

REGISTERED No. M - 302  
L.-7646

**The Gazette**  **of Pakistan**

**EXTRAORDINARY  
PUBLISHED BY AUTHORITY**

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**ISLAMABAD, TUESDAY, JUNE 17, 2003**

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PART I

**Acts, Ordinances, President's Orders and Regulations**

**NATIONAL ASSEMBLY SECRETARIAT**

*Islamabad, the 17th June, 2003*

The following Act of Majlis-e-Shoora (Parliament) received the assent of the President on the 16th June, 2003, and is hereby published for general information :—

ACT No. I OF 2003

*An Act to give effect to the financial proposals of the Federal Government  
for the year beginning on the first day of July, 2003,  
and to amend certain laws.*

WEHREAS it is expedient to make provisions to give effect to the financial proposals of the Federal Government for the year beginning on the first day of July, 2003, and to amend certain laws for the purposes hereinafter appearing;

It is hereby enacted as follows:—

1. **Short title and extent.**—(1) This Act may be called the Finance Act, 2003.

(2) It extends to the whole of Pakistan.

(17)

*Price : Rs. 64.00*

[4891(2003) Ex. Gaz.]

2. **Amendment of Act I of 1944.**—The following further amendments shall be made in the Central Excises Act, 1944 (1 of 1944), namely:—

- (1) in section 2, after clause (2), the following new clause shall be inserted, namely:—

“(2a) “adjustment” means payment of differential amount of duty between the duty paid on raw material, semi-finished or bulk goods and that which is payable on finished goods under the procedure prescribed by the Central Board of Revenue;”;

- (2) in section 3, in sub-section (1), in the first proviso,—

(a) in clause (a), the words and comma “beverages, cement and” shall be omitted; and

(b) in clause (b),—

(i) for the figure “100”, the figure “40” shall be substituted; and

(ii) the words and comma “beverages, cement and” shall be omitted;

- (3) in section 4,—

(a) in sub-section (2), in the proviso,—

(i) for the words “printed or embossed”, the word “indicated” shall be substituted; and

(ii) for the full stop, at the end, a colon shall be substituted and thereafter the following further proviso shall be added, namely:—

“Provided further that the Central Board of Revenue, so far as it appears it to be necessary or expedient, may by a notification, fix the minimum price of any goods or class of goods, for the purpose of charging of the duty, which shall include the product cost, incidence duty of excise, sales tax, trade margins and cost of manufacturing or any other component as determined by the costing of products.”;

(b) in sub-section (4), in the second proviso, for the words “printed or embossed” the word “indicated” shall be substituted;

- (4) in section 9,—
- (a) in clause (j), the word “and” shall be omitted;
  - (b) in clause (k), for the full stop at the end, the semicolon and word “; and” shall be substituted; and
  - (c) after clause (k), amended as aforesaid, the following new clause shall be added, namely:—
    - “(l) engaged in production of counterfeiting of any local or foreign brand of cigarette.”;
- (5) in section 35D, in sub-section (3), for the words “fifty thousand”, the words “five hundred thousand” shall be substituted;
- (6) in section 37, in sub-section (2),—
- (a) in clause (x), after the word “verified” the word “or audited” shall be inserted;
  - (b) in clause (xxiii), the word “and” shall be omitted;
  - (c) in clause (xxiv), for the full stop at the end, a semicolon and word “; and” shall be substituted; and
  - (d) after clause (xxiv), amended as aforesaid, the following new clause shall be inserted, namely:—
    - “(xxv) provide for appointment of a Chartered Accountant or a firm of Chartered Accountants or a Cost and Management Accountant; a private company or a firm or an industry expert, specialized in their respective fields, to conduct a market survey or supervise clearance of excisable goods or any other specific task assigned by the Central Board of Revenue.”.

3. **Repeal of Act XV of 1963.**—The Wealth Tax Act, 1963 (XV of 1963), is hereby repealed and the repeal shall not—

- (a) affect the liability of any individual, Hindu undivided family, firm, association of persons or body of individuals, whether incorporated or not, and company to pay wealth tax, additional tax, penalty, surcharge, fee, charge and any other sum chargeable, leviable and payable under the said Act, in respect of an assessment year ending on or before the thirtieth day of June, 2001; and

- (b) affect any investigation, legal proceedings or remedy in respect of any right, obligation or liability and any such investigation, legal proceedings or remedy may be instituted, continued and enforced and penalty or punishment may be imposed as if the said Act had not been repealed and for removal of doubts it is hereby declared that the provisions of the Act regarding appointment and jurisdiction of Wealth-tax authorities shall, notwithstanding repeal, shall remain in force.

4. **Amendment of section 3, Ordinance I of 1967.**—In the Natural Gas (Development Surcharge) Ordinance, 1967 (I of 1967), in section 3, in sub-section (3), for the word “twenty” the word “fifteen” shall be substituted.

5. **Amendment of Act IV of 1969.**— The following further amendments shall be made in the Customs Act, 1969 (IV of 1969), namely:—

- (1) in section 2,—

- (a) after clause (e), the following new clause shall be inserted, namely:—

- “(ea) “carrier” means the person actually transporting goods or incharge of, or responsible for, the operations of the means of transport or the owner thereof;”;

- (b) for clause (ia) the following shall be substituted, namely:—

- “(ia) “Customs Computerized System” means a comprehensive Customs information technology system specified in Chapter XVIIA;

- (ib) “customs documents” includes bill of entry, bill of export or goods declaration, application for claim for refund, duty drawback and repayment of duty, baggage declaration form and documents such as bill of lading, commercial invoice and packing list or similar other forms or documents used for customs clearance and includes such documents electronically filed and system generated documents that are not required to be manually signed by the departmental officials;”;

- (c) for clause (la) the following shall be substituted, namely:—

- “(la) “goods declaration” means a goods declaration filed under section 79, 79A, 131 or 131A and includes goods declaration filed electronically;

- (lb) “import manifest” means import manifest delivered under section 43 or 44 as the case may be and includes electronically filed import manifest;” and
- (d) after clause (q), the following new clause shall be inserted, namely:—
  - “(qa) “principal” means the owner of the goods or the person primarily responsible for making a declaration to Customs under this Act and includes the person in-charge of the conveyance, carrier, custodian of cargo, and the terminal operator;”;
- (2) in section 25, in sub-section (15), in Explanation II,—
  - (a) after the word “export” occurring for the first, third and the fourth time, the words “or goods declaration” shall be inserted; and
  - (b) after the figure “131” the figure and letter “or 131 A” shall be inserted;
- (3) in section 25A, after the word “entry”, wherever occurring, the words “or goods declaration” shall be inserted;
- (4) in section 29,—
  - (a) in the marginal heading, after the word “export” the words “or goods declaration” shall be added; and
  - (b) after the word “export” the words “or goods declaration” shall be inserted;
- (5) in section 30, for the words “bill of entry”, wherever occurring, the words “bill of entry or goods declaration” shall be substituted;
- (6) after section 30, the following new section shall be inserted, namely.—

“30A. *Date of determination of rate of duty for clearance through the Customs Computerized System.*—Subject to the provisions of section 155A, the rate of duty applicable to any imported or exported

goods if cleared through the Customs Computerized System, shall be the rate of duty in force on;—

- (a) the date of payment of duty;
- (b) in case the goods are not chargeable to duty, the date on which the goods declaration is filed with Customs; and
- (c) in case the amount of duty is corrected as a result of intervention by Customs under section 80A or clause (b) of section 131 A, the date on which the duty was originally paid under section 79A or clause (a) of section 131 A:

Provided that where a goods declaration has been filed in advance of the arrival of the conveyance by which the goods have been imported, the relevant date for the purposes of this section shall be the date on which the manifest of the conveyance is filed at the customs-station of first entry:

Provided further that the Federal Government may, by notification in the official Gazette, specify any other date for the determination of rate of duty in respect of any goods or class of goods.”;

- (7) in section 31,—
  - (a) after the word “export” the words “or goods declaration” shall be inserted; and
  - (b) in the proviso,—
    - (i) after the word “export” occurring for the second time, the words “or goods declaration,” shall be inserted; and
    - (ii) after the word “bill” occurring for the second time, the words “or declaration” shall be inserted;
- (8) in section 31 A,—
  - (a) in sub-section (1), after the figure “30” , the comma, figure and letter “,30A” shall be inserted; and
  - (b) for sub-section (2), following shall be substituted, namely:—

“(2) For the purpose of determining the value of any imported or exported goods, the rate of exchange at which any foreign

currency is to be converted into Pakistan currency shall be the rate of exchange in force on the date immediately preceding the relevant date referred to in sections 30, 30A or 31.”;

(8) for section 43, the following shall be substituted, namely:—

“43. *Delivery of import manifest in respect of a vessel.*—(1) The Board may, by notification in the official Gazette, fix a place beyond which no vessel arriving shall pass until an import manifest has been delivered to Customs or other person duly authorized to receive in such form, manner and time as the Board may prescribe.

(2) On receipt of such import manifest the vessel may proceed to come beyond the fixed place. No pilot shall bring a vessel into customs-port without having been so authorized by Customs.

(3) If any vessel arrives at any customs-port in which a place has not been so fixed, master of such vessel shall, within twenty-four hours after arrival of such vessel, deliver an import manifest to Customs in such form and manner as the Board may prescribe.

(4) Notwithstanding anything contained in sub-section (3), an import manifest may be delivered in anticipation of the arrival of a vessel.”;

(10) in section 45, in sub-section (2), after the word “manifest” occurring for the second time, the words “or by making an amendment electronically” shall be inserted;

(11) in section 46, for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that no countersignatures shall be required in respect of an import manifest filed electronically.”

(12) in section 53, in sub-section (2), in clause (b), after the word “export” the words “or goods declarations” shall be inserted;

(13) in section 54, in clause (b), after the word “export” the words “or goods declarations” shall be inserted;

- (14) in section 79,—
- (a) for the words “bill of entry”, wherever occurring, the words “bill of entry or goods declaration” shall be substituted; and
  - (b) in sub-section (4), the word “or Deputy Collector” shall be omitted;
- (15) after section 79, the following new section shall be inserted, namely:—

“79A. *Declaration and assessment for homeconsumption or warehousing through the Customs Computerized System.*—(1) Subject to the provisions of section 155A, for clearance through the Customs Computerized System, the owner of any imported goods shall make entry of such goods for homeconsumption or warehousing or for any other approved purpose by filing to Customs a goods declaration containing correct and complete particulars of the goods and after having assessed and paid his liability of duty, taxes and other charges thereon in such form and manner as the Board may prescribe:

Provided that if before filing a goods declaration to Customs, the owner makes a written request to the Collector of Customs or an officer designated by him that he is unable, for want of full information, to make a correct and complete declaration of any goods, then the Collector or the officer so designated, subject to such conditions as he may deem fit, may permit the owner to examine the goods before filing a declaration:

Provided further that no goods declaration shall be filed prior to ten days of the expected time of arrival of the vessel.

- (2) If an officer, not below the rank of Additional Collector of Customs, is satisfied that the rate of customs-duty is not adversely affected and that there was no intention to defraud, he may, in exceptional circumstances and for reasons to be recorded in writing, permit substitution of a goods declaration for homeconsumption for a goods declaration for warehousing or *vice versa*.
- (3) An officer of Customs, not below the rank of Assistant Collector of Customs, may in case of goods requiring immediate release allow release thereof prior to presentation of a goods declaration and subject to such conditions and restrictions as may be prescribed by the Board.”;

(16) after section 80, the following new section shall be inserted, namely:—

“80A. *Checking of goods declaration through the Customs Computerized System.*—(1) Subject to the provisions of section 155A, on the receipt of goods declaration under section 79A through the Customs Computerized System, an officer of Customs shall satisfy himself regarding the correctness of the particulars of import, including declaration, assessment, and payment of duty, taxes and other charges thereon.

(2) An officer of customs may examine any goods that he may deem necessary at any time after the import of the goods into the country and may requisition customs documents as and when and in the manner deemed necessary during or after release of the goods by Customs.

(3) If during the checking of goods declaration it is found that any statement in such declaration or document or any information so furnished is not correct in respect of any matter relating to the assessment, the goods shall, without prejudice to any other action which may be taken under this Act, be reassessed to duty.”;

(17) after section 81, the following new section shall be inserted, namely:—

“81 A. *Provisional determination of duty through the Customs Computerized System.*—(1) Subject to the provisions of section 155A, where it is not possible for an officer of customs during the checking of the goods declaration to satisfy himself of the correctness of the assessment of the goods made under section 79A, for reason that the goods require chemical or other test or a further inquiry, an officer not below the rank of Assistant Collector of Customs may order that the duty payable on such goods be determined provisionally:

Provided that the importer, save in the case of goods entered for warehousing, or the exporter pays such additional amount as security or furnishes such guarantee of a scheduled bank for the payment thereof as the said officer deems sufficient to meet the likely differential between the final determination of duty over the amount determined provisionally.

(2) Where any goods are allowed to be cleared or delivered on the basis of such provisional determination, the amount of duty correctly

payable on those goods shall be determined within one year of the date of provisional determination:

Provided that the Collector of Customs may, under circumstances of exceptional nature and after recording such circumstances extend the period for final determination by not more than ninety days.

- (3) On completion of final determination, the amount already paid or guaranteed shall be adjusted against the amount payable on the basis of final determination, and the difference between the two amounts shall be paid forthwith to or by the importer or exporter, as the case may be.
- (4) If the final determination is not made within the period specified in sub-section (2), the provisional determination shall, in the absence of any new evidence, be deemed to be the final determination.”;

(18) for section 82, the following shall be substituted, namely.—

“82. *Procedure in case of goods not cleared or warehoused or transshipped or exported or removed from the port within one month after unloading.*—If any goods are not entered and cleared for home consumption or warehoused or transshipped or are not loaded on the conveyance for export or removed from the port area within one month of the date of unloading thereof at a customs-station or within such extended period as the appropriate officer may allow, such goods may, after due notice given to the owner, if his address could be ascertained, or after due notice to the carrier, shipping agent, custodian of the goods, as the case may be, if his address could not be ascertained, be sold under the orders of the appropriate officer notwithstanding the fact that adjudication of the case under section 179, or an appeal under section 193, or 196, or a proceeding in any court of law in Pakistan, is pending:

Provided that—

- (a) animals and perishable and hazardous goods may, with the permission of the appropriate officer, be sold at any time;
- (b) arms, ammunition or military stores may be sold or otherwise disposed of at such time and place and in such manner as the Board may, with the approval of the Federal Government, direct;

- (c) in cases where goods are sold pending adjudication, appeal or decision of the court, the proceeds of sale shall be kept in deposit and, if on such adjudication (or, as the case may be, in such appeal or the decision of the court) the thing sold is found not to have been liable to confiscation, the entire sale proceeds, after necessary deduction of duties, taxes or dues as provided in section 201, shall be handed over to the owner:

Provided further that nothing in this section shall authorize removal for home consumption of any dutiable goods without payment of customs-duties thereon.”;

- (19) for section 82A, the following shall be substituted, namely:—

“82A. *Procedure in case of goods not cleared or warehoused or transshipped or exported or removed from the port within one month after unloading through the Customs Computerized System.*—Subject to the provisions of section 155A, at customs-stations with an operational Customs Computerized System, if any goods are not cleared for homeconsumption or warehoused or transshipped or are not loaded on the conveyance for export or removed from the port area within one month of their arrival at a customs-station or within such extended period as the appropriate officer may allow, such goods may, after due notice given to the owner, if his address could be ascertained, or after due notice to the carrier, shipping agent, custodian of the goods, as the case may be, if his address could not be ascertained, may be sold in auction or taken into custody by Customs and removed from the port to a Customs auction warehouse for auction under the orders of the appropriate officer notwithstanding the fact that adjudication of the case under section 179, or an appeal under section 193, or 196, or a proceeding in any court of law in Pakistan, is pending:

Provided that—

- (a) animals and perishable and hazardous goods may, with the permission of the appropriate officer, be sold at any time;
- (b) arms, ammunition or military stores may be sold or otherwise disposed of at such time and place and in such manner as the Board may, with the approval of the Federal Government, direct;

- (c) in cases where goods are sold pending adjudication, appeal or decision of the court, the proceeds of sale shall be kept in deposit and, if on such adjudication (or, as the case may be, in such appeal or the decision of the court) the thing sold is found not to have been liable to confiscation, the entire sale proceeds, after necessary deduction of duties, taxes or dues as provided in section 201, shall be handed over to the owner:

Provided further that all auctions under this section shall be governed by the auction rules as notified by the Board and where Customs removes such goods from the premises of the custodian for disposal, the charges due to the custodian shall be paid subsequently from the sale proceeds of the goods in the manner as prescribed under section 201:

Provided further that nothing in this section shall authorize removal for homeconsumption of any dutiable goods without payment of customs-duties thereon.”;

- (20) for section 83, the following shall be substituted, namely:—

“83. *Clearance for homeconsumption.*—(1) When the owner of any goods entered for homeconsumption and assessed under section 79A, 80, 80A or 81 has paid the import duty and other charges, if any, in respect of the same the appropriate officer, if he is satisfied that the import of the goods is not prohibited or in breach of any restrictions or conditions applying to the import of such goods, may make an order for the clearance of the same:

Provided that, at customs-stations where the Customs Computerized System is operational the system may clear the goods through system generated clearance documents.

- (2) Where the owner fails to pay import duty and other charges within thirty days from the date on which the same have been assessed under sections 80, 80A or 81, he shall be liable to pay surcharge at the rate of fourteen per cent per annum on import duty and other charges payable on such goods.”;

- (21) in section 84 —

- (a) for the figure “80” the figures, letters and commas “79A, 80, 80A or 81” shall be substituted; and

- (b) in the proviso, for the full stop, at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

“Provided further that, at customs-stations where the Customs Computerized System is operational the system may allow removal to warehouse through system generated clearance documents.”;

- (22) in section 109, for the figure “80”, the figures, letters and commas “79A, 80, 80A or 81” shall be substituted;

- (23) in section 113, in sub-section (2),—

- (a) after the word “export” the words “or goods declaration” shall be inserted;

- (b) after the word “entry” the words “or goods declaration” shall be inserted; and

- (c) for the full stop, at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that at customs-station where the Customs Computerized System is operational, the requirement of this section shall be completed in accordance with that system.”;

- (24) for section 121, the following shall be substituted, namely:—

“121. *Transshipment of goods without payment of duty.*— (1) Subject to the provisions of section 15 and the rules, the appropriate officer may, on application by the owner of any goods imported at any customs-station and specially and distinctly manifested at the time of importation as for transshipment to some other customs-station or foreign destination, grant leave to transship the same without payment of duty, if any, chargeable on such goods with or without any security or bond for the due arrival and entry of the goods at the customs-station of destination.

- (2) The Board may, subject to rules and such conditions as it may deem fit to impose, authorize certain carriers to transport goods under the multimodal scheme. Goods transported under the multimodal scheme shall be specially and distinctly manifested at the time of importation

as for transshipment to some other customs-station or foreign destination and shall not—

- (a) require distinct permission for transshipment from the customs-station of first entry into the country to be transported to the customs-station of destination. The principal carrier issuing the multimodal bill of lading or air way bill will be responsible for the sanctity of the cargo during transportation between the customs-station of first entry into the country to the customs-station of destination; and
  - (b) be subject to the risk management system at the customs-station of first entry.
- (3) The Board may, subject to such conditions as it may deem fit, grant licence to any carrier to carry goods under the multimodal scheme.”;

(25) in section 122,—

- (a) for words and commas “shall, in every case,” the word “may” shall be substituted; and
- (b) for the full stop, at the end, a colon shall be substituted and thereafter following proviso shall be added, namely:—

“Provided that nothing in this section shall apply to the goods transported under the multimodal scheme.”;

(26) for section 123, the following shall be substituted, namely:—

“123. *Entry, etc., of transshipped goods.*—(1) All goods transshipped under sub-section (2) of section 121 to any customs-station shall, on their arrival at such customs-station, be entered in the same manner as goods on their first importation and shall be dealt with likewise.

- (2) All goods being transshipped under sub-section (1) of section 121 from a customs-station of first entry into the country, where the Customs Computerized System is operational and the goods are determined to be high risk by the risk management system shall be dealt with under rules on the subject.”;

(26A) in section 131, in clause (a),—

- (a) after the word “export” the words “or goods declaration” shall be inserted;
- (b) after the word “bill” the words “or declaration” shall be inserted;

(27) after section 131, the following new section shall be inserted, namely:—

“131A. *Clearance for exportation through the Customs Computerized System.*—Subject to the provisions of section 155A, for the purposes of the Customs Computerized System, no goods shall be loaded for exportation until—

- (a) the owner of any goods to be exported has made a declaration in such form and manner as prescribed by the Board, by filing a goods declaration to Customs containing correct and complete particulars of his goods, and assessed and paid his liability of duty, taxes and other charges and having reflected his claim of duty draw back if any before filing of declaration;
- (b) Customs has, on the receipt of goods declaration under clause (a) through the Customs Computerized System, satisfied itself regarding the correctness of the particulars of export, including declaration, assessment, and payment of duty, taxes and other charges and verified the admissibility of the duty draw back claimed; and
- (c) goods have been cleared for export through the Customs Computerized System.

Provided that the Board may in the case of any customs-station or wharf, by notification in the official Gazette and subject to such restrictions and conditions, if any, as it thinks fit, exempt any specified goods or class of goods or any specified person or class of persons, from all or any of the provisions of this section.

(28) in section 134, after the word “export”, occurring for the first time the words “or goods declaration” shall be inserted;

(29) after chapter XVI, the following new chapter shall be inserted, namely:—

**“CHAPTER XVI-A**

**Provisions relating to the Customs Computerized System and audit and access to documents**

**155A. Application of the Customs Computerized System.—** Notwithstanding anything hereinbefore contained, provisions of this Chapter shall apply to any customs-station equipped with the Customs Computerized System on such date as the Federal Government may, by notification in official Gazette, specify and different dates may be specified for different provisions and for different areas so as to bring the provisions relating to the Customs Computerized System in force throughout Pakistan progressively.

**155B. Access to the Customs Computerized System.—** No person shall transmit to, or receive information from, the Customs Computerized System unless that person is registered by the Collector as a user of the Customs Computerized System.

**155C. Registered users.—**(1) Any person who wishes to be registered as a user of the Customs Computerized System may apply in writing to the Collector in the prescribed form and shall provide such information in relation to the application as is prescribed.

(2) The Collector may require an applicant for registration to give such additional information as he considers necessary for the purpose of the application.

(3) The Collector may grant the application subject to such conditions, as he deems fit or refuse the application:

Provided that no order shall be passed for refusal of application unless the applicant has been given a reasonable opportunity of being heard.

**155D. Registered users to be allocated unique user identifier.—** (1) Any person registered as a user of the Customs Computerized System shall be allocated a unique user identifier for use in relation to the Customs Computerized System by the Collector in such form or of such nature as the Collector may determine.

(2) The unique user identifier allocated pursuant to sub-section (1) of this section shall be used by the registered user for the purpose of transmitting information to or receiving information from the Customs Computerized System.

(3) The Collector may impose conditions on a particular registered user or on registered users generally, relating to the use and security of unique user identifiers.

**155E. Use of unique user identifier.**—(1) Where information is transmitted to the Customs Computerized System using a unique user identifier issued to a registered user by the Collector for that purpose, the transmission of that information shall, in the absence of proof to the contrary, be sufficient evidence that the registered user to whom the unique user identifier has been issued has transmitted that information.

(2) Where a unique user identifier is used by a person who is not entitled to use it, sub-section (1) of this section shall not apply if the registered user to whom the unique user identifier was issued has, prior to the unauthorized use of that unique user identifier, notified the Customs that the unique user identifier is no longer secure.

**155F. Cancellation of registration of registered user.**—Where at any time the Collector is satisfied that any person who is a registered user of the Customs Computerized System, has —

- (a) failed to comply with a condition of registration imposed by the Collector under sub-section (3) of section 155C of this Act; or
- (b) failed to comply with, or acted in contravention of any conditions imposed by the Collector under sub-section (3) of section 155D of this Act in relation to the use and security of the registered user's unique identifier; or
- (c) has been convicted of an offence under this Act, the Collector may cancel the registration of that person as a registered user by giving notice in writing to that person stating that the registration of that person is cancelled and setting out the reasons for that cancellation.

**155G. Customs to keep records of transmissions.**—(1) The Customs shall keep a record of every transmission sent to or received from a registered user using the Customs Computerized System.

(2) The record described in sub-section (1) of this section shall be kept for a period of five years from the date of the sending of or the receipt of the transmission, or for such other period as may be prescribed by the Board.

**155H. Confidentiality of information.**— All trade information gathered by Customs during clearance of goods shall be confidential and shall not be used except for—

- (a) statistical purposes by the department and other Government organizations; or

- (b) purposes of comparison and evidence as against other imports and exports; or
- (c) production as evidence before a legal forum or an organization explicitly so authorized by the Federal Government;

and any disclosure, publishing or dissemination of trade information of any person except as provided above without his explicit permission to any other person shall be an offence.

**155-I. Unauthorized access to or improper use of the Customs Computerized System.**—Every person commits an offence who,—

- (a) knowingly and without lawful authority by any means gains access to or attempts to gain access to the Customs Computerized System; or
- (b) having lawful access to the Customs Computerized System, knowingly uses or discloses information obtained from such a computer system for a purpose that is not authorized; or
- (c) knowing that he is not authorized to do so, receives information obtained from the Customs Computerized System, and uses, discloses, publishes, or otherwise disseminates such information.

**155J. Interference with the Customs Computerized System.**— Every person commits an offence who—

- (a) by any means knowingly falsifies any record or information stored in the Customs Computerized System; or
- (b) knowingly damages or impairs the Customs Computerized System; or
- (c) knowingly damages or impairs any duplicate tape or disc or other medium on which any information obtained from the Customs Computerized System is held or stored otherwise than with the permission of the Collector.

**155K. Offences in relation to the security of or unauthorized use of unique user identifiers.** — (1) A registered user of the Customs Computerized System who fails to comply with or acts in contravention of any condition imposed by the Collector relating to the security of that registered user's unique user identifier commits an offence.

- (2) A person who —
  - (a) not being a registered user, uses a unique user identifier; or

- (b) being a registered user, uses the unique user identifier of any other registered user;

to authenticate a transmission of information to the Customs Computerized System, commits an offence.

**155L. Audit or examination of records.**— (1) The appropriate officer of Customs may at any reasonable time enter a premises or place where records are kept and audit or examine those records either in relation to specific transactions or to the adequacy and integrity of the manual or electronic system or systems by which such records are created and stored and shall have free access to all books, records, documents, data and computers in the custody or control of the principals or agents and may if so necessary take custody of, or make extracts from or copies of such books, records, documents, data or computers.

(2) In all cases, except where it would defeat the purposes of the audit or examination, a reasonable advance notice regarding a visit shall be given to the principals or the agents concerned.

**155M. Requisition of document.**—(1) The appropriate officer may, by notice in writing, require a person, as and when specified in the notice,—

- (a) to produce for inspection by a specified Customs officer, documents or records that the appropriate officer considers necessary or relevant to—
  - (i) an investigation under this Act; or
  - (ii) an audit under this Act; or
  - (iii) the recovery of dues payable under this Act;
- (b) to allow the specified Customs officer to take extracts from or make copies of, documents or records of the kind referred to in paragraph (a);
- (c) to appear before a specified Customs officer and answer all questions put to the person concerning—
  - (i) goods, or transactions relating to those goods, that are the subject of the investigation or audit, or that are relevant to the recovery of dues referred to in clause (a); or
  - (ii) documents or records of the kind referred to in clause (a).

(2) In this section, person includes an officer employed in a government department, corporation, local authority or an officer employed in a bank.

**155N. Documents in foreign language.**— Where a document in a foreign language except English is presented to a Customs officer in relation to the carrying

out of any duty or the exercise of any power of the Customs under this Act or any other Act, the officer may require the person who presented the document to supply to the officer an authentic English translation of the document at the expense of the person who presented it.

**155-O. Authorised officer may take possession of and retain documents and records.**— (1) An officer authorised in this behalf may take possession of and retain any document or record presented in connection with any entry or required to be produced under this Act.

(2) Where the authorised officer takes possession of a document or record under sub-section (1) of this section, the authorised officer shall, at the request of the person otherwise entitled to the document or record, provide that person with a copy of the document certified by or on behalf of the authorised officer under the seal of the Customs as a true copy.

(3) Every copy so certified shall be admissible as evidence in all courts and other legal forums as if it were the original.

**155P. Obstructing access, altering, concealing, destruction of record.**— Any person commits an offence who,—

- (a) fails to operate any mechanical or electronic device, when requested by a Customs officer, on which any records are, or information is, stored for the purpose of enabling the Customs officer to obtain those records or that information.
- (b) with intent to defeat the purposes of this Act, destroys, alters, or conceals any book, document, or record required to be kept under this Act, or sends or attempts to send out of Pakistan any such book, document, or record.”;

(30) in section 156, in sub-section (1), in the Table,—

(i) against serial No. 18, in the entry in column 2, after the word “vessel” the words “and master of the pilot” shall be inserted;

(ii) against serial No. 43,—

(a) in the entry in column 2,—

(i) for the words “twenty-five”, the words “one hundred” shall be substituted; and

- (ii) after the word “shall” occurring for the second time, the words “including the custodian” shall be inserted; and
  - (b) in the entry in column 3, for the figures “79 & 80” the figures, letters, commas and word “79, 79A, 80 and 80A” shall be substituted;
- (iii) against serial No.44,—
  - (a) in the entry in column 1, after the word “export” the words “or a goods declaration” shall be inserted;
  - (b) in the entry in column 2, after the words “rupees” the words “or five times the duty and taxes involved whichever is higher” shall be inserted; and
  - (c) in the entry in column 3, for the figures “79 & 131” the figures, letters, commas and word “79, 79A, 131 and 131 A” shall be substituted;
- (iv) against serial No.45,—
  - (a) in the entry in column 1, after the word “export” the words “or a goods declaration” shall be inserted;
  - (b) in the entry in column 2, after the words “rupees” the words “or five times the duty and taxes involved whichever is higher” shall be inserted; and
  - (c) in the entry in column 3, for the figures “79 & 131”, the figures, letters, commas and word “79, 79A, 131 and 131 A” shall be substituted;
- (v) against serial No.47,—
  - (a) in the entry in column 2,—
    - (i) after the word “goods”; occurring for the first time, the words “alongwith the custodian of the goods” shall be inserted; and
    - (ii) after the word “confiscation” the words “and upon conviction by a Special Judge be further liable to

imprisonment for a term not exceeding five years” shall be inserted; and

- (b) in the entry in column 3, after figure “79” the word, figure and letter “and 79A” shall be added;
- (vi) against serial No.63, in the entry in column 2,—
- (a) after the word “person” the words “including the custodian and the inland carrier” shall be inserted;
  - (b) after the word “rupees” the words “or five times the amount of duties and taxes involved whichever is higher and upon conviction by a Special Judge be further liable to imprisonment for a term not exceeding two years” shall be inserted; and
  - (c) after the word “committed” the words “and the conveyance illegally carrying such goods” shall be inserted;
- (vii) against serial No.66,—
- (a) in the entry in column 1,—
    - (i) after the word “export” the words “or goods declaration” shall be inserted; and
    - (ii) for the word and figure “section 131” the words, figures and letter “sections 131 and 131 A” shall be substituted; and
  - (b) in the entry in column 2,—
    - (i) after the word “conveyance” the words “alongwith the custodian” shall be inserted; and
    - (ii) for the words “one thousand rupees for every package of such goods” the words “one hundred thousand rupees and upon conviction by a Special Judge be further liable to imprisonment for a term not exceeding two years and the conveyance involved shall be liable to confiscation” shall be substituted; and
  - (c) in the entry in column 3, after the figure “131” the word, figure and letter “and 131A” shall be added;

- (viii) against serial No. 67, in the entry in column 1, after the word “export” the words “or goods declaration” shall be inserted;
- (ix) against serial No. 85,— in the entry in column 1,—
  - (a) in clause (a) for the words “molests or assaults any person duly engaged” the words and commas “falsely accuses or implicates, threatens, molests or assaults an official of Customs or any person while duly engaged or subsequently” shall be substituted; and
  - (b) in clause (b), after the word “thing”, occurring for the first time, the words and commas “required in an inquiry, investigation, audit of goods” shall be inserted; and
- (x) after serial No. 99 and the entries relating thereto in columns 1, 2 and 3 the following new serial numbers and the entries relating thereto shall be added, namely:—

<p>“100. If any person discloses, publishes or otherwise disseminates trade information of any person to any other person except as authorized;</p>	<p>such person shall be liable to a penalty not exceeding two hundred thousand rupees and on conviction before a Special Judge to imprisonment for a term not exceeding three years or both.</p>	<p>155H</p>
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<p>101. Unauthorized access to or improper use of the Customs Computerized System by any person.</p>	<p>such person shall be liable to a penalty not exceeding two hundred thousand rupees and on conviction before a Special Judge to imprisonment for a term not exceeding three years or both.</p>	<p>155-I</p>
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<p>102. If any person interferes with the Customs Computerized System.</p>	<p>such person shall be liable to a penalty not exceeding two hundred thousand rupees and on</p>	<p>155-J</p>
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conviction before a Special Judge to imprisonment for a term not exceeding two years or both.

103. Unauthorized use of unique user identifier by any person. such person shall be liable to a penalty not exceeding one hundred thousand rupees. 155K

104. If any person,—  
 (a) fails to operate any mechanical or electronic device, when requested by a Customs officer, on which any records are, or information is, stored for the purpose of enabling the Customs officer to obtain those records or that information; or such person shall be liable to a penalty not exceeding one hundred thousand rupees. 155P”;

(b) with intent to defeat the purposes of this Act, destroys, alters, or conceals any book, document, or record required to be kept under this Act, or sends or attempts to send out of Pakistan any such book, document, or record. such person shall be liable to a penalty not exceeding two hundred thousand rupees and on conviction before a Special Judge to imprisonment for a term not exceeding two years or both.

(31) in section 174, after the word “export”, the words “or goods declaration” shall be inserted;

(32) in section 194-A in sub-section (1), in clause (a), for word and figure “section 179” the words “this Act” shall be substituted;

(33) in section 194-C, in sub-section (4), for the words “one hundred thousand rupees” the words “five hundred thousands rupees shall be substituted;

- (34) in section 195,—
- (i) in the marginal heading, the words “ of Customs” shall be omitted; and
  - (ii) in sub-section (1), after the word “Customs”, the words and brackets “or the Collector of Customs (Adjudication)” shall be inserted;

- (35) in section 200, for the full stop at the end, a colon shall be substituted and thereafter following proviso shall be added, namely:—

“Provided that at customs-stations with the operational Customs Computerized System all the above functions shall be performed by the custodian of the cargo and the importer shall bear all expenses.”;

- (36) in section 207,—
- (a) for the words “as an agent” the words “on behalf of any principal” shall be substituted; and
  - (b) after the word “rules” at the end, the words “as a customs agent” shall be added;

- (37) for section 208, the following shall be substituted, namely:—

“208. *Person to produce authority if required.*— (1) When any person licensed under section 207 applies to any officer of Customs for permission to transact any specified business with him on behalf of any principal, such officer may require the applicant to produce a written authority from the principal on whose behalf such business is to be transacted, and in default of the production of such authority refuse such permission.

- (2) Where the principal chooses to transact business directly without using an agent licensed under section 207, he may do so himself or may authorize an employee or representative that may transact business generally at the customs-port, airport or land customs-station or customhouse for such principal:

Provided that the appropriate officer may refuse to recognize such an employee or representative unless such a person produces an authority in writing duly signed by the principal.”;

(38) for section 209, the following shall be substituted, namely:—

“209. *Liability of principal and agent.*— (1) Subject to the provisions of section 207 and 208, anything which the principal is required or empowered to do under this Act may be done by any person expressly authorized by the principal for the purpose.

(2) Where this Act requires anything to be done by the principal and if any such thing is done, by an employee or representative expressly authorized by the principal under sub-section (2) of section 208, unless the contrary is proved, shall be deemed to have been done with the knowledge and consent of such principal so that in any proceedings under this Act, the principal shall be liable as if the thing had been done by himself.

(3) When any customs agent is expressly authorized by the principal to be his agent under sub-section (1) of section 208 in respect of such goods for all or any of the purposes of this Act, such agent shall, without prejudice to the liability of the principal, be deemed to be the principal of such goods for such purposes;

Provided that where any duty is not levied or is short-levied or erroneously refunded on account of any reason other than willful act, negligence or default of the agent, such duty shall not be recovered from the agent.”;

(39) for section 211, the following shall be substituted, namely:—

“211. *Principals and agents to maintain records.*—All principals and agents transacting business under this Act, except those importing or exporting goods for *bonafide* private or personal purposes, shall, for a period of not less than five years maintain records in such form as the Board may, by notification in the official Gazette, specify.”;

(40) in section 215,—

(a) in clause (b), for the full stop, at the end, the semi-colon and word “; or” shall be substituted; and

(b) after clause (b), amended as aforesaid, the following new clause shall be added, namely:—

“(c) in case of electronic orders, decisions, notices or summons, when these have been sent to the recipient from the Customs Computerized System.”; and

(41) in section 217, in sub-section (1), after the word “rules”, at the end, the words “and notwithstanding anything in any other law for the time being in force no investigation or enquiry shall be undertaken or initiated by any governmental agency against any officer or official for anything done in his official capacity under this Act, rules, instructions or directions made or issued thereunder without the prior approval of the Central Board of Revenue” shall be inserted.

(42) The amendments set out in the Schedule shall be made in the First Schedule to the Customs Act, 1969 (IV of 1969).

6. **Amendment of the Ordinance XVII of 1969.**—The following further amendments shall be made in the Securities and Exchange Ordinance, 1969 (XVII of 1969), namely:—

(1) in section 2, in sub-section (1),—

(a) after clause (cb), the following new clause shall be inserted, namely:—

“(cc) “Commodity Exchange” means a company that provides or proposes to provide, the physical facilities necessary for trading in Commodity Futures Contracts;”; and

(b) in clause (I), in sub-clause (i), after the word “contract” the comma and words “, forward or futures contract” shall be inserted;

(2) in section 8, in sub-section (2), for the full stop, at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that business may be transacted in a delisted security for a period which may extend to six months in such manner as the Commission may direct.”; and

(3) after section 32C, the following new section shall be inserted, namely:—

“32D. *Regulation of business of Commodity Futures Contract.*—The business relating to Commodity Futures Contract shall be regulated

in such manner and on payment of such fees and charges as may be prescribed.”.

7. **Amendment of the Ordinance XLVII of 1984.**—In the Companies Ordinance, 1984 (XLVII of 1984), in section 181, in the proviso, for the word “unless” the word “if” shall be substituted.

8. **Amendment of section 7, Act V of 1989.**—In the Finance Act, 1989, in section 7,—

(a) in sub-section (1), in the Explanation,—

(i) in clause (a), for the words, comma, figures and brackets “Income Tax Ordinance, 1979 (XXXI of 1979)” the words, comma, figures and brackets “Income Tax Ordinance, 2001 (XLIX of 2001)” shall be substituted; and

(ii) in clause (b), for the words, comma, figures and brackets “Income Tax Ordinance, 1979 (XXXI of 1979)” the words, figures and brackets “Income Tax Ordinance, 2001 (XLIX of 2001) except a local authority” shall be substituted;

(b) in sub-section (7), for the words, figures and brackets “section 32 of the Wealth Tax Act (XV of 1963)” the words, figures and brackets “Part IV of Chapter X of Income Tax Ordinance, 2001 (XLIX of 2001)” and for the word “Act” appearing at the end, the word “Ordinance”; shall be substituted; and

(c) in sub-section (8A), for the words “Wealth Tax” the words “Income Tax” shall be substituted;

9. **Amendment in Sales Tax Act, 1990.**—The following further amendments shall be made in the Sales Tax Act, 1990, namely :—

(1) In section 2,—

(a) in clause (27), after the word “manufacturer” the words “or the importer” shall be inserted;

(b) in clause (28),—

(i) the words “not being a manufacturer or producer or an importer”, shall be omitted; and

- (ii) for the “semicolon”, at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:

“Provided that any person, who combines the business of import and retail or manufacture or production with retail, shall notify and advertise wholesale prices and retail prices separately, and declare the address of retail outlets, and his total turnover per annum shall be taken into account for the purposes of registration under section 14.”;

- (c) in clause (33), the words “in furtherance of business” shall be omitted;
  - (d) in clause (35), after the word “goods”, the words “or rendering of services on which sales tax has been levied under the respective ordinance and use of goods acquired for private purposes or for the manufacture of exempt goods without making supply” shall be inserted;
  - (e) in clause (41), the words “in Pakistan” shall be omitted; and
  - (f) in clause (44), the words “made in Pakistan” shall be omitted;
- (2) in section 3,—
- (a) the words “in Pakistan”, wherever occurring, shall be omitted; and
  - (b) in sub-section (1A), in the proviso,—
    - (i) in clause (2), for the words, comma, figures and brackets “under the Income Tax Ordinance, 1979 (XXXI of 1979) but has deducted income tax at source under sub-section (4) of section 50”, the words and figures “under the Income Tax Ordinance, 2001 (XLIX of 2001) but has deducted income tax at source under section 153” shall be substituted; and
    - (ii) in clause (3), in sub-clause (iv) after the word “products” the words “excluding asphalt, bitumen and lubricants all sorts” shall be inserted;
- (3) in section 3A,—
- (a) in sub-section (1),—
    - (i) for the word “five” the word “twenty” shall be substituted;

- (ii) in the second proviso, for the word “rule”, at the end, the word “section” shall be substituted; and
- (b) in sub-section (3),—
  - (i) for the word “five” the word “twenty” shall be substituted; and
  - (ii) the words “subject to the condition that he shall not thereafter be entitled to be de-registered until the expiry of two years from the date of such registration” shall be omitted;
- (4) in section 3AA, in sub-section (4) the comma and words “, subject to the condition that he shall not thereafter be entitled to be de-registered until the expiry of two years from the date of such registration” shall be omitted;
- (5) in section 5, in clause (a) the words “in Pakistan” shall be omitted;
- (6) in section 6,—
  - (a) in sub-section (2), the words “in Pakistan”, shall be omitted; and
  - (b) in sub-section (3), the words “made in Pakistan”, shall be omitted;
- (7) in section 7,—
  - (a) in sub-section (1),—
    - (i) after the word, “tax” occurring for the fifth time, the commas and words “, excluding the amount of further tax,” shall be inserted; and
    - (ii) for the full stop, at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that the taxpayer may adjust input tax paid on the purchases in the immediate three preceding tax periods from the output tax subject to the condition that the taxpayer specifies the reasons for such delayed input tax adjustment in the revised sales tax return for such period or in the return for the immediately succeeding tax period.”;

(b) in sub-section (2),—

(i) in clause (i),—

(a) the words “in Pakistan” shall be omitted; and

(b) after the words, “invoice”, the words “in his name and bearing his registration number,” shall be inserted; and

(ii) for clause (ii), the following shall be substituted, namely:—

“(ii) in case of goods imported into Pakistan, he holds bill of entry or goods declaration in his name and showing his sales tax registration number, duly cleared by the customs under section 79 or section 104 of the Customs Act, 1969 (IV of 1969);”

(8) after section 7, the following new section shall be inserted, namely:—

“7A. *Levy and collection of tax on specified goods on value addition.*—Notwithstanding anything contained in this Act or the rules made thereunder, the Federal Government may specify, by notification in the official gazette, that sales tax chargeable on the supply of goods of such description or class shall, with such limitations or restrictions as may be prescribed, be levied and collected on the difference between the value of supply for which the goods are acquired and the value of supply for which the goods, either in the same state or on further manufacture, are supplied.”;

(9) in section 11,—

(a) in sub-section (4), in the proviso, —

(i) for the word “forty-five” the word, “ninety” shall be substituted; and

(ii) for the words “an officer of Sales Tax”, the word “the Collector or, as the case may be, Collector (Adjudication)” shall be substituted; and

(b) after sub-section (4), the following new sub-section shall be added, namely:—

“(5) Notwithstanding anything in sub-section (1), where a registered person fails to file a return, an officer of Sales Tax Department,

not below the rank of Assistant Collector, shall subject to such conditions as specified by the Central Board of Revenue, determine the minimum tax liability of the registered person.”;

- (10) in section 13, sub-section (2), in clause (a) the words, “in Pakistan” shall be omitted;
- (11) in section 14, sub-section (1), clause (ii), for the word “five” the word “twenty” shall be substituted;
- (12) section 16 shall be omitted;
- (13) In section 18,—
  - (a) sub-section (2), shall be omitted; and
  - (b) in sub-section (3), the proviso shall be omitted;
- (14) in section 19, after the words, “registered”, “registration” and “register” wherever occurring, the words, “or enrolled”, “or enrollment” and “or enroll” shall respectively be inserted;
- (15) in section 21,—
  - (a) in sub-section (2), for the figure and letter “3A” the figure “14” shall be substituted;
  - (b) in sub-section (3), for the words and figures, “continue to file the return under section 26 till his registration is cancelled by the Collector”, the commas, words and figure “; upon completion of the audit, which may have been initiated upon his application for deregistration, discharge any outstanding liability which may have been raised therein by filing a final return under the provision of section 28” shall be substituted ; and
  - (c) in sub-section (4), for the full stop, at the end, a colon shall be substituted and thereafter the following provisos shall be added, namely:—

“Provided that in cases where the Collector is satisfied that a registered person is found to have issued fake invoices, evaded tax or has committed tax fraud, he may blacklist such person or suspend his registration or as the case may be, enrolment pending further inquiry:

Provided further that order suspending registration, enrolment or blacklisting such registered or enrolled person, shall be in writing and copy thereof shall be communicated to the registered or enrolled person, as the case may be, and show cause notice for recovery of evaded amount of tax and de-registration or de-enrollment may be issued within ninety days of completion of inquiry.”;

- (16) in section 22, for sub-section (3), the following shall be substituted; namely.—

“(3) The Board may, by notification in the official gazette, prescribe the procedure or software for electronically maintenance of records, filing of sales tax returns or refunds and for any other matter or approve any software for electronic maintenance of records and filling of returns or refunds by a person or class of such persons.”;

- (17) section 25, shall be numbered as sub-section (1) of that section and after sub-section (1), numbered as aforesaid, the following new sub-sections shall be added, namely:—

“(2) The officer of Sales Tax, on the basis of the record, obtained under sub-section (1), may, once in a year, conduct audit:

Provided that in case the Collector has information or sufficient evidence showing that such registered person is involved in tax fraud or evasion of tax, he may authorize an officer of sales tax, not below the rank of Assistant Collector, to conduct an inquiry or investigation under section 38.

- (3) The Assistant Collector (Audit), shall issue audit observation pointing out the contraventions of the Act or rules, as the case may be, and the amount of tax evaded therein, on the basis of scrutiny of such records, as prescribed under the Act or rules or in any other manner by the Board. The registered person may, within a period of fifteen days of the receipt of audit observation, submit his point of view in writing.

- (4) If, within the period prescribed in sub-section (3), no reply is received or the reply furnished by the registered person is found unsatisfactory, the Assistant Collector shall issue an audit report specifying the amount of tax or charge that has not been levied or has been short levied or has been erroneously refunded or any other violation of any provision of Act or rules made thereunder.
- (5) Notwithstanding the penalties prescribed in section 33, if a registered person wishes to deposit the amount of tax short paid or amount of tax evaded along with additional tax voluntarily, whenever it comes to his notice, before receipt of notice of audit, no penalty shall be recovered from him:

Provided if a registered person wishes to deposit the amount of tax short paid or amount of tax evaded along with additional tax during the audit, or at any time before issuance of show cause notice in lieu of the audit report, he may deposit the evaded amount of tax, additional tax under section 34, and twenty-five per cent of the penalty payable under section 33:

Provided further that if a registered person wishes to deposit the amount of tax short paid or amount of tax evaded along with additional tax after issuance of show cause notice, he shall deposit the evaded amount of tax, additional tax under section 34, and full amount of the penalty payable under section 33 and thereafter, the show cause notice, shall stand abated.”;

- (18) in section 26, after sub-section (2), the following new sub-sections shall be added, namely:—

“(3) A registered person may file a revised return to correct any omission or wrong declaration made in a return filed under sub-section (1) or sub-section (2).

- (4) Notwithstanding the penalties prescribed in section 33, if a registered person wishes to file revised return voluntarily along with deposit of the amount of tax short paid or amount of tax evaded along with additional tax, whenever it comes to his notice, before receipt of notice of audit, no penalty shall be recovered from him:

Provided that in case the registered person wishes to deposit the amount of tax as pointed out by the officer of sales tax during

the audit, or at any time before issuance of the show cause notice in lieu of the audit report, he may deposit the evaded amount of tax, additional tax under section 34, and twenty-five per cent of the penalty payable under section 33 along with the revised return:

Provided further that in case the registered person wishes to deposit the amount after issuance of show cause notice, he shall deposit the evaded amount of sales tax along with the amount of further tax as per provision of sub-section (1A) of section 3, if applicable, additional tax under section 34, and full amount of the leviable penalty under section 33 along with the revised return and thereafter, the show cause notice, shall stand abated.”;

(19) in section 26A, after sub-section (6), the following new sub-sections shall be added, namely:—

“(7) An enrolled person may file a revised return to correct any omission or wrong declaration made in a return file under sub-section (1) or sub-section (6).

(8) Notwithstanding the penalties prescribed in section 33, if a enrolled person wishes to file revised return voluntarily along with deposit of the amount of tax short paid or amount of tax evaded along with additional tax, whenever it comes to his notice, before receipt of notice of audit, no penalty shall be recovered from him:

Provided that in case the enrolled person wishes to deposit the amount of tax as pointed out by the officer of Sales Tax during the audit, or at any time before issuance of the show cause notice in lieu of the audit report, he may deposit the evaded amount of tax, additional tax under section 34, and twenty-five per cent of the penalty payable under section 33 along with the revised return:

Provided further that in case the enrolled person wishes to deposit the amount after issuance of show cause notice, he shall deposit the evaded amount of sales tax along with the amount of further tax as per provision of sub-section (1A) of section 3, if applicable, additional tax under section 34, and full amount of the leviable penalty under section 33 along with the revised return and thereafter, the show cause notice, shall stand abated.”;

- (20) in section 26AA, after sub-section (2), the following new sub-sections shall be added, namely:—

“(3) A registered retailer may file a revised return to correct any omission or wrong declaration made in a return filed under sub-section (1) or sub-section (2).

- (4) Notwithstanding the penalties prescribed in section 33, if a registered retailer wishes to file a revised return voluntarily along with deposit of the amount of tax short paid or amount of tax evaded along with additional tax, whenever it comes to his notice, before receipt of notice of audit, no penalty shall be recovered from him:

Provided that in case the registered retailer wishes to deposit the amount of tax as pointed out by the officer of Sales Tax during the audit, or at any time before issuance of the show cause notice in lieu of the audit report, he may deposit the evaded amount of tax, additional tax under section 34, and twenty-five per cent of the penalty payable under section 33 along with the revised return:

Provided further that in case the registered retailer wishes to deposit the amount after issuance of show cause notice, he shall deposit the evaded amount of sales tax along with the amount of further tax as per provision of sub section (1A) of section 3, if applicable, additional tax under section 34, and full amount of the leviable penalty under section 33 along with the revised return and thereafter, the show cause notice, shall stand abated.”;

- (21) in section 33,—

- (a) in sub-section (1), for full stop, at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that in case a person files a return within fifteen days of the due date, he shall pay a penalty of one hundred rupees for each day of default.”; and

- (b) after sub-section (6), the following new sub-section shall be inserted, namely:—

“(6A) A registered or enrolled person or retailer who without any reasonable cause fails to comply with the provisions of section 25, shall pay, —

- (a) for failing to produce the record on receipt of first notice, a penalty of two thousand five hundred rupees;

- (b) for failing to produce the record on receipt of second notice, a penalty of ten thousand rupees; and
  - (c) for failing to produce the record on receipt of third notice, a penalty of fifty thousand rupees.”;
- (22) in section 34, in sub-section (1), for the word “two”, the word “one” shall be substituted;
- (23) in section 36,—
  - (a) in sub-section (3), in the proviso,—
    - (i) for the word, “forty-five” the word, “ninety” shall be substituted; and
    - (ii) for the words “an officer of Sales Tax”, the word “the Collector or, as the case may be, Collector (Adjudication)” shall be substituted;
  - (b) in sub-section (3), in the proviso, for the full stop, at the end, a colon shall be substituted and thereafter the following further proviso shall be added, namely:—

“Provided further that where a registered or enrolled person is served with audit observation, the period of,—

    - (i) five years prescribed in sub-section (1); and
    - (ii) three years prescribed in sub-section (2),

for the issuance of show cause notice shall be treated as extended from the date of serving of audit observation(s) to the date of issuance of show cause notice.”;
- (24) in section 37A, sub-section (1), for the words, “may arrest such person” the words, “may cause arrest of such person” shall be substituted;
- (25) after section 40A, the following new section shall be inserted, namely:—

“40B. *Posting of Sales Tax Officer.*— Subject to such conditions and restrictions, as deemed fit to impose, the Central Board of Revenue, may post Officer of Sales Tax to the premises of registered person

or class of such persons to monitor production, sale of taxable goods and the stock position:

Provided that if a Collector, on the basis of material evidence, has reason to believe that a registered person is involved in evasion of sales tax or tax fraud, he may, by recording the reason in writing, post an Officer of Sales Tax to the premises of such registered person to monitor production or sale of taxable goods and the stocks position.”;

(26) in section 45A,—

- (a) in the marginal note, for the words “**and Collector**” the comma, words and brackets “, **Collector and Collector (Adjudication)**” shall be substituted;
- (b) for sub-section (4), the following shall be substituted, namely:—

“(4) The Collector or Collector (Adjudication), may, in respect of any case decided by an officer subordinate to him, exercise all or any of the powers of the Board specified in sub-section (1).”;

(27) in section 45-B, in sub-section (4),—

- (a) for the words “the tax demanded and the penalty imposed”, the figure and words “15% of the principal amount of tax” shall be substituted;
- (b) in first proviso, the words “demanded or the penalty”, shall be omitted;
- (c) in second proviso, the words “demanded or penalty imposed”, shall be omitted; and
- (d) in the second proviso, for the full stop, at the end, a colon shall be substituted and after the said proviso:

“Provided also that such interim order or orders, as the case may be, dispensing with deposit of tax as hereinbefore prescribed shall cease to have effect on the expiration of a total period of six months following the day on which the first interim order is made, unless the case is finally decided, or the interim order is withdrawn by the Collector of Sales Tax (Appeal) earlier.”;

- (28) in section 46, in sub-section (4), in the first proviso, for the full stop, at the end, a colon shall be substituted and thereafter the following further proviso shall be added, namely:—

“Provided further that such interim order or orders, as the case may be, shall cease to have effect on the expiration of a total period of six months following the day on which the first interim order is made, unless the case is finally decided, or the interim order is withdrawn by the Appellate Tribunal earlier.”;

- (29) in section 46, after sub-section (8), the following new sub-section shall be added, namely:—

“(9) The Chairman or any other member of the Appellate Tribunal authorized in this behalf by the Chairman may, sitting singly, dispose of any case which has been allotted to the bench of which he is member where —

- (a) in any disputed case, other than a case where the determination of any question having a relation to the rate of sales tax or to the value of taxable goods for purposes of assessment is in issue or is one of the points in issue, the difference in tax involved or the tax involved; or
- (b) the amount of fine or penalty involved; does not exceed five hundred thousand rupees.”;

- (30) in section 47,—

(a) in sub-section (6), for the word “Notwithstanding”, the words, brackets, letter and figure “Subject to sub-section (6A) and notwithstanding” shall be substituted; and

(b) after sub-section (6), the following new sub-section shall be inserted, namely:—

“(6A) Where recovery of tax has been stayed by the High Court by an order, such order shall cease to have effect on the expiration of a period of six months following the day on which it is made unless the appeal is decided, or such order is withdrawn, by the High Court earlier.”;

(31) in section 47A,—

(a) in sub-section (1), —

- (i) in clause (a) after the semicolon, at the end, the word “and” shall be added;
- (ii) in clause (b), for the word and semicolon “and;” a colon shall be substituted;
- (iii) in clause (c), the words and colon “a Member of the Board:”, shall be omitted;
- (iv) the brackets, letter, words and colon “(c) a Member of the Board:” shall be omitted; and
- (v) in proviso after the word “by” the words “or is *sub judice* before” shall be inserted; and

(b) in sub-section (4), for the full stop, at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely: —

“Provided that a unanimous recommendation of the committee shall be binding on the Board and the applicant.”;

(32) in section 58,—

- (a) in marginal note, after the word, “companies” the words “or business enterprises” shall be inserted;
- (b) after the word “company”, wherever occurring, the words “or business enterprise” shall be inserted; and
- (c) for the words, “director of” the words “owner of, or partner in, or director of,” shall be substituted;

(33) for section 73, the following shall be substituted, namely:—

“73. *Certain transactions not admissible.*— Notwithstanding anything contained in this Act or any other law for the time being in force, payment of the amount of sales tax excluding utility bills for a transaction exceeding value of twenty-five thousand rupees shall be made by a banking instrument showing transfer of the amount of sales tax in favour of supplier or the Collector of Sales Tax, as the case may be, from the specified bank account of the buyer to the specified bank account of the supplier or to the specified sales tax head of account, as the case may be. The buyer and seller shall

not be entitled to claim input tax credit, adjustment or deduction, or refund, repayment or draw-back or zero-rating of tax under this Act if the payment of the amount of sales tax is made or received otherwise than in the manner herein prescribed.”;

(34) after section 74, the following new section shall be added, namely:—

“75. *Application of the provisions of Act IV of 1969 to Sales Tax.*— The Federal Government may, by notification in the official Gazette, declare that any of the provision of the Customs Act, 1969 (IV of 1969), relating to the levy of, and exemption from, customs duties, draw-back of duty, warehousing, confiscation, and procedure relating to offences and appeals shall, with such modifications and alterations as it may consider necessary or desirable to adapt them to the circumstances, be applicable in regard to like matters in respect of the tax imposed by section 3.”;

(35) in the Sixth Schedule—

(i) against serial No. 3 in column (1), in column (2), —

(a) for the words “Unprocessed foodstuff” the word “Foodstuff” shall be substituted;

(b) for clause (iv), the following shall be substituted, namely:—

“(iv) Fresh, liquid and dried milk, without addition of sugar or any other sweetening matter whether packed or not; milk preparations obtained by replacing one or more of the constituents of milk by another substance, whether or not packed for retail sale, falling under Heading No. 19.01 of the First Schedule to the Customs Act, 1969 (IV of 1969); plain yogurt excluding packaged or sold under trade mark or brand name;”;

(ii) against serial No. 4 in column (1), in column (2) the following entries and the entries relating thereto in column (3) shall be omitted, namely:—

“Soyabean.	12.01
Rape-seed.	12.05
Sunflower seeds.	12.06
Palm nuts and kernels.	1207.1000
Safflower seeds.	1207.6000
Canola seed	12.05”;

- (iii) against serial No. 6 in column (1), in the entry in column (2), after the word “oil”, occurring for the first time, the words “obtained from the locally produced seeds,” shall be inserted;
- (iv) against serial No. 22, in column (2),—
  - (a) for the comma, occurring for the fourth time, the word “and” shall be substituted; and
  - (b) the words “and similar documents of title” shall be omitted;
- (v) against serial No. 29 in column (1), in the entry, in column (2), for the words “and trucks” the commas, letters, figures, and brackets “trucks and vehicles falling under PCT heading 87.04 of the First Schedule to the Customs Act, 1969 (IV of 1969) specially modified for mounting defence equipments” shall be substituted;
- (vi) against serial No. 42 in column (1), in the entry in column (2), the words “in Pakistan”, shall be omitted;
- (vii) against serial No. 43 in column (1), for the entry in column (2), the following shall be substituted, namely:—

“Raw materials and intermediary goods or services if used by the sale tax registered manufacturer, himself in the manufacture of goods subject to sales tax.”;
- (viii) Serial No. 58 in column (1), and the entries relating thereto in columns (2) and (3), shall be omitted;
- (ix) against serial No. 59 in column (1), in the entry in column (2),—
  - (a) the words “Import of artificial” the word “Artificial” shall be substituted;
  - (b) after the word “dialysis”, occurring for the second time, the following words and comma “double lumen catheter for dialysis, catheter for renal failure patient and peritoneal dialysis solution and angioplasty equipment (balloons, catheters, wires and stents),” shall be inserted; and
- (x) after the serial No. 59 in column (1) and the entries relating thereto in columns (2) and (3), the following new serial number and entries

relating thereto shall be added, namely:—

<p>“60 Supply of fixed assets against which input tax adjustment is not available under a notification issued in terms of clause (b) of sub-section (1) of section 8 of the Sales Tax Act, 1990.</p>	<p>Respective headings”;</p>
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10. **Amendments of section 12, Act XII of 1991.**—In the Finance Act, 1991 (XII of 1991), in section 12, after sub-section (8), the following new sub-sections shall be inserted, namely :—

- “(8A) The provisions of sub-section (7) and sub-section (8) shall not apply, where—
- (a) no order under sub-section (6) has been passed and the return, notwithstanding anything contained in sub-section (3), is filed between the first day of July, 2003, and the thirtieth day of September, 2003, both days inclusive, and the tax due under sub-section (5) is paid alongwith the return; or
  - (b) the tax due under sub-section (5) is paid between the first day of July, 2003, and the thirtieth day of September, 2003, both days inclusive, on the basis of the return filed prior to first day of July, 2003, provided that no order under sub-section (6) has been passed in respect of the said return; or
  - (c) the appeal or revision or rectification filed under sub-section (10) pending decision is withdrawn by the company and the tax due under sub-section (5) stands paid by the thirtieth day of June, 2003, or is paid between the first day of July, 2003, and the thirtieth day of September, 2003, both days inclusive; or
  - (d) the company has not filed an appeal or revision or rectification under sub-section (10) against an order passed under sub-section (6) and has paid the tax due under sub-section (5) by the thirtieth day of September, 2003.
- (8B) Notwithstanding anything contained in sub-section (8A), any amount of penalty or additional tax paid by the thirtieth day of June, 2003, shall not be refunded.”

11. **Amendment of the Act XLII of 1997.**—The following further amendments shall be made in the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997), namely:—

- (1) in section 5, after sub-section (4), the following new sub-section shall be added, namely:—
  - “(5) No act or proceeding of the Commission shall be invalid by reason only of the existence of a vacancy in, or defect in the constitution of the Commission.”;
- (2) in section 20, in sub-section (4),—
  - (a) in clause (b), after the word “Exchange” the comma and words “, Commodity Exchange” shall be inserted;
  - (b) in clause (t), the word “and” shall be omitted;
  - (c) in clause (u) for the full stop, at the end, the semicolon and word “; and” shall be substituted; and
  - (d) after clause (u), amended as aforesaid, the following new clause shall be added, namely:—
    - “(v) promoting and regulating development of Private Pension Schemes and Funds;”; and
- (3) in section 28, the commas and words “, with the approval of the Board,” shall be omitted.

12. **Amendment of the Income Tax Ordinance, XLIX of 2001.**—The following further amendments shall be made in the Income Tax Ordinance, 2001 (XLIX of 2001), namely:—

- (1) in section 2,—
  - (a) in clause (1) after the word “to” the words “distribution or payment of” shall be inserted;
  - (b) in clause (1A), in sub-clause (c), after the word “Pakistan”, occurring for second time, the words, comma and figure “on or before thirtieth day of June, 2004” shall be inserted;
  - (c) in clause (19), in sub-clause (e), after the word “company”, occurring for the first time, the words, comma, figures and brackets “as defined in the Companies Ordinance, 1984 (XLVII of 1984)” shall be inserted;

- (d) in clause (24), the words “by the Federal Government in the official Gazette as a financial institution” at the end, shall be omitted;
- (e) in clause (29), —
  - (i) after the word “collection”, the words “or deduction”, shall be inserted;
  - (ii) after the figure and comma “234,” the words “any amount treated as income under any provision of this Ordinance”, shall be inserted;
  - (iii) the word “domestic” shall be omitted; and
- (f) in clause (35A), for the words “set up by the Investment Corporation of Pakistan or by an investment company” the words “registered or approved by the Securities and Exchange Commission of Pakistan” shall be substituted;
- (g) in clause (41),—
  - (i) in clause (a), after the word and comma “workshop,” the words and commas “premises for soliciting orders, warehouse, permanent sales exhibition or sales outlet,” shall be inserted;
  - (ii) after sub-clause (b), the following new sub-clause shall be inserted, namely:—

“(ba) an agricultural, pastoral or forestry property;”;
  - (iii) in sub-clause (d), the comma and words “, but only where activities of that nature continue for the same or a connected project within Pakistan for a period or periods aggregating more than ninety days within any twelve-month period” shall be omitted;
- (h) after clause (44), the following new clause shall be inserted, namely:—

“(44A) “principal officer” used with reference to a company or association of persons includes—

  - (a) a director, a manager, secretary, agent, accountant or any similar officer; and

- (b) any person connected with the management or administration of the company or association of persons upon whom the Commissioner has served a notice of treating him as the principal officer thereof;”;
- (i) in clause (46), for the word “means”, the words and comma “whether payable or receivable, means” shall be substituted; and
- (j) in clause (47),—
  - (a) in sub-clause (a), after the word “Government”, the words “or Provincial Government” shall be added; and
  - (b) after clause (a), amended as aforesaid, the following new clause shall be inserted, namely:—
    - “(ab) a company in which shares are held by a foreign Government, or a foreign company owned by a foreign Government.”;
  - (c) for sub-clause (c), the following shall be substituted, namely:—
    - “(c) a unit trust whose units are widely available to the public and any other trust as defined in the Trusts Act, 1882 (II of 1882);”;
- (2) in section 4,—
  - (a) in sub-section (3), in clause (c), the figure and comma “140,” shall be omitted; and
  - (b) after sub-section (5), the following sub-section shall be added, namely:—
    - “(6) Where, by virtue of any provision of this Ordinance, income tax is to be deducted at source or collected or paid in advance, it shall, as the case may be, be so deducted, collected or paid, accordingly;”;
- (3) in section 5, in sub-section (1), the word “resident” shall be omitted;

- (4) in section 15,—
- (a) in sub-section (1), for the word “in”, occurring for the first time, the word “for” shall be substituted;
  - (b) after sub-section (3), the following new sub-section shall be inserted, namely:—

“(3A) Where any amount is included in rent received or receivable by any person for the provision of amenities, utilities or any other service connected with the renting of the building, such amount shall be chargeable to tax under the head “Income from Other Sources.”;
- (5) in section 17, in sub-section (1), after clause (f), the following new clause shall be inserted, namely:—
- “(fa) where the property is subject to mortgage or other capital charge, the amount of profit or interest paid on such mortgage or charge;”;
- (6) in section 18, after sub-section (2), the following new sub-sections shall be inserted, namely:—
- “(3) Where a lesser, being a scheduled bank or an investment bank or a development finance institution or a modaraba or a leasing company has leased out any asset, whether owned by it or not, to another person, any amount paid or payable by the said person in connection with the lease of said asset shall be treated as the income of the said lesser and shall be chargeable to tax under the head “Income from Business”.
  - (4) Any amount received by a banking company or a non-banking finance company, where such amount represents distribution by a mutual fund out of its income from profit on debt, shall be chargeable to tax under the head “Income from Business” and not under the head “Income from Other Sources.”;
- (7) in section 21,—
- (a) in clause (c),—
    - (i) for the word “until” the word “unless” shall be substituted; and
    - (ii) after the word “has” the words “paid or” shall be inserted;

- (b) in clause (d), after the word “limits” the words “or in violation of such conditions” shall be inserted; and
- (c) in clause (I), for the word “fees”, the word “fee”, shall be substituted;
- (8) in section 22, in sub-section (3), for the word “derived” the word “derive” shall be substituted;
- (9) in section 23, in sub-section (5),—
  - (a) the words and comma “that is plant or machinery,” shall be omitted; and
  - (b) in clause (c), for the words “that is acquired second hand” the words “that has been used previously in Pakistan” shall be substituted;
- (10) in section 24, in sub-section (11), in second paragraph, after the word “copyright”, the commas and words “, trade mark, scientific or technical knowledge, computer software, motion picture film, export quotas, franchise, licence, intellectual property” shall be inserted;
- (11) in section 26, in sub-section (2),—
  - (a) in the first paragraph, after the word “activity”, the words “undertaken in Pakistan” shall be inserted; and
  - (b) in the second paragraph after the word “research”, occurring for the second time, the words “undertaken in Pakistan” shall be inserted;
- (12) in section 27, in clause (b), after the word “Government” the words “or a Provincial Government” shall be inserted;
- (13) after section 29, the following new section shall be inserted, namely:—
  - “29A. *Provision regarding consumer loans.*—(1) A banking company shall be allowed a deduction, not exceeding three per cent of income for the tax year, arising out of consumer loans for creation of a reserve to off-set bad debts arising out of such loans.

(2) Where bad debt can not be wholly set off against reserve, any amount of bad debt, exceeding the reserves shall be carried forward for adjustment against the reserve for the following years.”;

(14) in section 30,—

(a) in sub-section (1),—

(i) after the word “institution”, occurring twice, the words, brackets and letters “or Non-Banking Finance Company (NBFC) or modaraba” shall be inserted;

(ii) for the words “Non-bank Financial Institutions” the words , “Non-Banking Finance Company or modaraba” shall be substituted; and

(iii) after the word “Pakistan”, at the end, the words “or the Securities and Exchange Commission of Pakistan” shall be added; and

(b) in sub-section (2) after the word “institution”, occurring twice, the words, brackets and letters “or Non-Banking Finance Company (NBFC) or modaraba”, shall be inserted;

(15) in section 32,—

(a) for sub-section (1), the following shall be substituted, namely:—

“(1) Subject to this Ordinance, a person’s income chargeable to tax shall be computed in accordance with the method of accounting regularly employed by such person.”; and

(b) in sub-section (4), for the word “notice”, the word “order” shall be substituted;

(16) in section 34, after sub-section (5), the following shall be inserted, namely:—

“(5A) Where a person has been allowed a deduction in respect of a trading liability and such person has derived any benefit in respect of such trading liability, the value of such benefit shall be chargeable to tax under head “Income from Business” for the tax year in which such benefit is received.”;

(17) in section 37,—

(a) after sub-section (4), the following new sub-section shall be inserted, namely:—

“(4A) Where the capital asset becomes the property of the person—

- (a) under a gift, bequest or will;
- (b) by succession, inheritance or devolution;
- (c) a distribution of assets on dissolution of an association of persons; or
- (d) on distribution of assets on liquidation of a company,

the fair market value of the asset, on the date of its transfer or acquisition by the person shall be treated to be the cost of the asset.”; and

(b) in sub-section (5), in clause (d), for the brackets, commas and words “(including wearing apparel, jewelry, or furniture)” the brackets, words figures “[excluding capital assets specified in sub-section (5) of section 38]” shall be substituted;

(18) in section 39,—

(a) in sub-section (1),—

(i) after clause (f), the following new clause shall be inserted, namely:—

“(fa) income from provision of amenities, utilities or any other service connected with renting of building;”;

(ii) in clause (h), after the word “lottery” the commas and words “, prize on winning a quiz, prize offered by companies for promotion of sale” shall be inserted;

(b) in sub-section (3), after the word “deposit” the words “for issuance of shares” shall be inserted; and

- (c) after sub-section (4), the following new sub-sections shall be inserted, namely:—

“(4A) Where—

- (a) any profit on debt derived from investment in National Savings Deposit Certificates including Defence Savings Certificate paid to a person in arrears or the amount received includes profit chargeable to tax in the tax year or years preceding the tax year in which it is received; and
- (b) as a result the person is chargeable at higher rate of tax than would have been applicable if the profit had been paid to the person in the tax year to which it relates,

the person may, by notice in writing to the Commissioner, elect for the profit to be taxed at the rate of tax that would have been applicable if the profit had been paid to the person in the tax year to which it relates.

- (4B) An election under sub-section (4A) shall be made by the due date for furnishing the person’s return of income for the tax year in which the amount was received or by such later date as the Commissioner may allow by an order in writing.”;

- (19) in section 40,—

- (a) in sub-section (2), the words “on the profit” shall be omitted; and
- (b) in sub-section (3), the brackets, letter and word “(e) or” shall be omitted;

- (20) in section 44, in sub-section (2), in clause (a), for the words “a non-resident” the words “not a resident” shall be substituted;

- (21) in section 50, in sub-section (1), the brackets and words “(other than a citizen of Pakistan)” shall be omitted;

- (22) section 51, shall be numbered as sub-section (1) of that section and after sub-section (1), numbered as aforesaid, the following new sub-section shall be added, namely:—

“(2) Where a citizen of Pakistan leaves Pakistan during a tax year and remains abroad during that tax year, any income chargeable under

the head “Salary” earned by him outside Pakistan during that year shall be exempt from tax under this Ordinance.”;

- (23) in section 53, after sub-section (1), the following new sub-section shall be inserted, namely:—

“(1 A) Where any income which is exempt from tax under any provision of the Second Schedule, such income, as may be specified in the said Schedule and subject to such conditions as may be specified therein, shall be included in the total income, however the tax shall not be payable in respect of such income.”;

- (24) in section 54, for the full stop, at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that any exemption from income tax provided in any other law and in force on the commencement of this Ordinance shall continue to be available unless withdrawn.”;

- (25) in section 55, sub-section (2), shall be omitted;

- (26) after section 59, the following new section shall be inserted, namely:—

“59A. *Limitations on set off and carry forward of losses.*—(1) In case of an association of persons to which sub-section (3) of section 92 applies, any loss which cannot be set off against any other income of the association of persons in accordance with section 56, shall be dealt with as provided under sub-section (2) of section 93.

(2) Nothing contained in section 57, section 58 or section 59 shall entitle an association of persons, to which sub-section (3) of section 92 applies to have its loss carried forward and set off thereunder.

(3) In case of association of persons, to which sub-section (3) of section 92 does not apply, any loss of such association shall be set off or carried forward and set off only against the income of the association.

(4) Nothing contained in section 56, 57, 58 or 59 shall entitle—

(a) any member of an association of persons to which sub-section (3) of section 92 does not apply, to set off any loss sustained by such association of persons, as the case may be, or have it carried forward and set off, against his income; or

- (b) any person who has succeeded, in such capacity, any other person carrying on any business or profession, otherwise than by inheritance, to carry forward and set off against his income, any loss sustained by such other person.
- (5) Where in computing the taxable income for any tax year, full effect cannot be given to a deduction mentioned in section 22, 23, 24 or 25 owing to there being no profits or gains chargeable for that year or such profits or gains being less than the deduction, then, subject to sub-section (12) of section 22, and sub-section (6), the deduction or part of the deduction to which effect has not been given, as the case may be, shall be added to the amount of such deduction for the following year and be treated to be part of that deduction, or if there is no such deduction for that year, be treated to be the deduction for that year and so on for succeeding years.
- (6) Where, under sub-section (5), deduction is also to be carried forward, effect shall first be given to the provisions of section 56 and sub-section (2) of section 58.
- (7) Notwithstanding anything contained in this Ordinance, no loss which has not been assessed or determined in pursuance of an order made under section 59, 59A, 62, 63 or 65 of the repealed Ordinance or an order made or treated as made under section 120, 121 or 122 shall be carried forward and set off under section 57, sub-section (2) of section 58 or section 59.”;
- (27) after section 60, the following new section shall be inserted, namely:—
  - “60A. *Workers’ Welfare Fund.*—A person shall be entitled to a deductible allowance for the amount of any Workers’ Welfare Fund paid by the person in tax year under Workers’ Welfare Fund Ordinance, 1971 (XXXVI of 1971)”;
- (28) in section 61,—
  - (a) for sub-section (1), the following shall be substituted, namely:—
    - “(1) A person shall be entitled to a tax credit in respect of any sum paid, or any property given by the person in the tax year as a donation to—
      - (a) any board of education or any university in Pakistan established by, or under, a Federal or a Provincial law;

- (b) any educational institution, hospital or relief fund established or run in Pakistan by Federal Government or a Provincial Government or a local authority; or
  - (c) any non-profit organization.”;
- (b) after sub-section (4), the following new sub-section shall be inserted, namely:—
  - “(5) The Central Board of Revenue may make rules regulating the procedure of the grant of approval under sub-clause (c) of clause (36) of section 2 and any other matter connected with, or incidental to, the operation of this section.”;
- (29) in section 62,—
  - (a) in sub-section (1), after the word “person”, occurring twice, the words “other than a company” shall be inserted;
  - (b) in sub-section (2), in the third paragraph, in clause (b), for the word “total” the word “taxable” shall be substituted; and
  - (c) in sub-section (3), in clause (a), for the word “claimed” the words “been allowed” shall be substituted;
- (30) in section 63, in sub-section (2), in the third paragraph C,—
  - (a) in clause (b),—
    - (i) for the word “five” the word “ten” shall be substituted; and
    - (ii) for the word “total” the word “taxable” shall be substituted; and
  - (b) in clause (c) for the word “one” the word “two” shall be substituted;
- (31) in section 64,—
  - (a) for sub-section (1), the following shall be substituted, namely:—
    - “(1) A person shall be entitled to a tax credit for a tax year in respect of any profit or share in rent and share in appreciation

for value of house paid by the person in the year on a loan by a scheduled bank or non-banking finance institution regulated by the Securities and Exchange Commission of Pakistan or advanced by Government or the local authority where the person utilizes the loan for the construction of a new house or the acquisition of a house.”;

(b) in sub-section (2), in the third paragraph C,—

(i) in clause (b),—

(a) for the words “twenty-five” the word “forty” shall be substituted; and

(b) for the word “total” the word “taxable” shall be substituted;

(ii) in clause (c), for the word “one” the word “five” shall be substituted;

(32) in section 68,—

(a) in sub-section (1), after the word “property” wherever occurring, the words “or rent” shall be inserted;

(b) in sub-section (2), after the word “property” the words “or rent” shall be inserted; and

(c) after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) Where the price referred to in sub-section (1) is not ordinarily ascertainable, such price may be determined by the Commissioner.”;

(33) in section 71, in sub-section (2), the word “mid-exchange” shall be omitted;

(34) in section 75, after sub-section (3), the following new sub-section shall be inserted, namely:—

“(3A) Where a business asset is discarded or ceases to be used in business, it shall be treated to have been disposed of.”;

- (35) in section 76, in sub-section (4), after the word “to” the word “in” shall be inserted;
- (36) in section 77,—
- (a) in sub-section (1), after the word “asset”, occurring for the second time, the words and comma “or the fair market value thereof, whichever is the higher” shall be inserted; and
- (b) in sub-section (3),—
- (i) after the brackets and figure “(3)”, the word, brackets, figure and letter “or (3A)”, shall be inserted; and
- (ii) after the word “use” the words and comma “or discarded or ceased to be used in business, as the case may be” shall be inserted;
- (37) in section 82, clause (b), shall be omitted;
- (38) in section 83, in clause (b), the words “or almost wholly” shall be omitted;
- (39) after section 88, the following new section shall be inserted, namely:—
- “88A. *Share profits of company to be added to taxable income.*—(1) Notwithstanding the provisions of sub-section (1) of section 92, the share of profits derived by a company from an association of persons shall be added to the taxable income of the company.
- (2) The company shall be allowed a tax credit in accordance with the following formula, namely:—

$(A/B) \times C$

Where—

- A is the amount of share of profits received by the company from the association;
- B is the taxable income of the association; and
- C is the amount of tax assessed on the association.

- (3) The tax credit allowed under this section shall be applied in accordance with sub-section (3) of section 4.”;
- (40) in section 92,—
- (a) in sub-section (1), for the word “any” the words “where the association of persons has paid tax the” shall be inserted; and
- (b) for sub-section (2), the following shall be substituted, namely:—
- “(2) Sub-section (1) shall not apply to an association of persons that is a professional firm prohibited from incorporating by any law or the rules of the body regulating the profession.”;
- (41) in section 93, in sub-section (5), for the word “notice” the word “order” shall be substituted;
- (42) in section 97, in sub-section (1), in clause (a), before the word “companies” the word “resident” shall be inserted;
- (43) in Chapter V, after Part V, the following new part shall be added, namely:—

**“PART VA**

**TAX LIABILITY IN CERTAIN CASES**

- 98A. *Change in the constitution of an association of persons.*— Where, during the course of a tax year, a change occurs in the constitution of an association of persons, liability of filing the return on behalf of the association of persons for the tax year shall be on the association of persons as constituted at the time of filing such return but the income of the association of persons shall be apportioned among the members who were entitled to receive it and, where the tax assessed on a member cannot be recovered from him it shall be recovered from the association of persons as constituted at the time of filing the return.
- 98B. *Discontinuance of business or dissolution of an association of persons.*—(1) Subject to the provisions of section 117, where any business or profession carried on by an association of persons has been discontinued, or where an association of persons is dissolved, all the provisions of this Ordinance, shall, so far as may be, apply as if no such discontinuance or dissolution had taken place.

- (2) Every person, who was, at the time of such discontinuance or dissolution, a member of such association of persons and the legal representative of any such person who is deceased, shall be jointly and severally liable for the amount of tax payable by the association of persons.

98C. *Succession to business, otherwise than on death.*—(1) Where a person carrying on any business or profession has been succeeded in any tax year by any other person (hereafter in this section referred to as the “predecessor” and “successor” respectively), otherwise than on the death of the predecessor, and the successor continues to carry on that business or profession,—

- (a) the predecessor shall be liable to pay tax in respect of the income of the tax year in which the succession took place up to the date of succession and of the tax year or years preceding that year; and
- (b) the successor shall be liable to pay tax in respect of the income of such tax year after the date of succession.

(2) Notwithstanding anything contained in sub-section (1), where the predecessor cannot be found, the tax liability in respect of the tax year in which the succession took place up to the date of succession and of the tax year or years preceding that year shall be that of the successor in like manner and to the same extent as it would have been that of the predecessor, and all the provisions of this Ordinance shall, so far as may be, apply accordingly.

(3) Where any tax payable under this section in respect of such business or profession cannot be recovered from the predecessor, it shall be recoverable from the successor, who shall be entitled to recover it from the predecessor.

(44) in section 101,—

(a) in sub-section (3),—

(i) in clause (b), the word “or” shall be omitted;

(ii) in clause (c), for the full stop, at the end, the semi-colon and word “; or” shall be substituted; and

- (iii) after clause (c), the following clause shall be added, namely:—
  - “(d) any business connection in Pakistan.”; and
- (b) for sub-section (4), the following shall be substituted, namely:—
  - “(4) Where the business of a non-resident person comprises the rendering of independent services (including professional services and the services of entertainers and sports persons), the Pakistan-source business income of the person shall include [in addition to any amounts treated as Pakistan-source income under sub-section (3)] any remuneration derived by the person where the remuneration is paid by a resident person or borne by a permanent establishment in Pakistan of a non-resident person.”;
- (45) in section 111,—
  - (a) for sub-section (3), the following shall be substituted, namely:—
    - “(3) Where the declared cost of any investment or valuable article or the declared amount of expenditure of a person is less than reasonable cost of the investment or the valuable article, or the reasonable amount of the expenditure, the Commissioner may, having regard to all the circumstances, include the difference in the person’s income chargeable to tax under the head “Income from Other Sources” in the tax year immediately preceding the financial year in which the difference is discovered.”; and
    - (b) in sub-section (4), the words “by a person” shall be omitted;
- (46) in section 112, in sub-section (2), after the word “includes” the words and commas “bonds, certificates, debentures,” shall be inserted;
- (47) in section 114,—
  - (a) in sub-section (1),—
    - (i) for clause (a), the following shall be substituted, namely:—
      - “(a) every company;

- (ab) every person (other than a company) whose taxable income for the year exceeds the maximum amount that is not chargeable to tax under this Ordinance for the year;” and
- (ii) in clause (b), after the brackets and letter “(a)” the word, brackets and letters “or (ab)” shall be inserted; and
- (b) for sub-section (2), the following shall be substituted, namely:—
  - “(2) A return of income—
    - (a) shall be in the prescribed form and shall be accompanied by such annexures, statements or documents as may be prescribed;
    - (b) shall fully state all the relevant particulars or information as specified in the form of return, including a declaration of the records kept by the taxpayer;
    - (c) shall be signed by the person, being an individual, or the person’s representative where section 172 applies.”;
  - (c) in sub-section (3), clause (d) shall be omitted; and
  - (d) in sub-section (4), after the word “year”, occurring for the first time, the words “or assessment year” shall be inserted;
  - (e) in sub-section (5), for the words “only in respect of the” the words “in respect of one or more” shall be substituted;
- (48) in section 115, in sub-section (4), the figure and comma “148,” occurring for the first time, shall be omitted;
- (49) in section 116, after sub-section (2), the following new sub-section shall be added, namely:—
  - “(3) Where a person, who has furnished a wealth statement, discovers any omission or wrong statement therein, he may, without prejudice to any liability incurred by him under any provision of this Ordinance, furnish a revised wealth statement at any time before an assessment, for the tax year to which it relates, is made under sub-section (1) or sub-section (4) of section 122.”;

(50) in section 118, in sub-section (2), after the word “income”, the words, brackets and figures “under section 114 or a statement under sub-section (4) of section 115” shall be inserted;

(51) for section 120, the following shall be substituted, namely:—

“120. *Assessments.*—(1) Where a taxpayer has furnished a complete return of income [other than a revised return under sub-section (6) of section 114] for a tax year ending on or after the 1st day of July, 2002,—

(a) the Commissioner shall be taken to have made an assessment of taxable income for that tax year, and the tax due thereon, equal to those respective amounts specified in the return; and

(b) the return shall be taken for all purposes of this Ordinance to be an assessment order issued to the taxpayer by the Commissioner on the day the return was furnished.

(2) A return of income shall be taken to be complete if it is in accordance with the provisions of sub-section (2) of section 114.

(3) Where the return of income furnished is not complete, the Commissioner shall issue a notice to the taxpayer informing him of the deficiencies (other than incorrect amount of tax payable on taxable income, as specified in the return, or short payment of tax payable) and directing him to provide such information, particulars, statement or documents by such date specified in the notice.

(4) Where a taxpayer fails to fully comply, by the due date, with the requirements of the notice under sub-section (3), the return furnished shall be treated as an invalid return as if it had not been furnished.

(5) Where, in response to a notice under sub-section (3), the taxpayer has, by the due date, fully complied with the requirements of the notice, the return furnished shall be treated to be complete on the day it was furnished and the provisions of sub-section (1) shall apply accordingly.

(6) No notice under sub-section (3) shall be issued after the end of the financial year in which return was furnished, and the provisions of sub-section (1) shall apply accordingly.”;

(52) for section 121, the following shall be substituted, namely:—

“121. *Best judgement assessment.*—(1) Where a person fails to—

- (a) furnish a return of income as required by a notice under sub-section (3) or sub-section (4) of section 114; or
- (b) furnish a return as required under section 143 or section 144; or
- (c) furnish the statement as required under section 116; or
- (d) produce before the Commissioner, or any person employed by a firm of chartered accountants under section 177, accounts, documents and records required to be maintained under section 174, or any other relevant document or evidence that may be required by him for the purpose of making assessment of income and determination of tax due thereon,

the Commissioner may, based on any available information or material and to the best of his judgement, make an assessment of the taxable income of the person and the tax due thereon.

(2) As soon as possible after making an assessment under this section, the Commissioner shall issue the assessment order to the taxpayer stating—

- (a) the taxable income;
- (b) the amount of tax due;
- (c) the amount of tax paid, if any; and
- (d) the time, place and manner of appealing the assessment order.

(3) An assessment order under this section shall only be issued within five years after the end of the tax year or the income year to which it relates.”;

(53) in section 122,—

- (a) in sub-section (1), the words “to ensure that the taxpayer is liable for correct amount of tax for the tax year to which the assessment order relates” shall be omitted;

- (b) after sub-section (4), the following new sub-section shall be inserted, namely:—

“(4A) In respect of an assessment made under the repealed Ordinance, nothing contained in sub section (2) or, as the case may be, sub-section (4) shall be so construed as to have extended or curtailed the time limit specified in section 65 of the aforesaid Ordinance in respect of an assessment order passed under that section and the time-limit specified in that section shall apply accordingly.”;

- (c) for sub-section (5), the following shall be substituted, namely:—

“(5) An assessment order in respect of a tax year, or an assessment year, shall only be amended under sub-section (1) and an amended assessment for that year shall only be further amended under sub-section (4) where, on the basis of definite information acquired from an audit or otherwise, the Commissioner is satisfied that—

- (i) any income chargeable to tax has escaped assessment;  
or
- (ii) total income has been under-assessed, or assessed at too low a rate, or has been the subject of excessive relief or refund; or
- (iii) any amount under a head of income has been misclassified.”;

- (d) after sub-section (5) the following new sub-section shall be inserted, namely:—

“(5A) Subject to sub-section (9), the Commissioner may amend , or further amend, an assessment order, if he considers that the assessment order is erroneous in so far it is prejudicial to the interest of revenue.

(5B) Any amended assessment order under sub-section (5A) may be passed within the time-limit specified in sub-section (2) or sub-section (4), as the case may be.”; and

- (e) in sub-section (6), for the words, brackets and figures “sub-section (1) or (4)” the words, brackets, figures and letter “sub-section (1), sub-section (4) or sub-section (5A)” shall be substituted;” and
- (54) after section 122, amended as aforesaid, the following new section shall be inserted, namely:—
  - “122A. *Revision by the Commissioner.*—(1) The Commissioner may call for the record of any proceeding under this Ordinance or under the repealed Ordinance in which an order has been passed by any taxation officer other than the Commissioner (Appeals).
  - (2) Subject to sub-section (3), where, after making such inquiry as is necessary, Commissioner considers that the order requires revision, the Commissioner may make such revision to the order as the Commissioner deems fit.
  - (3) An order under sub-section (2) shall not be prejudicial to the person to whom the order relates.
  - (4) The Commissioner shall not revise any order under sub-section (2) if—
    - (a) an appeal against the order lies to the Commissioner (Appeals) or to the Appellate Tribunal, the time within which such appeal may be made has not expired; or
    - (b) the order is pending in appeal before the Commissioner (Appeals) or has been made the subject of an appeal to the Appellate Tribunal.”;
- (55) in section 123, in sub-section (2), the words “after making it”, at the end, shall be omitted;
- (56) in section 124,—
  - (a) in sub-section (2), after the word “aside” the words and comma “wholly or partly,” shall be inserted; and

(b) after sub-section (6), the following sub-section shall be added, namely:—

“(7) The provisions of this section shall in like manner apply to any order issued by any High Court or the Supreme Court in exercise of original or appellate jurisdiction.”;

(57) in section 126, in sub-section (2), for the word “notice” the word “order” shall be substituted;

(58) in section 127, in sub-section (1), for the word “treating” the word “declaring” shall be substituted;

(59) in section 131, after sub-section (4), the following new sub-section shall be added, namely:—

“(5) Notwithstanding that an appeal has been filed under this section, tax shall, unless recovery thereof has been stayed by the Appellate Tribunal, be payable in accordance with the assessment made in the case:

Provided that where recovery of tax has been stayed by the Appellate Tribunal by an order, such order shall cease to have effect on the expiration of a period of three months following the date on which it is made, unless the appeal is decided, or such order be withdrawn by the Appellate Tribunal earlier:

Provided further that the Appellate Tribunal shall not make an order which has the effect of staying the recovery of tax beyond the period of six months in aggregate.”;

(60) in section 132, in sub-section (4), after the word “assessment” the words “or penalty” shall be inserted;

(61) in section 133,—

(a) in sub-section (2), the words “notice of” shall be omitted;

(b) in sub-section (5), for the word “notice” the word “order” shall be substituted;

(c) in sub-section (7), for the brackets and figure “(1)” the brackets and figure “(2)” shall be substituted; and

(d) in sub-section (8), for the word “notice” the word “order” shall be substituted;

(62) in section 134, in sub-section (3),—

(a) for the word “reserved” the word “reversed” shall be substituted; and

(b) for the brackets and figures “(10)”, the brackets and figures “(12)” shall be substituted;

(63) in section 136, after the word “appeal” the words “by a taxpayer” shall be inserted;

(64) in section 137,—

(a) in sub-section (1), after the word “taxpayer” occurring for the second time, the words “including the tax payable under section 113” shall be inserted;

(b) for sub-section (2), the following shall be substituted, namely:—

“(2) Where any tax is payable under an assessment order or an amended assessment order or any other order issued by the Commissioner under this Ordinance, a notice shall be served upon the taxpayer in the prescribed form specifying the amount payable and thereupon the sum so specified shall be paid within thirty days from the date of service of the notice;”;

(c) in sub-section (3), after the brackets and figure “(2)” the word, brackets and figure “or (4)” shall be inserted;

(d) in sub-section (4),—

(i) after the word “due” the word, brackets and figure “under sub-section (2)” shall be inserted; and

(ii) for the words “any tax due” the words “such tax” shall be substituted;

(e) in sub-section (6), for the brackets and figure “(1)” the brackets and figure “(2)” shall be substituted;

- (65) in section 140, sub-sections (7), (8) and (9) shall be omitted;
- (66) in section 144, in sub-section (1), the words “shall be” shall be omitted;
- (67) for section 145, the following shall be substituted, namely:—

“145 *Assessment of persons about to leave Pakistan.*—(1) Where any person is likely to leave Pakistan during the currency of tax year or shortly after its expiry with no intention of returning to Pakistan, he shall give to the Commissioner a notice to that effect not less than fifteen days before the probable date of his departure (hereinafter in this section referred to as the ‘said date’).

- (2) The notice under sub-section (1) shall be accompanied by a return or returns of taxable income in respect of the period commencing from the end of the latest tax year for which an assessment has been or, where no such assessment has been made, a return has been made, as the case may be, and ending on the said date, or where no such assessment or return has been made, the tax year or tax years comprising the period ending on the said date; and the period commencing from the end of the latest tax year to the said date shall, for the purposes of this section, be deemed to be a tax year (distinct and separate from any other tax year) in which the said date falls.
- (3) Notwithstanding anything contained in sub-sections (1) and (2), the Commissioner may serve a notice on any person who, in his opinion, is likely to leave Pakistan during the current tax year or shortly after its expiry and has no intention of returning to Pakistan, to furnish within such time as may be specified in such notice, a return or returns of taxable income for the tax year or tax years for which the taxpayer is required to furnish such return or returns under sub-section (2).
- (4) The taxable income shall be charged to tax at the rates applicable to the relevant tax year and all the provisions of this Ordinance shall, so far as may be, apply accordingly.

(68) in section 147,—

- (a) in sub-section (1), for the words “who derives or expects to derive income chargeable to tax under this Ordinance in a tax year” the words “whose income was charged to tax for the latest tax year

under this Ordinance or latest assessment year under the repealed Ordinance” shall be substituted;

“(aa) in sub-section (2) for the words “one hundred and fifty thousand” the words “two hundred thousand” shall be substituted;

(b) in sub-section (4),—

(i) for the words “The amount” the words and comma “Where the taxpayer is a company or an association of persons, the amount” shall be substituted;

(ii) in the formula,—

(a) against the letter “B”, after the word “year” the words, comma and figure “or the latest assessment year under the repealed Income Tax Ordinance, 1979” shall be added; and

(b) against the letter “C”, after the word “year” the words, comma and figure “or the latest assessment year under the repealed Income Tax Ordinance, 1979” shall be added; and

(iii) against the letter “D”, for the figure “149” the figure “155” shall be substituted; and

(iv) after sub-section (4), the following sub-section shall be inserted, namely:—

“(4A) Where the taxpayer is an individual having latest assessed income of two hundred thousand rupees or more as determined under section (2), the amount of advance tax due for a quarter shall be computed according to the following formula, namely:—

$$(A/4) - B$$

Where—

A is the tax assessed to the taxpayer for the latest tax year or latest assessment year under the repealed Ordinance; and

B is the tax paid in the quarter for which a tax credit is allowed under section 168, other than tax deducted under section 149 or 155.”; and

(v) in sub-section (11), after the brackets and letter “(b)” the comma, brackets and letters “, (ba)” shall be inserted;

(69) in section 148,—

(a) for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) Notwithstanding the provisions of sub-section (3), a person being a manufacturer who is liable to pay advance tax under section 147, imports raw materials (other than edible oils) exclusively for his, or as the case may be, its own use, the Commissioner shall upon application in writing by such person, issue an exemption certificate effective from the date on which the certificate is issued to the 30th day of June next falling:

Provided that where the person to whom an exemption certificate has been issued fails to pay any installment due, the Commissioner may cancel the certificate.”;

(b) after sub-section (4), substituted as aforesaid, the following sub-section shall be inserted, namely:—

(4A) Where, in the case of a person being a manufacturer importing raw materials (other than edible oils) exclusively for his or, as the case may be, its own use, the Commissioner is satisfied that the income of the person during the tax year is exempt from tax or such person is not likely to pay any tax (other than tax under section 113) on account of depreciation allowance or brought forward loss, the Commissioner shall, upon application in writing made by such person, issue the person certificate of exemption from the tax collectible under section 148”; and

(c) in sub-section (7), after word “materials” the commas and words, “plant, machinery and equipment” shall be inserted;

(70) in section 151, in sub-section (1),—

(a) for clause (a), the following shall be substituted, namely:—

“(a) a person pays yield on an account, deposit or a certificate under the National Savings Scheme or Post Office Savings Account;”

(b) in clause (b), for the word “and”, the word “or” shall be substituted;

(c) in clause (c),—

(i) the commas and words “, other than a financial institution,” shall be omitted;

(ii) after the word “security” the words, brackets and letter “other than that referred to in clause (a)” shall be inserted; and

(d) in clause (d), for the words, letters and brackets “clauses (a) and (b)”, the words, figures, letter and brackets “sub-clauses (i) and (ii) of clause (b)” shall be substituted;

(71) in section 152, after sub-section (5), the following new sub-section shall be inserted, namely:—

“(5A) The Commissioner on receipt of notice shall pass an order accepting the contention or making the order under sub-section (6).”;

(72) in section 153,—

(a) in sub-section (1), in clause (c), the word “professional” shall be omitted;

(b) in sub-section (1), in clause (c), for the word “supply” the word “sale” shall be substituted;

(c) in sub-section (5), after clause (b), the following new clause shall be inserted, namely:—

“(ba) a payment made by the Federal Government, a Provincial Government or a local authority to a contractor for construction materials supplied to the contractor by the said Government or the authority;” and

(d) in sub-section (9), the word “professional” shall be omitted;

(73) in section 154,—

(a) after sub-section (3), the following new sub-sections shall be inserted, namely:—

“(3A) The Export Processing Zone Authority established under the Export Processing Zone Authority Ordinance, 1980 (VI of

1980), shall at the time of export of goods by an industrial undertaking located in the areas declared by the Federal Government to be a Zone within the meaning of the aforesaid Ordinance, collect tax at the rate specified in Division IV of Part III of the First Schedule.

(3B) Every direct exporter and an export house registered under the Duty and Tax Remission for Exports Rules, 2001 provided in Sub-Chapter 7 of Chapter XII of the Customs Rules, 2001 shall, at the time of making payment for a firm contract to an indirect exporter defined under the said rules, deduct tax at the rates specified in Division IV of Part III of the First Schedule.”; and

(b) in sub-section (4), for the word, bracket and figure “or (3)” the commas, brackets, figures, letters and word “, (3), (3A) or (3B)” shall be substituted;

(74) in section 155, in sub-section (2), for the word “one” the word “two” shall be substituted;

(75) in section 156,—

(a) in sub-section (1), after the word and comma “lottery,” the words and commas “prize on winning a quiz, prize offered by companies for promotion of sale,” shall be inserted; and

(b) for sub-section (2), the following shall be substituted, namely:—

“(2) Where a prize, referred to in sub-section (1), is not in cash, the person while giving the prize shall collect tax on the fair market value of the prize.”;

(76) in section 158, in clause (a),—

(a) after the word “is” the words “paid or” shall be inserted; and

(b) after the word “recipient” the comma and words “, whichever is earlier” shall be inserted;

(77) in section 159,—

- (a) in sub-section (1), the words “paid to a person” shall be omitted;
- (b) after sub-section (1), amended as aforesaid, the following new sub-section shall be inserted, namely:—

“(1A) The Commissioner shall, upon application from a person whose income is not likely to be chargeable to tax under the this Ordinance, issue exemption certificate for the profit on debt referred to in clause (c) of sub-section (1) of section 151.”; and

(c) in sub-section (2),—

- (i) after the word “Part” occurring for the second time, the words and figure “or deduct or collect tax under Chapter XII” shall be inserted; and
- (ii) after the figure III, occurring for the second time the words and figure “or Chapter XII” shall be inserted;

(78) in section 161, in sub-section (1),—

(a) in clause (a),—

- (i) after the word “Part” occurring for the first time, the words and figure “or Chapter XII” shall be inserted; and
- (ii) after the figure “XII”, the words and figure “or as required under section 50 of the repealed Ordinance” shall be inserted; and

(b) in clause (b),—

- (i) after the word “Part” occurring for the first time, the words and figure “or Chapter XII” shall be inserted;
- (ii) after the figure and comma “160,” the words, figures, brackets and comma “or having collected tax under section 50 of the repealed Ordinance pay to the credit of the Federal

Government as required under sub-section (8) of section 50 of the repealed Ordinance,” shall be inserted; and

- (iii) after the word “may” the words “pass an order to that effect and” shall be inserted;

(79) in section 162, in sub-section (1),—

- (a) after the word “Part” occurring for the first time, the words and figure “or Chapter XII” shall be inserted; and
- (b) after the word “may” the words “pass an order to that effect and” shall be inserted;

(80) in section 164, in sub-section (1)—

- (a) after the word “or”, occurring for the second time, the words “deducting or collecting tax under” shall be inserted; and
- (b) after the word “may”, the words “pass an order to that effect and” shall be inserted;

(81) in section 165,—

- (a) in sub-section (1),—
  - (i) after the word “Part” occurring for the first time, the words and figure “or Chapter XII” shall be inserted;
  - (ii) for the word “notice” the word “order” shall be substituted;
  - (iii) in clause (a), after the word “Part”, occurring for the first time, the words and figure “or Chapter XII” shall be inserted; and
  - (iv) in clause (c), after the word “Part”, occurring for the first time, the words and figure “or Chapter XII” shall be inserted; and
- (b) in sub-section (2), after the word “Part”, occurring for the first time, the words and figure “or Chapter XII” shall be inserted;

- (82) in section 166,—
- (a) in sub-section (1), after the word and figure “Division II”, the words and figure “of this Part or Chapter XII” shall be inserted;
  - (b) in clause (a), before the word “Government” the word “Federal” shall be inserted;
  - (c) in sub-section (2), the words and figure “tax under Division II of this Part” shall be omitted; and
  - (d) in sub-section (3), after the word “Part”, the words and figure “or Chapter XII” shall be inserted;
- (83) in section 167, for the words, figure and comma “Division II, Division III” the words and figure “Division III of this Part” shall be substituted;
- (84) in section 168,—
- (a) in sub-section (1), in clause (b), after the word “Part”, occurring for the first time, the words and figure “or Chapter XII” shall be inserted; and
  - (b) in sub-section (2), after the word “Part”, occurring for the first time, the words and figure “or Chapter XII” shall be inserted;
- (85) in section 169, in sub-section (1), in clause (a), after the figure “148” the words, brackets and figure “or sub-section (5) of section 234” shall be inserted;
- (86) in section 170,—
- (a) after sub-section (1), the following new sub-section shall be inserted, namely:—
    - “(1A) Where any advance or loan, to which sub-clause (e) of clause (19) of section 2 applies, is repaid by a taxpayer, he shall be entitled to a refund of the tax, if any, paid by him as a result of such advance or loan having been treated as dividend under the aforesaid provision.”;
  - (b) in sub-section (4), after the word “decision” the words “after providing the taxpayer an opportunity of being heard” shall be inserted;

(c) for sub-section (5), the following shall be substituted, namely:—

“(5) A person aggrieved by—

- (a) an order passed under sub-section (4); or
- (b) the failure of the Commissioner to pass an order under sub-section (4) within the time specified in that sub-section,

may prefer an appeal under Part III of this Chapter.”;

(87) in section 171, in sub-section (2)—

- (a) in clause (a), after the semicolon at the end, the word “or” shall be added; and
- (b) in clause (b), for the figure “135” the figure and letter “122A” shall be substituted;

(88) in section 172,—

- (a) in sub-section (3), in clause (f), for the word “notice” the words “an order” shall be substituted; and
- (b) in sub-section (5), the words “or treated” shall be omitted;

(89) in section 173, after sub-section (3), the following new sub-section shall be inserted, namely:—

“(3A) Any representative, or any person who apprehends that he may be assessed as a representative, may retain out of any money payable by him to the person on whose behalf he is liable to pay tax (hereinafter in this section referred to as the “principal”), a sum equal to his estimated liability under this Ordinance, and in the event of disagreement between the principal and such a representative or a person as to the amount to be so retained, such representative or person may obtain from the Commissioner a certificate stating the amount to be so retained pending final determination of the tax liability, and the certificate so obtained shall be his authority for retaining that amount.”;

(90) in section 174,—

(a) in sub-section (2),—

(i) after the word “disallow” the words “or reduce” shall be inserted; and

(ii) for the word “excuse” the word “cause” shall be substituted; and

(b) after sub-section (3), a following sub-section shall be added, namely:—

“(4) For the purpose of this section, the expression “deduction” means any amount debited to trading account, manufacturing account, receipts and expenses account or profit and loss account.”;

(91) in section 175, for sub-section (2), the following shall be substituted, namely:—

“(2) The Commissioner may authorize any valuer or expert to enter any premises and perform any task assigned to him by the Commissioner.”;

(92) in section 177, after sub-section (1A), the following sub-section shall be inserted, namely:—

“(1B) After completion of the audit under sub-section (1A) or sub-section (3), the Commissioner may, if considered necessary, after obtaining taxpayer’s explanation on all the issues raised in the audit, amend the assessment under sub-section (1) or sub-section (4) of section 122, as the case may be.”;

(93) below section 180, in the heading, for the word “CARD” the word “CERTIFICATE”; shall be substituted;

(94) in section 181, in sub-sections (1) and (3) for the word “Card” the word “Certificate” shall be substituted;

(95) in section 182, in sub-section (1), after the word “income” the words, brackets and figures “or a statement as required under sub-section (4) of section 115 or wealth statement” shall be inserted;

- (96) in section 183, in sub-section (1), after the word “penalty”, occurring for the first time, the words “imposed under this section” shall be inserted;
- (97) in section 184, in sub-section (1), after the word “has” the words “either in the said proceedings or in any earlier proceedings relating to an assessment in respect of the same tax year” shall be inserted;
- (98) in section 188, in sub-section (1), for the figure “124” the figure “117” shall be substituted;
- (99) in section 190, for sub-section (5), the following sub-section shall be substituted, namely:—
- “(5) A penalty under sections 182, 183, 185, 186 and 187 shall be imposed by the Commissioner.”;
- (100) in section 191, in sub-section (1),—
- (a) for clause (a), the following shall be substituted, namely:—
- “(a) comply with a notice under sub-section (3) of section 114 or sub-section (1) of section 116;” and
- (b) in clause (e), after the word “of” the words, brackets and figure “sub-section (3) or sub-section (4) of” shall be inserted;
- (101) in section 195, in sub-section (3), for the words “a taxation officer” the words “an income tax authority” shall be substituted;
- (102) in section 199, after the word “person”, occurring for the first time, the words “knowingly and wilfully” shall be inserted;
- (103) in section 205,—
- (a) in sub-section (1), for clause (a), the following shall be substituted, namely:—
- “(a) any tax, excluding the advance tax under section 147 and additional tax under this section;”;
- (b) after sub-section (1), amended as aforesaid, the following new sub-section shall be inserted, namely:—
- “(1A) a person who fails to pay advance tax under section 147 shall be liable for additional tax at a rate equal to eighteen per cent

per annum on the amount of tax unpaid computed for the period commencing on the date on which it was due and ending on the date on which it was paid or date on which the return of income for the relevant tax year was due, whichever is earlier.”;

- (c) in sub-section (3), after the word “to”, occurring for the first time, the words, comma and figure “collect tax, as required under Division II of Part V of this Chapter or Chapter XII or deduct tax as required under Division III of Part V of this Chapter or Chapter XII or fails to” shall be inserted; and
  - (d) sub-section (4), shall be omitted;
- (104) after section 205, amended as aforesaid, the following new section shall be inserted, namely:—

“205A. *Reduction in additional tax, consequential to reduction in tax or penalty.*—Where, in consequence of any order made under this Ordinance, the amount of tax or penalty in respect of which additional tax is chargeable under section 205 is reduced, the additional tax, if any, levied under the aforesaid section shall be reduced accordingly.”;

- (105) after section 206 the following new section shall be inserted, namely:—

“206A. *Advance ruling.*—(1) The Central Board of Revenue may, on application in writing by a non-resident taxpayer, issue to the taxpayer an advance ruling setting out the Commissioner’s position regarding the application of this Ordinance to a transaction proposed or entered into by the taxpayer.

- (2) Where the taxpayer has made a full and true disclosure of the nature of all aspects of the transaction relevant to the ruling and the transaction has proceeded in all material respects as described in the taxpayer’s application for the ruling, the ruling is binding on the Commissioner with respect to the application to the transaction of the law as it stood at the time the ruling was issued.
- (3) Where there is any inconsistency between a circular and an advance ruling, priority shall be given to the terms of the advance ruling.”;

(106) in section 209,—

(a) for sub-section (1), the following shall be substituted, namely:—

“(1) Subject to this Ordinance, the Regional Commissioners, the Commissioners and the Commissioners (Appeals) shall perform all or such functions and exercise all or such powers under this Ordinance as may be assigned to them in respect of such persons or classes of persons or such areas as the Central Board of Revenue may direct.”;

(b) in sub-section (2), after the word “areas”, the words “as may be specified in the order” shall be inserted; and

(c) after sub-section (8), the following new sub-section shall be inserted, namely:—

“(8A) The power to confer jurisdiction under this section shall include the power to transfer jurisdiction from one income tax authority to another.”;

(107) in section 218, in sub-section (1), in clause (b), after the brackets and letter “(b)”, the words, brackets and figure “of sub-section (2)” shall be inserted;

(108) in section 221,—

(a) in sub-section (1),—

(i) for the word “them” the word “him” shall be substituted; and

(ii) for the word “their” appearing twice, the words “his or its” shall be substituted;

“(b) after sub-section (1), the following new sub-section shall be inserted, namely:—

“(1A) The Commissioner may, by an order in writing, amend any order passed under the repealed Ordinance by the Deputy Commissioner, or an Income Tax Panel, as defined in section 2 of the repealed Ordinance to rectify any mistake apparent from the record on his own motion or any mistake brought to his notice by a taxpayer and the provisions of sub-section (2), sub-section (3) and sub-section (4) shall apply in like manner as these apply to an order under sub-section (1).”; and

- (c) in sub-section (3),
  - (i) after the comma “;”, occurring for the first time, the word “or” shall be substituted; and
  - (ii) the words “or the Appellate Tribunal” shall be omitted;
- (109) in section 226, in clause (b), before the word “Tribunal” the word “Appellate” shall be inserted;
- (110) in section 233, in sub-section (1), after the word “persons” the words and commas “constituted by, or under, any law” shall be inserted;
- (111) in section 234, in sub-section (4), the figure and words “2030 kilograms or more but” shall be omitted;
- (112) in section 236, in sub-section (3), for the word “called” the word “collect” shall be substituted;
- (113) in section 237, in sub-section (2),—
  - (a) after clause (a), the following new clause shall be inserted, namely:—
    - “(ab) ascertainment or determination of any income or class of income to be included in the total income of a taxpayer and any deduction from such income;”; and
  - (b) after clause (d), the following new clause shall be inserted, namely:—
    - “(da) the procedure for approval of a non-profit organization;”;
- (114) in section 239,—
  - (a) in sub-section (2), after the figure and letter “59A” the word and figure “or 61” shall be inserted; and
  - (b) for sub-section (14), the following shall be substituted, namely:—
    - “(14) Any yield from National Saving Schemes of Directorate of National Savings where investment was made on or before 30th June, 2001 and any income derived from Mahana Amdani

Account where monthly instalment does not exceeds one thousand rupees shall continue to remain exempt and any person paying such yield or income shall not deduct tax under section 151 therefrom and the recipient of such yield or income shall not be required to produce an exemption certificate under section 159 in support of the said exemption.”; and

(c) sub-section (18), shall be omitted;

(115) in the First Schedule,—

(a) in Part I,—

(i) in Division II, after the table, the following new paragraph shall be added, namely:—

“(ii) Where the taxpayer is a society or a cooperative society, the tax shall be payable at the rates applicable to the public company or an individual, whichever is beneficial to the taxpayer.”;

(ii) in Division III the word “resident” shall be omitted;

(b) in Part III,—

(i) in Division III,—

(a) in paragraph (1), in clause (a), for the figure “1”, the figure “1.5” shall be substituted; and

(b) in paragraph (4), in clause (c), in sub-clause (ii), for the figure “6”, the figure “5” shall be substituted;

(ii) in Division IV, in paragraph (2),—

(a) for the figure “10” the figure “5” shall be substituted; and

(b) the words “of the proceeds of the export” shall be omitted;

(iii) in Division V, for the figure “7.5” the figure “5” shall be substituted;

(c) in Part IV,—

(i) in Division III,—

(a) after paragraph (1), the following new paragraph shall be inserted, namely:—

“(1A) 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 shall be collected at the rate of twelve hundred rupees per annum;”;

(c) in paragraph (2),—

(i) in clause (a), after the figure “25”, the words, “per seat per annum” shall be added;

(ii) in clause (b), after the figure “60”, the words, “per seat per annum” shall be added; and

(iii) in clause (c), after the figure “100”, the words, “per seat per annum” shall be added;

(ii) in Division IV, for clauses (a) to (i) and the entries relating thereto the following shall be substituted, namely:—

(a)	does not exceed Rs. 400	Rs. 60
(b)	exceeds Rs. 400 but does not exceed Rs. 600	Rs. 80
(c)	exceeds Rs. 600 but does not exceed Rs. 800	Rs. 100
(d)	exceeds Rs. 800 but does not exceed Rs. 1000	Rs. 160
(e)	exceeds Rs. 1000 but does not exceed Rs. 1500	Rs. 300
(f)	exceeds Rs. 1500 but does not exceed Rs. 3000	Rs. 350

(g)	exceeds Rs. 3000 but does not exceed Rs. 4500	Rs. 450
(h)	exceeds Rs. 4500 but does not exceed Rs. 6000	Rs. 500
(i)	exceeds Rs. 6000 but does not exceed Rs. 10000	Rs. 650
(j)	exceeds Rs. 10000 but does not exceed Rs. 15000	Rs. 1000
(k)	exceeds Rs. 15000 but does not exceed Rs. 20000	Rs. 1500
(l)	exceeds Rs. 20000.	Rs.2000";

(116) in the Second Schedule,—

A. in Part I,—

- (a) clauses (1), (33), (34), (36), (41) and (50), shall be omitted;
- (b) in clause (59), for the words “financial institutions” the words “scheduled banks” shall be substituted;
- (c) in clause (74), for the words “financial institutions” the words “scheduled banks” shall be substituted;
- (d) in clause (77), for the colon, at the end, a full stop shall be substituted;
- (e) clause (87), shall be omitted;
- (f) in clause (88), for the word “define” the word “defined” shall be substituted;
- (g) in clause (98), the words “by Government”, occurring for the first time, shall be omitted;
- (h) in clause (100),—
  - (i) after the figure “1999” for the semi colon, a colon, shall be substituted; and
  - (ii) in the first proviso, for the word “thereafter” the words and comma “thereunder, as are distributed amongst the shareholders” shall be substituted;

- (i) clauses (108) and (109), shall be omitted;
- (j) in clause (110), for the words, comma and figures “assessment year ending on or before the thirtieth day of June, 2005” the words and figure “tax year 2005” shall be substituted;
- (k) in clause (113), for the bracket and figure “(120)”, occurring twice, the brackets and figure “(126)” shall be substituted;
- (l) clauses (115), (121) and (129), shall be omitted;
- (m) for clause (133), the following shall be substituted, namely:—

“(133) Income from exports of computer software or IT services or IT enabled services upto the period ending on 30th day of June, 2016.

*Explanation.*—For the purpose of this clause—

- (a) “IT Services” include software development, software maintenance, system integration, web design, web development, web hosting, and network design, and
  - (b) “IT enabled services” include inbound or outbound call centres, medical transcription, remote monitoring, graphics design, accounting services, HR services, telemedicine centers, data entry operations and insurance claims processing.”;
- (n) clauses (134) and (137), shall be omitted;
  - (o) for clause (139), the following shall be substituted, namely:—

“(139) (a) The benefit represented by free provision to the employee of medical treatment or hospitalization or both by an employer or the reimbursement received by the employee of the medical charges or hospital charges or both paid by him, where such provision or reimbursement is in accordance with the terms of employment:

Provided that National Tax Number of the hospital or clinic, as the case may be, is given and the employer also certifies and attests the medical or hospital bills to which this clause applies;

- (b) any medical allowance received by an employee not exceeding ten per cent of the basic salary of the employee if free medical treatment or hospitalization or reimbursement of medical or hospitalization charges is not provided for in the terms of employment; or
- (c) any amount paid during a year by a taxpayer, being a resident individual, by way of personal expenditure on medical service to the extent of ten per cent of taxable income declared in his return of income for the said tax year or thirty thousand rupees - whichever is the less:

Provided that the receipts of such expenditure bearing name, National Tax Number and complete address of the medical practitioners are furnished along with his return of income.”; and

B. in Part II,—

(a) in clause (1),—

- (i) the words “and super tax” shall be omitted;
  - (ii) for the words “may be”, the word “is” shall be substituted;
- (b) in clause (3), after the word “rendered”, the words “or construction contracts” shall be inserted;
- (c) clause (4), shall be omitted;
- (d) in clause 7, for the word “saving”, wherever occurring, the word “savings” shall be substituted;

C. in Part III, in clause (1), in sub-clause (1), for the word “total” the word “taxable” shall be substituted;

D. in Part IV,—

- (a) clause (1), shall be omitted;

- (b) in clause (2), for the words “assessment years” the words “tax years” shall be substituted;
- (c) in clause (3), for the words “component C” of the words “component C of the formula contained in” shall be substituted;
- (d) clause (4), shall be omitted;
- (e) in clause (5), in the proviso, for the word “accounts”, occurring for the second time, the words “any amount” shall be substituted;
- (f) clause (6), shall be omitted;
- (g) in clause (8), for the word “provision” the word “provisions” shall be substituted;
- (h) clause (9), shall be omitted;
- (i) in clause (12),—
  - (i) for the word “there” the word “their” shall be substituted; and
  - (ii) in the proviso, the words “and registered firms” shall be omitted;
- (j) in clause (16),—
  - (i) for the comma, figures and word “,156 and 157” the word and figure “and 156” shall be substituted; and
  - (ii) in the provisos, for the figure “113” the figures, commas and word “149, 151, 152, 153, 155, 156 or 233” shall be substituted;
- (k) in clause (17),—
  - (i) after the word “to”, occurring for the first time, the words “Provincial Governments and” shall be inserted; and

- (ii) for the words and commas “corporate, Government or semi Government bodies, not otherwise liable to income tax” the words “Government or semi-Government bodies which are otherwise exempt from income tax” shall be substituted;
- (l) in clause (21), for the words, brackets and figure “including those approved or included in clause (58) or”, the words, brackets and figures “approved under clause (36) of section 2 or clause (58) or included in” shall be substituted;
- (m) in clause (28) for the words, comma, brackets and figures, “SROs 360(1)/2000, 362(1)/2000 and 363(1)/2000 dated 17.06.2000”, the words, commas, figures and brackets “Headings 9913, 9914 and 9915 of Sub-Chapter III of Chapter 99 of First Schedule the Customs Act, 1969 (IV of 1969)” shall be substituted;
- (n) for clauses (29) and (30) the following shall be substituted, namely:—
  - “(29) The provisions of section 148 shall not apply to goods imported by direct and indirect exporters covered under---
    - (a) Sub-Chapter 4 of Chapter XII of SRO 450 (1)/2001 dated 18.06.2001;
    - (b) Sub-Chapter 6 of Chapter XII of SRO 450 (1)/2001 dated 18.06.2001; and
    - (c) Sub-Chapter 7 of Chapter XII of SRO 450 (1)/2001 dated 18.06.2001 ;
  - (30) The provisions of section 148 shall not apply in respect of goods specified under Heading 9929, Sub-Chapter VIII of Chapter 99 of the First Schedule to the Customs Act, 1969 (IV of 1969);”;
- (o) clause (32), shall be omitted;
- (p) clause (39), shall be omitted;

- (q) in clause (40),—
  - (i) after the word “goods”, occurring for the first time, the word “from” shall be inserted;
  - (ii) in the first proviso, for the word “income” the word “tax” shall be substituted; and
  - (iii) for the word “replaced” the word “repealed” shall be substituted;
- (r) in clause (41), in the proviso, for the word “income” the word “tax” shall be substituted;
- (s) in clause (43), for the word “it” the word “its” shall be substituted;
- (t) for clause (43A), the following shall be substituted, namely:—

“(43A) The provisions of sub-section (1) of section 153 shall not apply to payments received by a person on account of supply of petroleum product imported by the same person under the Government of Pakistan’s de-regulation policy of POL products;”;
- (u) clauses (43B), (43C), (43D) and (43E) shall be omitted;
- (v) in clause (45),—
  - (i) for the brackets and figure “(6)” the brackets and figure “(1)” shall be substituted;
  - (ii) for the words “a payer” the words “the prescribed person” shall be substituted;
  - (iii) in the proviso, in clause (c), for the words “in exercise” the words “under the provisions of the repealed Ordinance” shall be substituted; and
- (w) in clause (47B), after the word “or”, occurring for the second time, for the words, figures and comma “an Investment Company registered under the Investment Companies and Investment Advisors Rules, 1971 or a Unit Trust Scheme

constituted by an Asset Management Companies Rule, 1995, or a modaraba management company”, the words, comma and figures “a collective investment scheme authorized or registered under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 or a modaraba” shall be substituted; and

(x) Clauses (48), (49), (50) and (51), shall be omitted; and

(117) in the Fourth Schedule,—

A. in rule 3,—

(a) in sub-rule (1),—

(i) for the word “rules” the word “provisions” shall be substituted;

(ii) in clause (b), after the word “investments” the words “shall be included in the surplus” shall be inserted; and

(iii) in clause (c), the words and figures “in accordance with Part VII of Chapter III” shall be omitted; and

(b) in sub-rule (2),—

(i) in clause (a), the word “sub-clause” the words “said clause” shall be substituted; and

(ii) in clause (b), after the word “Ordinance” the words “or the repealed Ordinance” shall be inserted;

B. in rule 4, for the words “at source from profit on securities or otherwise”, the words and commas “or otherwise on profit on debt received on any security of the Federal Government, a Provincial Government, a local authority or a company” shall be substituted; and

C. in rule 5,—

(i) in clause (b), for the word “investment” the word “investments” shall be substituted; and

(ii) in clause (c), for the word “Security” the word “Securities” shall be substituted; and

(118) in the Fifth Schedule,—

A. in Part I,

(I) in rule 2,—

(a) in sub-rule (1), for the word “are” the words “shall be” shall be substituted;

(b) in sub-rule (4),—

(i) for the words “deemed to be” the words “treated as” shall be substituted; and

(ii) for the word “inshore” the word “onshore” shall be substituted;

(c) in sub-rule (5), for the words, commas and figures “sections 22, 23 and 24 apply” the words, commas and figures “deductions under sections 22, 23 and 24 shall be admissible” shall be substituted; and

(d) in sub-rule (7), for the word “sub-section” the word “sub-rule” shall be substituted;

(II) in rule 4,—

(a) in sub-rule (1),

(i) after the word “petroleum”, occurring for the first time, the word “exploration” shall be inserted; and

(ii) for the words “aggregate is not” the words “said aggregate shall not be” shall be substituted;

(b) in sub-rule (2), for the word “company” the words “petroleum exploration and production undertaking” shall be substituted;

(c) in sub-rule (3), for the words “additional tax”, the words “additional amount of tax” shall be substituted;

B. In Part II,—

(i) in rule 1, after the word “Ordinance” the words “or the repealed Ordinance” shall be inserted;

- (ii) in rule 3, in sub-rule (3), the words “relevant to the tax year” shall be omitted;
  - (iii) in rule 4,—
    - (a) in sub-rule (1), for the word “Commissioner”, the words “Central Board of Revenue” shall be substituted; and
    - (b) in sub-rule (5), the words “next following the tax year” shall be omitted; and
  - (iv) in rule 5, for the word “Commissioner”, the words “Central Board of Revenue” shall be substituted; and
- (119) in the Sixth Schedule,—
- A. in Part I,—
    - (a) in rule 2, in sub-rule (1) —
      - (i) in clause (b), in the proviso, for the word “employers”, the word “employer” shall be substituted;
      - (ii) in clause (c), in the proviso, in clause (ii), the words “is provided for on definite principles by the regulations”, occurring for the first time, shall be omitted; and
      - (iii) in clause (g), for the word “funds”, the word “fund” shall be substituted; and
    - (b) in rule 9, in sub-rule (2)—
      - (i) for the figure “23”, the figure “20” shall be substituted; and
      - (ii) for the word “income” the word “tax” shall be substituted;
    - (c) in rule 10, after the word “date”, the words “of service” shall be inserted;
    - (d) in rule 12, in sub-rule (1), for the word “making”, the word “service” shall be substituted; and

- (e) in rule 14, in clause (a), for the word “funds”, the word “fund” shall be substituted;
- B. in Part II,—
- (a) in rule 8, after the word “date”, the words “of service” shall be inserted; and
  - (b) in rule 10 for the word “making” the word “service” shall be substituted; and
- C. in Part III,—
- (a) in rule 2, in clause (b) for the words “employment after”, occurring for the first time, the words “becoming incapacitated prior to” be substituted;
  - (b) in rule 3, in sub-rule (2), for the word “alterations”, the word “alteration” be substituted;
  - (c) in rule 7, after the word “date”, the words “of service” be inserted; and
  - (d) in rule 9, in sub-rule (1) for the word “making”, the word “receipt” be substituted; and
- (120) in the Seventh Schedule,—
- A. in Part I, in the Table,—
- (a) against serial No. 5, in the entry, in column No. (2), for the word “tuples”, the word “tiles” shall be substituted; and
  - (b) in serial No. 9, against entry (x) —
    - (i) in column (2), after the figure “2000”, the commas and figures “, 3000, 4000” shall be inserted ; and
    - (ii) in column (3), the figures and comma “3000, 4000” shall be omitted; and
- B. in Part II, in the Table, in entry against serial No. 1, before the word “schedule”, at the end, the word “this” shall be inserted;

**THE FIRST SCHEDULE**

[See clause 5(42) ]

**AMENDMENT IN THE CUSTOMS ACT, 1969 (IV OF 1969)**

In the Customs Act, 1969 (IV of 1969), in the First Schedule, against HS Code, specified in columns (1), of the table below, for the entries relating to the "Description" and "CD%" the following corresponding entries in columns (2) and (3) of the table shall be substituted:—

TABLE

HS Code	Description	CD%
(1)	(2)	(3)
0902.1000	- Green tea (not fermented) in immediate packings of a content not exceeding 3kg	20
0902.2000	- Other green tea (not fermented)	20
0902.3000	- Black tea (fermented) and partly fermented tea, in immediate packings of a content not exceeding 3 kg	20
0902.4010	- - - Tea dust	20
0902.4090	- - - Other	20
1511.1000	- Crude oil	Rs..9000/MT
<b>1520.0000</b>	<b>Glycerol, crude; glycerol waters and glycerol lyes.</b>	<b>20</b>
<b>2502.0000</b>	<b>Unroasted iron pyrites</b>	<b>5</b>
2505.1000	- Silica sands and quartz sands	5
2505.9000	- Other	5
2506.1000	- Quartz	5
2506.2100	- - Crude or roughly trimmed	5
2506.2900	- - Other	5
2508.2000	- Decolourising earths and fuller's earths	5
2508.3000	- Fire-clay	5
2508.4000	- Other clays	5
2508.5000	- Andalusite, kyanite and sillimanite	5

(1)	(2)	(3)
2508.6000	- Mullite	5
2508.7000	- Chamotte or dinas earths	5
2511.1000	- Natural barium sulphate (barytes)	5
2511.2000	- Natural barium carbonate (witherite)	5
<b>2512.0000</b>	<b>Siliceous fossil meals (for example, kieselguhr, tripolite and diatomite) and similar siliceous earths, whether or not calcined, of an apparent specific gravity of 1 or less.</b>	<b>5</b>
2513.1100	-- Crude or in irregular pieces, including crushed pumice ("bimskies")	5
2513.1900	-- Other	5
	- Emery, natural corundum, natural garnet and other natural abrasives:	
2513.2010	--- Emery	5
2513.2020	--- Garnet natural	5
2513.2090	--- Other	5
2518.1000	- Dolomite, not calcined or sintered	10
2518.2000	- Calcined or sintered dolomite	10
2518.3000	- Dolomite ramming mix	10
2520.1010	--- Gypsum	10
2520.1020	--- Anhydrite	10
2520.2000	- Plasters	20
<b>2521.0000</b>	<b>Limestone flux; limestone and other calcareous stone, of a kind used for the manufacture of lime or cement.</b>	<b>10</b>
2530.9020	--- Zirconium silicate	5
2707.9910	--- Carbon black oil (carbon black feedstock)	5
2708.1000	- Pitch	5
2713.9010	--- Carbon black oil (carbon black feed stock)	5
2818.1000	- Artificial corundum whether or not chemically defined	5
2818.2000	- Aluminium oxide, other than artificial corundum	5

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(1)	(2)	(3)
2818.3000	- Aluminium hydroxide	5
2819.1000	- Chromium trioxide	5
<b>2822.0000</b>	<b>Cobalt oxides and hydroxides; commercial cobalt oxides.</b>	<b>5</b>
2823.0010	- - - Titanium oxides	5
2823.0020	- - - Titanium dioxides	5
2824.1000	- Lead monoxide (litharge, massicot)	5
2824.2000	- Red lead and orange lead	5
2824.9000	- Other	5
2825.3000	- Vanadium oxides and hydroxides	5
2826.1100	- - Of ammonium or of sodium	5
2826.1900	- - Other	5
2827.3600	- - Of zinc	5
2830.3000	- Cadmium sulphide	5
2833.2100	- - Of magnesium	5
2833.2300	- - Of chromium	20
2833.2920	- - - Sulphates of lead	5
2836.2000	- Disodium carbonate (Soda ash)	10
2836.6000	- Barium carbonate	5
2840.3000	- Peroxoborates (perborates)	5
2903.1500	- - 1,2-Dichloroethane (ethylene dichloride)	5
2903.2200	- - Trichloroethylene	5
2903.3030	- - - Tetrafluoroethane	5
2903.4200	- - - Dichlorodifluoromethane	5
2903.4510	- - - Penta-chlorofluoromethane	5
2905.1710	- - - Saturated stearyle alcohol	5

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(1)	(2)	(3)
2905.1720	--- Saturated cetyl alcohol	5
2905.1910	--- Iso Nonyl Alcohol (INA)	5
2905.1990	--- Other	10
2905.4100	-- 2-Ethyl-2-(hydroxymethyl)-propane-1, 3-dio (trimethylolpropane)	5
2905.4500	-- Glycerol	20
2914.1300	-- 4-Methylpentan-2-one (methyl isobutyl ketone)	5
2915.7010	--- Stearic acid	20
2916.3110	--- Benzole acid	5
2917.3300	-- Dinonyl or didecyl ortho-phthalates	20
	-- Other:	
2917.3910	--- Iso phthalic acid	5
2917.3990	--- Other	10
2929.1000	- Isocyanates	5
	- Sterile surgical catgut, similar sterile suture materials and sterile tissue adhesives for surgical wound closure; sterile laminaria and sterile laminaria tents; sterile absorbable surgical or dental haemostatics;	
3006.1010	--- Vascular grafts	5
3006.1090	--- Other	20
3206.4900	-- Other	20
3206.5000	- Inorganic products of a kind used as luminophores	20
3207.1010	--- Opacifiers	10
3207.4010	--- Glass frit	5
3214.1030	--- Resin cements	20
3214.9000	- Other	20
	-- Other:	
3215.1910	--- Flourescent ink	20

(1)	(2)	(3)
3215.1990	--- Other	25
3215.9090	--- Other	20
3403.1990	--- Other	10
	-- Other:	
3403.9910	--- Mould release preparations	10
3403.9990	--- Other	20
3404.9010	--- Prepared wax including sealing waxes	10
3404.9090	--- Other	10
3405.4000	- Scouring pastes and powders and other scouring preparations	10
<b>3504.0000</b>	<b>Peptones and their derivatives; other protein substances and their derivatives, not elsewhere specified or included; hide powder, whether or not chromed.</b>	<b>5</b>
	-- Adhesives based on polymers of headings 39.01 to 39.13 or on rubber:	
3506.9110	--- Shoe adhesives	20
3506.9190	--- Other	25
3801.1000	- Artificial graphite	5
	- Rosin and resin acids:	
3806.1010	--- Gum Rosin	10
3806.1090	--- Other	20
<b>3807.0000</b>	<b>Wood tar; wood tar oils; wood creosote; wood naphtha; vegetable pitch; brewers' pitch and similar preparations based on rosin, resin acids or on vegetable pitch.</b>	<b>20</b>
3810.1000	- Pickling preparations for metal surfaces; soldering brazing or welding powders and pastes consisting of metal and other materials	5
3812.1000	- Prepared rubber accelerators	5
3812.2000	- Compound plasticizers for rubber or plastics	20
3812.3000	- Anti-oxidising preparations and other compound stabilisers for rubber or plastics	10
	-- Other:	

(1)	(2)	(3)
3815.1910	--- Antimony triacetate	5
3815.1990	--- Other	10
<b>3816.0000</b>	<b>Refractory cements, mortars, concretes and similar compositions, other than products of heading 38.01.</b>	<b>10</b>
3823.1200	-- Oleic acid	5
3824.9030	--- Prepared binders	10
3824.9092	---- Preparations of a kind used for water purification	5
3903.2000	- Styrene-acrylonitrile (SAN) copolymers	5
3907.1000	- Polyacetals	5
3907.4000	- Polycarbonates	5
3907.6020	--- Bottle grade	20
4016.9320	--- Washers and other seals of rubber	20
4016.9390	--- Other	20
<b>4413.0000</b>	<b>Densified wood, in blocks, plates, strips or profile shapes.</b>	<b>5</b>
	- Unbleached kraft paper or paperboard or corrugated paper or paperboard:	
4707.1010	--- In pressed bundles	5
4707.1090	--- Other	20
	- Other paper or paperboard made mainly of bleached chemical pulp, not coloured in the mass:	
4707.2010	--- In pressed bundles	5
4707.2090	--- Other	20
4818.4000	- Sanitary towels and tampons, napkins and napkin liners for babies and similar sanitary articles	20
	-- Self-adhesive:	
4823.1210	--- Double side adhesive tapes	10
4823.1290	--- Other	<b>25</b>

(1)	(2)	(3)
<b>5004.0000</b>	<b>Silk yarn (other than yarn spun from silk waste) not put up for retail sale.</b>	<b>10</b>
<b>5005.0000</b>	<b>Yarn spun from silk waste, not put up for retail sale.</b>	<b>10</b>
<b>5006.0000</b>	<b>Silk yarn and yarn spun from silk waste, put up for retail sale; silk-worm gut.</b>	<b>10</b>
5911.3200	-- Weighing 650 g/m <sup>2</sup> or more	5
6804.1000	- Millstones and grindstones for milling, grinding or pulping	10
6804.2100	-- Of agglomerated synthetic or natural diamond	10
6804.2200	-- Of other agglomerated abrasives or of ceramics	10
6804.2300	-- Of natural stone	10
6806.2000	- Exfoliated vermiculite, expanded clays, foamed slag and similar expanded mineral materials (including intermixtures thereof)	10
7002.3920	--- Glass tubing of a kind used for shell blowing, flare and exhaust solely or principally used by fluorescent tube, bulb and auto bulb industry	5
7018.1000	- Glass beads, imitation pearls, imitation precious or semi-precious stones and similar glass smallwares	20
7018.2000	- Glass microspheres not exceeding 1mm in diameter	10
	- Other:	
7019.9010	--- Insulating sleeves	10
7019.9090	--- Other	20
7205.1000	- Granules	5
7205.2100	-- Of alloy steel	5
7205.2900	-- Other	5
	- Containing by weight 0.25% or more of carbon:	
7207.2010	--- Of a cross section 165 mm x 165 mm and above	5
7207.2090	--- Other	20
7228.1000	- Bars and rods, of high speed steel	5
7228.2090	--- Other	5

(1)	(2)	(3)
7228.3090	--- Other	5
7228.4000	- Other bars rods, not further worked than forged	5
7228.5000	- Other bars and rods, not further worked than cold-formed or cold-finished	5
7228.6000	- Other bars and rods	5
7228.7000	- Angles, shapes and sections	10
7228.8000	- Hollow drill bars and rods	10
7229.1000	- Of high speed steel	10
7229.2000	- Of silico-manganese steel	10
7229.9000	- Other	10
7407.1040	--- Busbars of electrolytic grade of 99.9% purity	5
7408.1900	-- Other	10
7409.1100	-- In coils	10
7409.2100	-- In coils	10
7410.1100	-- Of refined copper	10
	- Of refined copper:	
7411.1010	--- Capillary tube of diameter from 0.026 mm to 0.042 mm	10
7411.1020	--- Internally grooved tubes	10
7411.1090	--- Other	20
7505.2200	-- Of nickel alloys	5
	- Other:	
7612.9010	--- Round cans in diameter exceeding 45 mm	20
7612.9020	--- Oval cans of all sizes	20
7612.9090	--- Other	25
8102.9600	-- Wire	5
8202.3100	-- With working part of steel	5

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(1)	(2)	(3)
8202.3900	-- Other, including parts	5
8203.1000	- Files, rasps and similar tools	10
8207.1300	-- With working part of cermets	5
8207.2000	- Dies for drawing or extruding metal	5
8207.3000	- Tools for pressing, stamping or punching	5
8207.4000	- Tools for trapping or threading	5
8207.5010	--- Drills other than parallel or straight shank twist drills	10
8207.6000	- Tools for boring or broaching	5
8207.7000	- Tools for milling	5
8207.8000	- Tools for turning	5
8208.1000	- For metal working	5
8308.1010	--- Hooks	10
8308.1020	--- Eyes and eyelets	10
8311.2000	- Cored wire of base metal, for electric arc-welding	20
8311.3000	- Coated rods and cored wire, of base metal, for soldering, brazing or welding by flame	20
	- Auxiliary plant for use with boilers of heading 84.02 or 84.03:	
8404.1010	--- Soot removers	10
8404.1090	--- Other	20
8406.8100	-- Of an output exceeding 40 MW	5
8406.8200	-- Of an output not exceeding 40 MW	5
8412.3100	-- Linear acting (cylinders)	10
8412.3900	-- Other	10
8418.9910	--- Evaporator (roll bond type)	10
8418.9920	--- Wire condensers	10
8424.3000	- Steam or sand blasting machines and similar jet projecting machines	10

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(1)	(2)	(3)
8424.9000	- Parts	10
	-- Other:	
	--- Monochrome monitors:	
8429.1100	-- Track laying	5
8429.1900	-- Other	5
8471.6061	---- CRT monitors in used/second hand condition	25
8471.6069	---- Other	5
	--- Polychrome (colour) monitors:	
8471.6071	---- CRT monitors in used/second hand condition	25
8471.6079	---- Other	5
	- Other:	
8472.9010	--- Automated Teller Machines (ATM)	10
8472.9090	--- Other	20
8482.1000	- Ball bearings	5
8501.3100	-- Of an output not exceeding 750 W	10
8501.3200	-- Of an output exceeding 750 W but not exceeding 75 kW	10
8501.3300	-- Of an output exceeding 75 kW but not exceeding 375 kW	10
8501.3400	-- Of an output exceeding 375 kW	10
8501.4010	--- Of an output upto not exceeding 60 watts	10
8501.4090	--- Other	25
8501.6400	-- Of an output exceeding 750 kVA	20
8504.3100	-- Having a power handling capacity not exceeding 1 kVA	20
8505.1900	-- Other	5
	- Parts:	
8532.9010	--- Capacitors decks of metal or plastic with terminals or connectors	10
8532.9020	--- Terminals	10
8532.9090	--- Other	20
	-- For a voltage of less than 72.5 kV:	

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(1)	(2)	(3)
8535.2110	--- Upto12kV	20
8535.2190	--- Other	10
	- Isolating switches and make-and break switches:	
8535.3010	--- For a voltage upto 145 kV	20
8535.3090	--- Other	10
	- Lightening arresters, voltage limiters and surge suppressors:	
8535.4010	--- For a voltage upto 245 kV	20
8535.4090	--- Other	10
8539.9010	--- Tungsten filament and lead in wire for bulbs and tube lights	5
8539.9020	--- Base cap for bulbs	5
8544.6000	- Other electric conductors, for a voltage exceeding 1,000 V	20
8703.2390	--- Other	150
8703.2400	-- Of a cylinder capacity exceeding 3,000cc	150
8703.3290	--- Other	150
8703.3300	-- Of a cylinder capacity exceeding 2500cc	150
	- Dumpers designed for off-highway use:	
8704.1000	- Dumpers designed for off-highway use	40
9017.3010	--- Micro Meter	40
9017.3020	--- Callipers and gauges	10
	- Catheter:	
9018.3931	---- Suction	5
9018.3932	---- Pulmonary artery	5
9018.3933	---- Foly's	5
9018.3939	---- Other	20
9018.3960	--- Endo tracheal tube	5
9018.3970	--- Balloons	5

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(1)	(2)	(3)
9033.0020	---- Pacing wire	5
9022.1300	-- Other, for dental uses	5
9022.1400	-- Other, for medical, surgical or veterinary uses	5
9022.1900	-- For other uses	5
9022.2100	-- For medical, surgical, dental or veterinary uses	5
9022.2900	-- For other uses	5
9022.3000	- X-ray tubes	5
9022.9000	- Other, including parts and accessories	5
9025.8010	--- Hydrometers	5
	- Parts and accessories:	
9028.9010	--- Shaft without rotating disc, register assembly and meter bearing assembly for electricity meter	10
9028.9020	--- Other of electricity meters	25
9028.9090	--- Other	10
9031.2000	- Test benches	5
9101.1100	-- With mechanical display only	5
9101.1200	-- With opto-electronic display only	5
9101.1900	-- Other	5
9101.2100	-- With automatic winding	5
9101.2900	-- Other	5
9101.9100	-- Electrically operated	5
9101.9900	-- Other	5
9102.1100	-- With mechanical display only	5
9102.1200	-- With opto-electronic display only	5
9102.1900	-- Other	5
9102.2100	-- With automatic winding	5

(1)	(2)	(3)
9102.2900	- - Other	5
9102.9100	- - Electrically operated	5
9102.9900	- - Other	5
9607.1100	- - Fitted with chain scoops of base metal	20
9607.1900	- - Other	20
9607.2000	- Parts	20
9608.9920	- - - Ball point tips	10
9905	Household articles and personal effects including vehicles and goods for donation to projects established in Pakistan imported by the Rulers of the United Arab Emirates and dignitaries as listed below subject to the conditions mentioned in sub-chapter notes:—	0
	(1) H.H. Sheikh Khalifa Bin Zayed Al-Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of UAE Armed Force.	
	(2) H.E. Sheikh Suroor Bin Mohammad Al-Nahyan, Chamberlain of the Presidential Court, Abu Dhabi.	
	(3) H.E. Sheikh Mohammad Bin Khalid Al-Nahyan, Member of the ruling family of Abu Dhabi.	
	(4) H.E. Sheikh Mubarak Bin Mohammad Al-Nahyan, Member of the ruling family of Abu Dhabi.	
	(5) H.E. Sheikh Sultan Bin Hamdan Al-Nahyan, Member of the ruling family of Abu Dhabi.	
	(6) H.H. General Sheikh Mohammad Bin Zayed Al-Nahyan Chief of Staff of UAE Armed Forces.	
	(7) H.E. Sheikh Tahnoum Bin Mohammad Al-Nahyan, Member of the ruling family of Abu Dhabi.	
	(8) H.E. Sheikh Rashid Bin Khalifa Al-Makhtoum, Member of the ruling family of Dubai.	
	(9) H.H. Sheikh Sultan Bin Zayed Al-Nahyan, Deputy Prime Minister of the UAE.	
	(10) H.H. Sheikh Hamdan Bin Zayed Al-Nahyan, Minister of State for Foreign Affairs, Government of the United Arab Emirates.	

## SUB-CHAPTER III

IMPORTS BY CHARITABLE, EDUCATIONAL, SCIENTIFIC INSTITUTIONS  
AND HOSPITALS**Note:**

For the purpose of sub-chapter III the expression:

- (i) "Charitable Institution" and "Charitable non-profit making institution" means an institution approved for the purpose of section 61 of the Income Tax Ordinance, 2001;
- (ii) "Gifts or Donations" include goods other than vehicles of chapter 87 of the First Schedule to the said Act, donated by the donors residing abroad. However, ambulances received as gift or donation from abroad shall be eligible for the benefit provided that the same are imported as per Serial No. 116 of Customs General Order No. 12 of 2002, dated the 15th June, 2002; and
- (iii) "Competent Authority" means:
  - (i) in case of educational and research institutions falling in the jurisdiction of the Federal Government, the Ministry of Education or Ministry of Science & Technology or any other relevant Ministry of the Federal Government;
  - (ii) in case of an institution falling within the jurisdiction of a Provincial Government, the Director of Education or Technical Education or Public Institution or any other relevant authority of the Provincial Government; and
  - (iii) in case of a university recognized by the University Grants Commission, the Registrar of the University.

9912	<p>Following goods imported by Abdul Sattar Edhi Foundation and Bilques Edhi Foundation, subject to furnishing of a certificate by Maulana Abdul Sattar Edhi son of Haji Abdul Shakoor Edhi at the time of import of each consignment to the effect that the goods are meant for use by Edhi Foundation or, as the case may be, by Bilquis Edhi Foundation. (In the case of goods at serial No. 14,15,16, the words "Edhi Foundation" or "as the case may be, Bilquis Edhi Foundation" are inscribed at some prominent place on the body of each vehicle, aeroplane or helicopter);</p> <ol style="list-style-type: none"> <li>1. Butter oil (04.05)</li> <li>2. Rice (10.06)</li> <li>3. Grains (10.07)</li> <li>4. Cooking oil (Chapter 15)</li> <li>5. Vitamins (29.36)</li> <li>6. Hormones (29.37)</li> </ol>	0
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7. Pencillin (29.41)
  8. Medicaments (30.04)
  9. Waddings, guaze, bandages and similar articles (for example, dressings, adhesive plaster, poultices) impregnated or coated with pharmaceutical substances.(30.05)
  10. Pharmaceutical goods (30.06)
  11. Worn clothing (63.09)
  12. Wireless transmission apparatus (85.15)
  13. Wireless reception apparatus (85.27)
  14. Ambulances (87.03)
  15. Mobile radiological units (87.05)
  16. Helicopters, aeroplanes (88.02)
  17. Parts of helicopters and aeroplanes (Respective headings)
  18. Instruments and appliances used in medical or surgical sciences.(90.18)
  19. Orthopaedic appliances, including crutches, surgical belts and trusses; splints and other fracture appliances, artificial parts of the body, hearing aids and other appliances which are worn or carried, or implanted in the body, to compensate for a defect or disability (90.21)
  20. Apparatus based on the use of X-rays for medical or surgical uses, control panels and desks, screens, examination or treatment tables, chairs and the like (90.22).
- 9925 Artificial kidneys, hemodialysis machines, hemodialyzers, A.V. fistula needles, hemodialysis fluids & powder, blood tubing tines for dialysis, reverse osmosis plants for dialysis, double lumen catheter for dialysis, catheters for renal failure patients, peritoneal dialysis solution and cardiac catheters. 0
- 9934 *Following items relating to computers and Information Technology:—Automatic data processing machines and units thereof; magnetic or optical readers; machines for anscribing data onto data media in coded form; machines for processing such data; computer systems; laptop computers; note books; palm top computers; other personal computers and units thereof; monitors excluding used/second hand monitors; printers; scanners, central* 0

processing units; key boards; mouse; storage units; disc and tape drives; networking equipment (*i.e.* routers, LAN bridges, hubs, SNA cluster controllers, multi-station access units); optical fibre converters; fast ethernet adapters; control units; adapter units; parts and accessories for computer like casing with power supply, toner and ink cartridges (excluding refills) and gateways; modems; microphones having a frequency range of 300 Hz to 3.4 KHZ with a diameter not exceeding 10 mm and a height not exceeding 3 mm for telecommunication use; loudspeakers without housing, having a frequency range of 300 Hz to 3.4 KHZ with a diameter of not exceeding 50 mm, for telecommunication use; computer discs and diskettes; CD-Rom (Blank); software on CD-Rom; software on magnetic tapes and diskettes; recorded media for reproducing representations of instructions, data sound and image, recorded in a machine readable binary form; and capable of being manipulated or providing interactivity to a user; by means of an automatic data processing machine; indicator panels incorporating liquidcrystal devices (LCD) or light emitting diodes (LED) and parts thereof; fixed carbon resistors; composition or film types variable resistors including Irheostats and potentiometers and parts thereof; electronic AC switches consisting of optically coupled input and output circuits (insulated thyristor AC switches) electronics switches including temperature protected electronic switches consisting of a transistor and a logic chip (chip on chip technology) for a voltage not exceeding 1000 volts; electromechanical snap action switches for a current not exceeding 11 amps; plugs and sockets for co-axial cables and printed circuits; circuits; wafer probers; diodes, other than photo sensitive light emitting diodes; mounted piezo-electric crystals and parts thereof; cards incorporating an electronic integrated circuit (smart cards); metal oxide semiconductors (MoS technology); circuits obtained by bipolar technology other circuits including Icircuits obtained by a combination of bipolar and MOS tehcnologies (BIMOS technology); other monolithic integrated circuits; hybrid integrated circuits; lon implanters for doping semiconductor materials; proximity cards and tags; electrical machines with translation or dictionary functions; computer leads; heomatographs and electro-phoresis instruments; spectrometers; spectro-photometers; meters and spectrographs using optical radiations (Uv, visible, ir); instruments and apparatus using optical radiations (Uv, visible, ir) and parts thereof; other instruments and apparatus, specially designed for telecommunication (for example cross-talk meters, gain measuring instruments, distortion factor meters, psophometers).

MEHMOOD SALEEM MEHMOOD,  
*Secretary.*



