period of securities is above 4 years	Ex	empt		
In case of a stock fund if dividend receipts of the fund are less than capital gains, the rate of tax of	deduction shall be 12.	5% instead of 10%		
IMPORTS [Section 148 & Part II First Schedule]				
Industrial undertaking importing remeltable steel (PCT Heading 72.04) and directly reduced iron for its own use;				Final Tax (General)
Persons importing potassic fertilizers in pursuance of ECC's decision No.ECC-155/12/2004 dated the 9 Dec 2004;			Advance tax in the case of:	
Persons importing urea	1%	1.5%	- Raw material or plant & machinery	
Manufacturers covered under S.R.O. 1125(I)/2011 dated the 31 Dec 2011 for importing items as per said SRO			imported by industrial undertakings for own use;	
Persons importing gold			 fertilizer imported by the manufacturer of fertilizer; 	
Persons importing cotton			- imports by large Import houses;	
Designated buyer of LNG importing on behalf of Govt. of Pakistan	1%	1.5%	- motor vehicles in CBU condition imported by manufacturers of	
Persons importing Pulses	2%	3%	motor vehicles	
Commercial importers covered under S.R.O. 1125(I)/2011 dated the 31 Dec 2011 for importing items as per said SRO	3%	4.5%	- Foreign produced film for screening & viewing purposes	
Ship breaker on import of ships	4.5%	6.5%	Minimum in case of import of	
Companies and industrial undertakings not covered above	5.5%	8%	packing material and edible oil	
Others	6%	9%		



Nature of Bornard	Nature of Boursert		Nature of Tax
Nature of Payment	Filer	Non-filer	(Advance/ Final/ Minimum Tax)
PROFIT ON DEBT			
[Section 151 & Division IA Part III First Schedule]			
Where debt yield is up to Rs. 500,000	1	10%	Advance Tax in the case of
Where debt yield is above Rs. 500,000	10%	17.5%	companies Final tax in other cases
For non-filers, 10% is treated as final tax for non-company recipients and balance 7.5% is advan	nce tax		
PAYMENTS TO NON-RESIDENTS [Section 152, Division IV Part I First Schedule & Division II Part III First Schedule]			
	1	5%	Final Tax
Royalty or fee for technical services	1;	D70	
Contracts or related services	6%		Final Tax (if option exercised under clause (41), Part IV, 2nd Schedule) otherwise Advance Tax
Insurance or re-insurance premium	5%		Final Tax
Advertisement services to a non-resident media person relaying from outside Pakistan	10%		Final Tax
Execution of contract by Sportpersons	10%		
Any other receipt	20% of the gross amount or reduced rate under DTA		Advance Tax
PAYMENTS TO PERMANENT ESTABLISHMENT (PE) OF NON-RESIDENTS			
[Section 152 & Division II Part III First Schedule]			
Sale/ supply of goods by PE of non-resident company	4%	6%	
Sale/ supply of goods by PE of other non-residents	4.5%	6.5%	
Rendering/ providing of services by PE of non-resident company	8%	12%	
Rendering/ providing of services by PE of other non-residents	10% 15%		Advance Tax
Rendering/ providing of transport services	2	2%	
Execution of contract other than contract for sale or services by PE of non-resident company	7%	10%	
Execution of contract other than contract for sale or services by PE of other non-residents	7.5%	10%	

Nature of Tax

RATES FOR WITHHOLDING (INCOME) TAX

TAX YEAR 2016

Nature of Fayineiit	Filer	Non-filer	(Advance/ Final/ Minimum Tax)
PAYMENTS FOR SUPPLY OF GOODS [Section 153(1)(a), Division III Part III First Schedule & Clause (24A) Part II Second Schedule	le]		
Sale of rice, cotton seed, edible oil	1.5	5%	Advance Tax in case of listed
Sale by distributors of cigarettes & pharmaceutical products and large import houses	1%		companies and companies engaged
Sale of any other goods by companies	4%	6%	in manufacturing.
Sale of any other goods by other than companies	4.5%	6.5%	Final Tax for other cases

Tax Rate

No tax to be withheld for payments in case of:

- Imported goods sold by an importer where tax u/s 148 has been paid

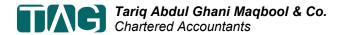
Nature of Payment

- Yarn sold by traders to taxpayers specified in the sales tax zero-rated regime as provided under clause (45A) of Part-IV of Second Schedule
- Cotton ginners who directly deposit equivalent amount of tax in the Treasury and provides evidence of payment to the payer
- Purchase of an asset under a lease & buy back agreement by modarabas, leasing/ banking companies or financial institutions

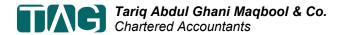
PAYMENTS FOR SERVICES [Section 153(1)(b), 153(2), Division III Part III First Schedule & Division IV Part III First Schedule]					
Companies providing advertising services (electronic & print media services)	1%	12%	Minimum Tax		
Companies providing transport services	2%	2%	Minimum Tax		
Companies providing other services	8%	12%	Minimum Tax		
Non-company entities providing advertising services (electronic & print media services)	1%	15%	Minimum Tax		
Non-company entities providing transport services	2%	2%	Minimum Tax		
Non-company entities providing other services	10%	15%	Minimum Tax		
By export houses for services rendered for stitching, dying, printing, embroidery, washing, sizing & weaving		1%	Final Tax		

No tax to be withheld for payments in case of payment for securitization of receivables by Special Purpose Vehicles to Originators. Any tax deducted by a person making a payment for a Special Purpose Vehicle, on behalf of the Originator, the tax is credited to the Originator

Neture of Doument	Tax Rate		Nature of Tax
Nature of Payment	Filer	Non-filer	(Advance/ Final/ Minimum Tax)
PAYMENT ON ACCOUNT OF EXECUTION OF CONTRACTS [Section 153(1)(c) & Division III Part III First Schedule]			
To companies	7%	10%	Advance Tax for listed companies Final Tax for non-listed companies
To sportsperson		10%	Final Tau
To others	7.5%	10%	Final Tax
EXPORTS [Section 154 & Division IV Part III First Schedule]			
At the time of realization of proceeds on export of goods [Exemption to cooking oil or vegetable ghee exported to Afghanistan if tax u/s 148 is paid]	1% 5%		
Indenting commission on realization of proceeds on account of commission to indenting agent			Final Tax Exporters may opt at the time of filing of return that the tax collected to be treated as Minimum Tax
Inland back to back LC by exporter on sale of goods under inland back to back LC or any other arrangement as may be prescribed by FBR.	1%		
Export of goods by units located in EPZ	1%		
Payment for a firm contract by direct exporters or export houses registered under DTRE Rules, 2001 to an indirect exporter as per the said Rules		1%	
PROPERTY INCOME/ RENTALS [Section 155 & Division V Part III First Schedule] To companies	15% of the gro	ss amount of rent	Advance tax
To companies			Advance tax
	Annual Rent (Rs.) From To	Tax Rate	
To individuals & AOPs	Up to 150,000 Above 1 Million Above 1 Million	NIL 10 % of the amount above Rs.150,000 Rs.85,000 + 15% of amount above Rs.1Million	Advance tax



Nature of Payment	Tax		Nature of Tax
Nature of Fayineit	Filer No		(Advance/ Final/ Minimum Tax)
PRIZES AND WINNINGS [Section 156 & Division VI Part III First Schedule]			
Prize on prize bonds and cross-word puzzle	15	5%	
Winnings from a raffle, lottery, prize on winning a quiz or prizes related to companies' sales promotion schemes	20%		Final Tax
PETROLEUM PRODUCTS [Section 156A & Division VIA Part III First Schedule]			
Commission or discount to petrol pump operators on petroleum products	12%	15%	Final Tax
WITHDRAWAL OF BALANCE UNDER PENSION FUND [Section 156B] Withdrawal before retirement age Withdrawal in excess of 50% of accumulated balance at or after the retirement age	Average rate of tax for 3 preceding years or rate applicable for the year, whichever is lower		Final Tax (Separate Block of Income)
Cash withdrawals from banks [Section 231A, Division VI Part IV First Schedule & Clause (28B) Part II Second Schedule]			
Exchange company, duly licensed and authorized by SBP, subject to specified conditions	0.1	5%	
Other cases, where total withdrawal in a day exceeds Rs. 50,000	0.3%	0.6%	Advance Tax
TRANSACTIONS IN BANK – Banking instrument purchased against payment in cash [Section 231AA & Division VIA Part IV First Schedule]			
Sale against cash of any instrument including demand draft, payment order, CDR, STDR, RTC, or any other instrument of bearer nature except payment is made through a crossed cheque	0.3%	0.6%	Advance Tax
TAX ON MOTOR VEHICLES [Section 231B, 234, Division VII Part IV First Schedule & Division III Part IV First Schedule]			
Tax on purchase/ transfer of motor vehicles & along with annual motor vehicle tax [Not applicable to Federal, Provincial and Local Govts., Foreign Diplomatic Missions in Pakistan]	Various rates based	on engine capacity	Advance Tax

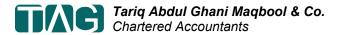


Nature of Payment -	Tax	Rate	Nature of Tax	
natale of Faymont	Filer	Non-filer	(Advance/ Final/ Minimum Tax)	
BROKERAGE & COMMISSION				
[Section 233 & Division II Part IV First Schedule]				
Advertising agents	10%	15%	Final Tay	
Others	12%	15%	Final Tax	
COLLECTION OF TAX BY STOCK EXCHANGES IN LIEU OF TAX ON COMMISSION [Section 233A & Division IIA Part IV First Schedule]				
	0.0	140/		
On purchase of shares		11%	Advance Tax	
On sale of shares	0.0	11%		
COLLECTION BY TAX BY NCCPL FROM MEMBERS OF STOCK EXCHANGES				
[Section 233AA & Division IIB Part IV First Schedule]				
In respect of financing of carryover trade, margin financing, margin trading nor securities	10%		Advance Tax	
lending in shares business		J 70	Advance Tax	
CNG STATIONS				
[Section 234A & Division VIB Part III First Schedule]				
On the amount of gas bill	4	%	Final Tax	
ELECTRICITY CONSUMPTION				
[Section 235, Division IV of Part IV of First Schedule & Clause (66) Part IV Second Schedule]				
Electricity bill of commercial or industrial consumers [Exporters-cum-manufacturers are exempt	Variou	is rates	Minimum Tax (for Non-corporate tax payers up to bill amount of 30K)	
from this collection]	Various rates		Advance Tax (for other cases)	
DOMESTIC ELECTRICITY CONSUMPTION				
[Section 235A & Division XIX Part IV First Schedule]				
Where the monthly bill is Rs. 75,000 and above	7.5	5%	Advance Tax	

Nature of Payment	Nature of Payment Tax Rate		Nature of Tax
Nature of Fayment	Filer	Non-filer	(Advance/ Final/ Minimum Tax)
STEEL MELTERS, RE-ROLLERS ETC.			
[Section 235B/ Section 153(1)]			
Electricity consumed for the production of steel billets, ingots and mild steel (MS products) excluding stainless steel by steel melters, steel re-rollers, composite steel units (registered for the purpose of Chapter XI of Sales Tax Special Procedure Rules, 2007)	Re. 1 per unit of	electricity consumed	Non-adjustable/ Final Tax
TELEPHONE USERS			
[Section 236 & Division V Part IV First Schedule]			
Mobile phone bills and prepaid telephone cards		14%	
Landline bills exceeding Rs. 1,000		10%	Advance Tax
Post-paid internet and prepaid internet cards		14%	
SALE BY AUCTION			
[Section 236A & Division VIII Part IV First Schedule]			
Sale of property, goods or lease of right by public auction or tender		10%	Advance Tax
PURCHASE ROMESTIC OF AIR TICKETS			
PURCHASE DOMESTIC OF AIR TICKETS [Section 236B & Division IX Part IV First Schedule]			
Tickets for routes of Baluchistan coastal belt, Azad Jammu and Kashmir, FATA, Gilgit-Baltistan and Chitral	Exempt		Not Applicable
Other routes	5%		Advance Tax
SALE OR TRANSFER OF IMMOVABLE PROPERTY [Section 236C & Division X Bart IV First Schodule]			
[Section 236C & Division X Part IV First Schedule]	0.50/	40/	A.L =
To be collected from seller or transferor at the time of registering or attesting the transfer	0.5%	1%	Advance Tax

Nature of Payment	Nature of Payment Tax Rate Filer Non-filer		_ Nature of Tax	
Nature of Fayineit			(Advance/ Final/ Minimum Tax)	
FUNCTIONS AND GATHERINGS				
[Section 236D & Division XI Part IV First Schedule]				
To be collected from a person arranging or holding a function on total amount of bill and also for food, service or facility		5%	Advance Tax	
FOREIGN PRODUCED TV PLAYS & SERIALS dubbed in Urdu or regional language for see [Section 236E & Division XII Part IV of First Schedule]	eing & viewing on an	y landing rights channel		
TV drama serial	Rs.100,0	000 per episode		
TV play (single episode)	Rs	s.100,000	Advance Tax	
CABLE OPERATORS AND OTHER ELECTRONIC MEDIA [Section 236F & Division XIII Part IV First Schedule] From IPTV, FM Radio, MMDS, Mobile TV, Mobile Audio, Satellite TV Channel and Landing	20% of the permi	ssion fee or renewal fee		
Rights From cable operators	Various Rates		Advance Tax	
From cable operators	Val	ious Nates		
TAX ON SALES TO DISTRIBUTORS, DEALERS AND WHOLESALERS BY MANUFACTURE	RS AND COMMERC	IAL IMPORTERS		
[Section 236G & Division XIV Part IV First Schedule]				
On sale of fertilizers	0.7%	1.4%		
On sale of electronics, sugar, cement, iron & steel products, motorcycles, pesticides, cigarettes, glass, textile, beverages, paint or foam	0.1%	0.2%	Advance Tax	
TAX ON SALES TO RETAILERS & WHOLESALERS BY MANUFACTURERS, DISTRIBUTOR [Section 236H & Division XV Part IV First Schedule]	S, DEALERS, WHOL	ESALERS OR COMMER	CIAL IMPORTERS	
On sale of electronics, sugar, cement, iron & steel products, motorcycles, pesticides, cigarettes, glass, textile, beverages, paint or foam	0.5%		Advance Tax	

Nature of Downson	Nature of Payment Tax Rate Filer Non-filer		Nature of Tax
Nature of Payment			(Advance/ Final/ Minimum Tax)
COLLECTION OF TAX BY EDUCATIONAL INSTITUTIONS WHERE FEE EXCEEDS RS. 200,00 [Section 236I & Division XVI of Part IV of First Schedule]	00/-		
From residents	5	%	Advance Tax
From non-residents	Exe	empt	Not Applicable
TAX ON DEALERS, COMMISSION AGENTS AND ARHATIS ON ISSUANCE/ RENEWAL OF LI [Section 236J & Division XVII Part IV First Schedule]	CENSE		
To be collected by market committees	Various	s Rates	Advance Tax
PURCHASE OR TRANSFER OF IMMOVABLE PROPERTY [Section 236K & Division XVIII Part IV First Schedule]	0	0/	
Value up to Rs. 3 Million Value exceeding Rs. 3 Million	0% 1% 2%		Advance Tax
INTERNATIONAL AIR TICKETS [Section 236L & Division XX Part IV First Schedule]			
First/ executive class	Rs.16,000	per person	
Others excluding economy	Rs.12,000	per person	Advance Tax
Economy	N	lil	
BONUS SHARES [Section 236M & 236N]			
Issued by listed companies	5% of bonus	shares issued	Final Tarr
Issued by other companies	5% of bonus	shares issued	Final Tax



TAX YEAR 2016

Nature of Payment	Nature of Payment Tax Rate		
Hataro of Laymont	Filer	Non-filer	(Advance/ Final/ Minimum Tax)
ALL TYPE OF BANKING TRANSACTIONS OF NON-FILERS [Section 236P & Division XXI Part IV First Schedule]			
Transactions otherwise through cash up to Rs.50,000 per day	Not Applicable	Not Applicable	Not Applicable
Transactions otherwise through cash above Rs.50,000 per day	Not Applicable	0.6%	Advance tax
RENT OR PAYMENT FOR RIGHT TO USE MACHINERY AND EQUIPMENT [Section 236Q & Division XXII Part IV First Schedule]			
To be collected in case of industrial, commercial & scientific equipment and machinery	10	%	Final Tax
The deduction shall not be applicable in the following cases: a. agricultural machinery; and b. machinery owned and leased by leasing companies, investment banks, modarabas, sched	uled banks or DFIs		
EDUCATION RELATED EXPENSES REMITTED ABROAD [Section 236R & Division XXIV Part IV First Schedule]			
Remittance of tuition fee, boarding & lodging expenses, payments for distant learning programs and any other expense related to foreign education	5°	%	Advance tax
COLLECTION OF TAX BY PAKISTAN MERCANTILE EXCHANGE LIMITED FROM ITS MEMBER [Section 2367 & Division XXII Part IV First Schedule]	RS		
Sale or purchase of future commodity contract	0.5	5%	Advance Tax

Disclaimer:

The above details have been compiled from the Income Tax Ordinance, 2001 updated to the effect of the Finance Act, 2015 and have been published by us for general awareness on July 03, 2015. We have exercised due professional care in compiling the above details, however, the above constitutes our general interpretation of applicable tax statute and does not constitute any opinion or advice and may also not be acceptable to taxation authorities in any particular case. Tax laws are subject to change from time to time and we do neither warrant at any time the currency of the above details nor accept any responsibility to update the same. We expressively disclaim any responsibility towards any person relying on the details given above.