

# **EXTRACT OF LAWS**

**TO BE AMENDED THROUGH**

## **THE KHYBER PAKHTUNKHWA** **FINANCE BILL, 2025**

## **The Stamp Act, 1899 (Act No. II of 1899)**

### **Article 6(A) in the SCHEDULE-I**

“6(A).	Allotment order or transfer of allotment order, issued by a developer, builder, co-operative society, housing society or housing authority or any other body or organization providing open plots, dwelling houses or built up commercial premises, in respect of residential and commercial open plots.	two percent (2%) of the value of the plot as per Valuation Table of the Federal Board of Revenue or Deputy Commissioner, as the case may be, whichever is higher.”; and
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## **The West Pakistan Urban Immovable Property Tax Act. 1958** **(West Pakistan Act No. V of 1958)**

### **Addition of clause (j) after clause (i) in Section 2**

- (i) "urban area" means an area within the boundaries of a Municipal Corporation, Municipal Committee, Cantonment Board, Small Town Committee, or other authority (not being a District Board) legally entitled to, or entrusted by Government with the control or management of a municipal or a local fund.

### **Sub-Section (2a) in Section 3**

- 2(a) A rebate at the rate of 20% of the tax assessed under subsection (2) shall be admissible to those assesses who pay the tax in advance for the whole year by the 31st day of July of the year to which it relates.

### **Clause (f) in Section 4**

**4. Exemptions.**---The tax shall not be leviable in respect of the following properties, namely:

[(f) \* \* \* \*].

**“SCHEDULE-I**  
**[see sections 3(2) and 4(b)]**

**Part-A:**

Sr. No.	Category.	Rate of tax for areas of Provincial Headquarters as notified by Government (per annum) (Rs).			Rate of tax at Divisional Headquarters (per annum) (Rs).		Rate of tax in suburban areas of Divisional Headquarters (per annum) (Rs).		Rate of tax at District Headquarters (per annum) (Rs).		Rate of tax at District other than District Headquarters (per annum) (Rs).	
		A	B	C	Townships	Other than Townships.	Townships.	Other than Townships	Townships.	Other than Townships.	Townships.	Other than Townships.
1.	Upto 4.9 Marlas.	Exempted	Exempted	Exempted	Exempted	Exempted	Exempted	Exempted	Exempted	Exempted	Exempted	Exempted
2.	Exceeding 4.9Marlas but not exceeding 10 Marlas.				Rs.3000/-	Rs.2500/-	Rs.2500/-	Rs.2000/-	Rs.2000/-	Rs.1700/-	Rs.2000/-	Rs.1500/-
3.	Exceeding 10 Marlas but not exceeding 15 Marlas.				Rs.3,500/-	Rs.3000/-	Rs.3000/-	Rs.2700/-	Rs.3000/-	Rs.2500/-	Rs.2500/-	Rs.2000/-
4.	Exceeding 15 Marlas but not exceeding 18 Marlas.				Rs.4,700/-	Rs.4,000/-	Rs.4000/-	Rs.3500/-	Rs.3500/-	Rs.3000/-	Rs.3000/-	Rs.2500/-
5.	Exceeding 18 Marlas but not exceeding 20 Marlas.				Rs.15,000/-	Rs.13,500/-	Rs.13,500/-	Rs.10000/-	Rs.7,000/-	Rs.6000/-	Rs.6000/-	Rs.5000/-
6.	Exceeding 20 Marlas but not exceeding 30 Marlas.				Rs.25,000/-	Rs.18,000/-	Rs.15,000/-	Rs.12,000/-	Rs.10,000/-	Rs.8000/-	Rs.7000/-	Rs.6,000/-
7.	Exceeding 30 Marlas but not exceeding 40 Marlas.				Rs.30,000/-	Rs.28,000/-	Rs.25,000/-	Rs.22,000/-	Rs.20,000/-	Rs.18,000/-	Rs.15,000/-	Rs.10,000/-
8.	Exceeding 40 Marlas.				Rs.40,000/-	Rs.37,000/-	Rs.35,000/-	Rs.30,000/-	Rs.25,000/-	Rs.20,000/-	Rs.18,000/-	Rs.15000/-

Provided that-

- (a) all units, falling under entry at Serial No. 1, are exempted from Urban Immovable Property Tax for the Financial Year 2024-25.
- (b) rate of tax for the rest of entries from Serial Nos. 2 to 8 of areas of Provincial Headquarters shall be:-

- (i) for category “A”, Rs. 5000/- fixed for 5 marla and Rs.1000/- to be charged for every additional marla or part thereof.
- (ii) for category “B”, Rs. 4000/- fixed for 5 marla and Rs.800/- to be charged for every additional marla or part thereof.
- (iii) for category “C”, Rs. 3000/- fixed for 5 marla and Rs.500/- to be charged for every additional marla or part thereof.

### **Part-B:**

Provided that residential apartments and penthouses shall also be charged with the rates mentioned in SCHEDULE-I above.

### **Part-C:**

Tax on properties let out on rent, lease or other similar arrangement and not in use of their registered owners, shall be double of the rates mentioned in SCHEDULE-I above; provided that the buildings or lands rented out or leased out under **Part-D** shall be excluded from the tax rates mentioned under this Part.

### **Part-D:**

Residential lands and buildings acquired for the use on rent:

<b>Sr.No.</b>	<b>Residential premises rented to.</b>	<b>Annual rate of tax (% of actual rent).</b>
1.	Government Organization.	10 %
2.	Semi Government Organization.	10%
3.	Non-Governmental Organizations.	10%
4.	Development Financial Institutions.	10%
5.	Corporate Bodies.	10%
6.	Autonomous Bodies.	10%
7.	Public Limited Companies.	10%
8.	Public Sector Commercial Organizations.	10%
9.	Private Limited Companies.	10%
10.	Private Commercial Organizations.	10%
11.	Companies.	10%

12.	Distribution Businesses.	10%
13.	Godowns.	10%
14.	Guest Houses.	10%
15.	All types of banks and financial institutions.	15%
16.	Lands and buildings other than those exempted under section 4 of the Act, which is owned and occupied by such organizations.	The tax shall be levied on the assessed annual rental value of such lands and buildings on the rates prescribed herein-before. The assessment shall be made by a committee duly notified by the Secretary.

Provided that where the actual rent agreement is lower than the prevailing market rent, due to the advance amount paid (**PAGGRI**) to the owner or middleman then the tax shall be levied on the assessed annual rental value:

Provided further that categorization of the area for this Schedule shall be made by Government into categories “A”, “B” or “C”.; ”;

**“SCHEDULE-II**  
**[see section 3(2) (b)]**

**Part A:**

**Commercial Lands and Buildings acquired for the use on rent:**

<b>Sr.No.</b>	<b>Commercial premises rented to.</b>	<b>Annual rate of tax (% of actual rent).</b>
1.	Government organization	10 %
2.	Semi Government Organization	10%
3.	Non-Governmental Organizations	10%
4.	Development Financial Institutions	10%
5.	Corporate Bodies	10%
6.	Autonomous Bodies	10%
7.	Public Limited Companies,	10%
8.	Public Sector Commercial Organizations	10%
9.	Private Limited Companies,	10%

10.	Private Commercial Organizations	10%
11.	Companies	10%
12.	Distribution Businesses	10%
13.	Godowns	10%
14.	Guest Houses	10%
15.	Private hospitals	5%
16.	Medical stores and other businesses working in health sector	5%
17.	Properties being rented out to air ticketing agencies and Jewelers	10%
18.	All types of banks, and financial institutions	15%
19.	Tenant or leaseholder of Evacuee trust properties using the property for commercial and business purposes	5%
20.	lands and buildings other than those exempted under section 4 of the Act, which are owned and occupied by such organizations,	The tax shall be levied on the assessed annual rental value of such lands and buildings on the rates prescribed hereinbefore. The assessment shall be made by a committee duly notified by the Secretary

Provided that where the actual rent agreement is lower than the prevailing market rent due to the advance amount paid (**PAGGRI**) to the owner or middleman then the tax shall be assessed on the assessed annual rental value.”

Provided further that both parties shall enter into a written agreement in quadruplicate indicating annual rent to be derived and share a copy thereof with the assessing authority on an annual basis. For this part, the actual rent means annual rent agreed between the parties:

- i. **Punishment for concealment of facts.**---(1) Any owner or lessesse or tenant of the immovable property who commits the offense of concealment of actual rent derived shall be punishable with imprisonment for a term which may extend up to one year (1) years and with a fine not exceeding the amount of tax payable.

- ii. **Imposition of fine.**---Where an owner found guilty of an offense of concealment of actual rent is sentenced to pay a fine, the amount of the fine shall in no case be less than the tax evaded by the assessee or any dependent or associate by the commission of the offense. Provided that the total fine shall not exceed the total tax payable.
- iii. **Recovery of the amount of fines, etc. as arrears of land revenue.**---Any fine or other sum due under this Act, or as determined due by the assessing authority, shall be recoverable as arrears of land revenue.

**Part-B:**

**Tax for properties as per clause 4 shall be calculated with the following formula:**

- (a) the formula for tax calculation shall be: (plot area in the square yard (a) + covered area in square feet (b) multiplied by locality factor (c):

Provided that passageways, washrooms, and other public utilities shall not be counted while calculating/counting the covered area:

Provided further that open sheds and verandas shall be counted as half of its total measurement while calculating the covered area; and

- (b) locality factors for computing tax liability as per clause (a) above, are given in the table below:

Locality/ Category	Ground Floor.	Basement	Ist Floor	2 <sup>nd</sup> Floor	3 <sup>rd</sup> Floor	4 <sup>th</sup> Floor	5 <sup>th</sup> Floor	All other Floors beyond 5 <sup>th</sup> Floor.
A1	22	18	18	16	14	12	10	8
A	18	13	13	11	9	7	5	5
B	12	8	8	7	6	5	5	5
C	7	5	5	5	5	5	5	5
D	5	5	5	5	5	5	5	5

- (c) Plot area in sq. yards shall be counted once on the ground floor. For upper stories, i.e from the floor and onwards, only the covered area shall be taken into account, and the formula shall be covered area in square feet (b) multiplied by locality factor (c) (b x c).

**Part-C:****For Educational Institutions:**

Sr.No.	Category of educational institute.	Annual tax based on locality (Rs).			
		A-1 and A.	B.	C.	D.
1	Primary (up to class 5)	40000/-	30000/-	20000/-	10000/-
2	Middle (up to class 8)	50000/-	40000/-	30000/-	20000/-
3	High (up to class 10)	100000/-	80000/-	40000/-	30000/-
4	Higher secondary (up to class 12)	150000/-	120000/-	50000/-	40000/-
5	Graduate level (up to 16 years education)	200000/-	150000/-	100000/-	100000/-
6	Post Graduate (18 years education and Ph.D. level)	250000/-	200000/-	120000/-	120000/-

**Part-D:****Other special categories:**

Sr.No.	Type of property.	Annual rate of tax.
1.	Industrial building situated in rating area.	Rs.10,000/-upto one kanal (5445 square feet). Above one kanal every additional kanal will be charged @ Rs. 10,000 per kanal.
2.	Grid stations.	As per clause(a) of Part-B
3.	Service stations of vehicles, irrespective of operating in addition to other services.	Rs. 20,000/-
4.	Petrol pumps and CNG stations.	Rs. 50,000/-
5.	Buildings and lands used for the erection of Mobile Phone Towers.	(i) Provincial Headquarters ___Rs.40,000/-  (ii) Divisional Headquarter and respective sub-urban areas ___Rs.30,000/-  (iii) District Headquarter and respective sub-urban areas ___Rs.20,000/-

**Note:** Categorization of the area for this schedule shall be made by the Government into Categories “A1”, “A”, “B” “C” or “D”.”.

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**The West Pakistan Urban Immovable Property Tax Act. 1958**  
**(West Pakistan Act No. V of 1958)**

**“SCHEDULE**  
**[see section 3]**

<b>1</b>	<b>2</b>	<b>3</b>
<b>Sr.No.</b>	<b>Description of Motor Vehicles.</b>	<b>Annual rate (Rs.)</b>
1.	Motorcycle / Scooter.	2500 lifetime.
2.	Truck/ Trailers/ Delivery Vans used for transport or haulage of goods or materials:	
	(i) vehicles not exceeding 1250 kg in unladen weight;	1000/-
	(ii) vehicles with a maximum laden capacity up to 2030 kg;	1500/-
	(iii) vehicles with a maximum laden capacity exceeding 2030 kg. but not exceeding 4060 kg;	1500/-
	(iv) vehicles with a maximum laden capacity exceeding 4060 kg. but not exceeding 6090 kg;	3000/-
	(v) vehicles with a maximum laden capacity exceeding 6090 kg. but not exceeding 8120 kg;	5000/-
	(vi) vehicles with a maximum laden capacity exceeding 8120 kg. but not exceeding 12000 kg;	7000/-
	(vii) vehicles with long trailers or other vehicles with a maximum laden capacity exceeding 12000 kg. but not exceeding 16000 kg; and	10000/-
	(viii) vehicles with long trailers or other vehicles with a maximum laden capacity exceeding 16000 kg.	12000/-
3	Vehicles plying for hire and ordinarily used for the transport of passengers:	
	(a) mechanically propelled tricycle/rickshaw or similar vehicle with seating capacity of not more than three persons.	1000/-
	(b) other commercial vehicles with a seating capacity of-	
	(i) not more than 4 persons;	1500/-
	(ii) more than 4, but not more than 6 persons;	2000/-
	(iii) more than 6 persons, plying on A routes;	500/-
	(iv) motor vehicles with a seating capacity of more than 6 but not more than 20 persons, plying exclusively within the limits of corporation/municipality or cantonment; and	300 per seat

	(v) motor vehicles with a seating capacity of more than 6 but not more than 20 persons plying exclusively within the limits of corporation, municipality or cantonment or partly within and outside such limits with sixty percent of the total length of the route falling within the limits of a corporation, municipality or cantonment.	300 per seat
4.	<b>(a) Private vehicles (cars, jeeps, similar vehicles, etc.) other than those mentioned above having engine size-</b>	
	(i) with engine power not exceeding 1000cc;	2000/-
	(ii) with engine power exceeding 1000 cc but not exceeding 1300 cc;	3000/-
	(iii) with engine power exceeding 1300 cc but not exceeding 1500 cc;	4000/-
	(iv) with engine power exceeding 1500 cc but not exceeding 2500 cc; and	5000/-
	(v) with engine power exceeding 2500 cc.	8000/-
	<b>(b) Other private vehicles (cars, jeeps, similar vehicles, etc.) having,-</b>	
	(i) seating capacity of not more than 3 persons;	1500/-
	(ii) seating capacity of more than 3 but not more than 6 persons; and	2000/-
	(iii) seating capacity of more than 6 persons.	1500 per seat
	<b>Note:</b> The owner, who pays a lump sum amount of tax Rs. 10,000/-, shall be exempted for paying while those who have paid amounts lesser than Rs. 10,000/- shall be liable to pay the tax annually.	
5	All Tractors with or without trailers.	2000/-".

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## **The Provincial Motor Vehicles Ordinance, 1965**

### **(West Pakistan Ordinance No. XIX of 1965)**

#### **Section 47**

**47. General provisions as to applications for permits.**---(1) Every application for a permit shall be made to the Regional Transport Authority of the Region concerned or of one of the Regions in which it is proposed to use the vehicle or vehicles and, if the applicant resides or has his principal place of business in any one of those Regions, to the Regional Transport Authority of that Region:

Provided that if the permit or permits applied for is covered by clause (c) of the proviso to sub-section 1 of section 46, the [Regional Transport Authority] by when the application is received shall forward the same to the Provincial Transport Authority for such action as is deemed fit by the latter Authority.

(2) Nothing in sub-section (1) shall apply to road transport services operated by the Board.

### **Sub-Section (2) in Section 60**

(2) A permit may be renewed on an application made in that behalf in the prescribed manner and on payment of the prescribed fee for a period specified in sub-section (1).

## **“THE TWELFTH SCHEDULE.**

*(see section 116)*

### **PART-I**

### **MOVING VIOLATIONS**

<b>1</b>	<b>2</b>	<b>3</b>			
<b>Sr.No.</b>	<b>Nature of violations.</b>	<b>Penalties.</b>			
		Motor Cycle @Rs.	Motor Car/ Jeep @Rs.	Light Transport Vehicle @ Rs.	Heavy Transport Vehicle/ Public Service Vehicle @Rs.
1	Exceeding prescribed speed limit.	500	1000	1000	1500
2	Carrying Passengers in a Public service vehicle exceeding permissible limit.	-	1000	1500	2000
3	Violation of Traffic signals (electronic or manual).	500	1000	1000	1500
4	Overloading by public transport vehicles (goods carries).	-	-	2500 for 1% to 5% of overloading.  5000 for 5.1% to 10% of overloading  7500 for 10.1% to 15% and above of overloading and the vehicle shall be impounded for fifteen days.	5000 for 1% to 5% of overloading.  10000 for 5.1% to 10% of overloading.  15000 for 10.1% to 15% and above of 15% of overloading shall not be allowed to ply on road and the vehicle shall be impounded for fifteen days.
5	Overtaking where prohibited.	300	500	700	1000
6	Failure to yield the right of way to another vehicles.	300	500	700	1000
7	Obstructing movement of emergency vehicles.	300	500	700	1000

8	Leading the excess of the restriction of dimension of goods.			1000	1500
9	Driving at night without proper lights.	500	1000	1000	1500
10	Driving on the wrong side of the road.	1000	2000	2000	4000
11	Disobey traffic signals. (a) Amber Flashing (b) Red Thinking (c) Red Light	500	1000	1000	1500
12	Improper crossing of railway track.	300	500	500	1000
13	Following too closely or cutting too sharply.	300	500	500	1000
14	Driving with tinted or covered glasses obstructing visibility from within the vehicle.	-	1500	1500	2000
15	Jumping Traffic queue.	200	500	500	1000
16	Failing to dip headlights for other traffic.	200	500	500	1000
17	Driving wrong way in one way street.	1000	2000	2000	4000
18	Using turn indicator for any purpose other than those prescribed.	200	500	500	700
19	Playing where prohibited.	300	500	500	1000
20	Improper loading of goods/ improper loaded goods.	-	-	1000	1500
21	Failing to observe lighting hours.	300	500	500	1000
22	Obstructing traffic.	300	500	700	1000
23	Failure to observe slow sign.	300	500	500	1000
24	Riding motorcycle without safety helmet.	1000	-	-	-
25	Failure to stop for a school bus.	200	300	500	500
26	Turning where prohibited.	500	1000	1000	1500
27	Failure to protect learner drivers.	200	400	400	600
28	Failure to yield right of way to pedestrians.	200	500	700	1000
29	Reckless and negligent driving.	1000	1500	2000	3000
30	Driving without driving license.	1000	2000	3000	5000
31	Driving an unregistered vehicle.	1000	3000	5000	5000
32	Driving a motor vehicle without insurance coverage.	200	500	500	1000
33	Driving a transport vehicle without or with a defective speedometer.	200	500	500	1000
34	Opening door dangerously.	-	500	700	1000
35	Improper turning (Turn from wrong lane).	300	500	700	1000
36	Improper lane usage.	300	500	700	1000
37	Blowing horn in silence zone.	200	300	500	500
38	Improper U-Turn.	200	500	700	1000
39	Refusal to produce license.	500	1000	1000	1500
40	Failing to stop when required by the	500	700	1000	1500

	traffic police.				
41	Driving without fitness certificate.	-	-	1000	2500
42	Driving a vehicle exceeding prescribed weight limit.	-	-	2500	15000
43	Using vehicle in unsafe condition.	300	500	700	1000
44	Using pressing/musical horns.	300	500	1000	1500
45	Driving vehicle in violation of law/rules not otherwise provided.	500	1000	1000	1500
46	Smoke emitting vehicle.	500	1000	1000	2000
47	Juvenile driving.	1000	2000	5000	10000
48	Using mobile phone while driving.	1000	2000	3000	5000
49	One wheeling by motorcyclist.	5000	-	-	-
50	Repeating the same violations.	1200	1200	1200	1200
51	Abetment of the above violations.	300	500	700	1000
52	Driving motor vehicle without route permit if any.			5000	5000
53	Repeating the violation at serial No. 52 above.			10000	10000
54	Repeating the violation at serial No. 4 above.			10000	30000
55	Driving without fastening seat belt.	-	1000	1000	1000
56	Taking part in an unauthorized race.	2000	3000	5000	5000
57	Use of illegal number plate or without number plate.	500	1000	1000	1500
58	Charging extra fare.	500	1000	2000	3000
59	Driving any vehicle at night on high beam or using dazzling light/powerful lamps.	500	1000	1500	2000
60	Driving when mentally or physically unfit to drive or under influence of drug or alcohol.	1000	3000	5000	5000
61	Improper loading of goods (material/liquid spreading on the road/air).	-	-	3000	5000
62	Carrying Passengers/Students outside cabin of the vehicle.	-	-	3000	5000
63	Driving vehicle without fastening seat belt by the driver and front seat passenger.	-	500	700	1000
64	Driving vehicle having a person below twelve (12) years of age on front passenger seat.	-	500	500	1000
65	Driving of Transport vehicle with expired Route Permit (impounding of vehicle till the production of renewed route permit).	-	-	2000	5000
66	Driving of Transport vehicle with expired Fitness Certificate (impounding of vehicle till the	-	-	1000	2500

	production of renewed fitness certificate).				
67	Leaving vehicle in dangerous position.	-	500	500	1000
68	Driving vehicle on disqualified license.	-	1000	1000	1000
69	Illegal alteration/modification in vehicle.	500	1000	2000	2500
70	Failure to stop vehicle after accident.	500	1000	1500	2000
71	Taking/plying vehicle without authority i.e. registration book, transfer deed, transfer letter, Government certificates and route permit wherever applicable.	500	1000	1500	2000
72	Disobedience of orders, obstruction and refusal of information.	1000	1000	1000	1000
73	Noise pollution (by illegal modification/alteration).	2000	3000	3000	3000

**PART-II**  
**PARKING VIOLATIONS**

1	2	3			
Sr.No.	Nature of violations.	Penalties.			
		Motor Cycle @Rs.	Motor Car/ Jeep @Rs.	Light Transport Vehicle @ Rs.	Heavy Transport Vehicle/Public Service Vehicle @Rs.
1	More than 0.5 meter from the kerb	200	300	300	500
2	Parking on a foot path	500	1000	1000	1500
3	Less than 0.5 meter from another car	200	200	300	500
4	Parking on a Zebra Crossing	300	500	700	1000
5	Less than 0.3 meters from fire hydrant	200	300	300	500
6	Less than 10 meters from a stop sign	200	300	300	500
7	Less than 10 meters from intersection	200	300	300	500
8	Parking in a No Parking Zone	1000	2000	2000	3000
9	Parking in front of an entrance to premises	500	1000	1000	2000
10	Parking on Bus Stop	200	300	500	700
11	Parking on a bridge	200	300	500	700
12	Parking on a side walk	200	300	500	700".

**The Khyber Pakhtunkhwa Finance Act, 1990**  
**(Khyber Pakhtunkhwa Act No. IV of 1990)**

**Sub-Section (2) in Section 7**

(2) 147 If a person liable to pay tax under sub-section (1) fails to pay the tax by the 30th day of September of the year to which the tax pertains he shall be liable to pay a penalty at the rate of 50% of the tax due from him in addition to the actual tax.

**TABLE**

<b>S.No</b>	<b>Description of Tax Payers</b>	<b>Rates of Tax</b>
<b>1</b>	<b>2</b>	<b>3</b>
<b>1 (i)</b>	<b>All persons engaged in any profession, trade, calling or employment, other than those specifically mentioned hereinafter, whose monthly income or earning:</b>	
	(a) upto Rs.20,000;	Exempted
	(b) when exceed Rs.20,000 but not exceed Rs.30,000;	Rs.1000
	(c) when exceed Rs.30,000 but does not exceed Rs. 50,000;	Rs.1200
	(d) when exceed Rs.50,000 but does not exceed Rs. 100,000;	Rs.1500
	(e) when exceed Rs.100,000 but does not exceed Rs. 200,000;	Rs.2000
	(f) when exceed Rs.200,000 but does not exceed Rs. 500,000;	Rs.3000
	(g) Exceeding 500000.	Rs. 5000
<b>(ii)</b>	<b>Employees of Federal and Provincial Government drawing pay in Basic Scales:</b>	
	(a) BS-01 to 06;	Exempted
	(b) BS-07 to 12;	Rs.1000
	(c) BS-13 to 16;	Rs.1200
	(d) BS-17;	Rs.1500
	(e) BS-18;	Rs.1800
	(f) BS-19; and	Rs.2000
	(g) BS-20 and above.	Rs.3000
<b>2-</b>	<b>All Limited Companies, Modarbas, Mutual Funds and any other body corporate with paid up capital and reserves in the preceding year, whichever is more:</b>	
	(a) when not exceeding Rs.10 million.	Rs.30,000
	(b) when exceeding Rs.10 million but not exceeding Rs. 25 million;	Rs.50,000
	(c) when exceeding Rs.25 million but not-exceeding Rs. 50 million;	Rs.60,000
	(d) when exceeding Rs.50 million but not exceeding Rs.100 million;	Rs.90,000
	(e) when exceeding Rs.100 million but not exceeding Rs. 200 million; and	Rs.100,000
	(f) when exceeding Rs. 200 million.	Rs.100,000

	<b>Explanation.-</b> The paid up capital in case of foreign banks shall be the minimum paid up capital as determined by the State Bank of Pakistan.	
3-	<b>Persons, other than companies, owning factories, commercial establishments, private education institutions and private hospitals, having the following commercial establishments:</b>	
	a. Any Commercial establishment/factories having 10 or more employees which have not been otherwise explicitly given in this Table.	Rs.15000
	b. Private Clinics & Hospitals having up to 10 employees.	Rs.15000
	c. Private Clinics hospitals having employees more than 10 but not more than 50.	<b>Rs. 60,000</b>
	d. Private Clinics & Hospitals having more than 50 employees	Rs.100000
	e. Private Medical Colleges.	Rs.100000
	f. Private Engineering Institutes having degree programs.	Rs.100000
	g. Private Business Education Institutes. (i) Having Upto 100 students (ii) Exceeding 100 students.	Rs.80000 Rs.100000
	h. Private Law Colleges.	Rs.100000
	i. Private education institutions including professional and technical institutions, other than specified at e, f, g & h, charging monthly fee not exceeding Rs.1000/- per student.	Rs.8000
	j. Private education institutions including professional and technical institutions, other than specified at e, f, g & h, charging monthly fee exceeding Rs.1000/- but not exceeding Rs.2000/- per student.	Rs.12000
	k. Private education institutions including professional and technical institutions, other than specified at e, f, g & h, charging monthly fee exceeding Rs.2000/- but not exceeding Rs.5000/- per student.	Rs.25000
	l. Private education institutions including professional and technical institutions, other than specified at e, f, g & h, charging monthly fee exceeding Rs.5000/- per student.	Rs.100000
4-	<b>Holders of import or export license, assessed to income tax in the preceding year with annual turnover:</b>	
	(a) when not exceeding Rs.100,000;	Rs.5000
	(b) when exceeding Rs.100,000	Rs.7000
5-	<b>Clearing Agents licensed or approved as Custom House Agents.</b>	Rs.12000
6-	<b>Travel Agents-</b>	
	a) IATA travel agents approved.	Rs.30000
	b) Non-IATA approved.	Rs.15000
	c) Hajj and tour operator;	Rs.30000



7-	<b>Restaurants/Guest Houses liable to Sales Tax.</b>	Rs40000
8-	<b>Professional Caterers.</b>	Rs40000
9-	<b>Wedding Halls/Lawns (irrespective of their nomenclature).</b>	Rs.60000
10-	<b>Advertising Agencies.</b>	Rs.30000
11-	<b>DOCTORS,-</b>	
	A Specialists practicing at Peshawar	<b>Rs.80000</b>
	B- Specialists practicing at divisional headquarters	<b>Rs. 60000</b>
	C Specialists practicing at districts headquarters	<b>Rs. 50000</b>
	D Specialists practicing at places other than a,b,c above	<b>Rs. 40000</b>
	E Non specialists including Medical Practitioners, Hakeems, Homeopaths etc;	<b>Rs.30000</b>
	F Dentists <b>certified by PMDC.</b>	<b>Rs.15000</b>
12-	<b>"Diagnostics and Therapeutic Centers" including pathological and chemical Laboratories"</b>	
	a- Located at Divisional Headquarters,	Rs.25000
	b- Located at other places	Rs.8000
13-	<b>Contractors, Suppliers and Consultants who, during preceding financial year supplied to the Federal or any Provincial Government or any local authority in the District, Goods, Commodities, or rendered service of the value,-</b>	
	a) When exceeding Rs.10,000/- but not exceeding Rs.0.5 million	Rs 5000
	b) When exceeding Rs.0.5 million but not exceeding Rs.1 million.	Rs.10000
	c) When exceeding Rs.1.50 million but not exceeding Rs.2.5 million.	Rs.15000
	d) When exceeding Rs.2.50 million but not exceeding Rs.10 million.	Rs30000
	e) When exceeding Rs.10 million but not exceeding Rs.25 million.	Rs.45000
	f) When exceeding Rs.25 million but not exceeding Rs.50 million.	Rs.60000
	g) When exceeding Rs.50 million.	Rs.100000
14-	<b>Petrol/diesel/C.N.G. Filling Stations-</b>	Rs.30000

15-	All establishments, including video shops, real estate shops/agencies, card dealers, and net cafes assessed or not assessed to income tax in the preceding financial year.	Rs.6000
16-	Chartered Accountants with an independent audit practice and excluding those who are employed in companies not owned by them.	Rs.20000
17	Vehicles Service Stations	Rs.10000
18	Transporters/ Transport Companies;	
	a) within provincial headquarter's limits; and	Rs.10000
	b) others.	Rs.5000
19	Member of Stock Exchange.	Rs.50000
20	Money Changer:	
	a) within provincial headquarter's limits; and	Rs.50000
	b) others.	Rs.25000
21	Health Fitness Centers/ Gymnasium:	
	a) within provincial headquarter's limits; and	Rs.3000
	b) others.	Rs.1500
22	Jewelers.	Rs.30000
23	Departmental Stores.	Rs.40000
24	Electronic goods stores.	Rs.10000
25	Cable Operators	Rs.10000
26	Printing Press	Rs.10000
27	Pesticides Dealers.	Rs.6000
28	Tobacco Whole Sellers	Rs.25000
29	Whole Sale Dealers/ Agency Holders	Rs. 30000
30	Chemist/ Druggist/ Medical Stores	Rs. 20000
31	Tailor Shops	
	i. Shalwar Qameez + Waistcoat	Rs. 10000
	ii. Shalwar Qameez + Waistcoat + Pant Shirt	Rs. 15000

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**The Khyber Pakhtunkhwa Finance Act, 1996**  
**(Khyber Pakhtunkhwa Act No. I of 1996)**

**Second Proviso in Sub-Section (1a) in Section 11**

Provided further that persons bringing tobacco from any place outside the Province of the Khyber Pakhtunkhwa to any place within the said Province shall also be liable to pay the cess at the rate specified in sub-section (1).

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**The Khyber Pakhtunkhwa Finance Ordinance, 2002**  
**(Khyber Pakhtunkhwa Ordinance No. XXIII of 2002)**

**Section 4.**

**4. Tax on hotels.**—There shall be levied and collected every year a tax on hotels, payable by the owner or management thereof at the rate of ten per cent of the room rent per lodging unit per day, based on fifty percent of the total number of lodging units available in the hotel concerned;

Provided that the assessment in relation to a hotel at a hill station shall be made at the aforesaid rate for six months only in a year, that is from 1st day of April to 30th day of September (both days inclusive):

Provided further that hotel in Kaghan valley of the Khyber Pakhtunkhwa shall be exempted from tax for a period starting from 1st July, 2010 to 30th June, 2012:

Provided also that no tax shall be leviable and payable under this section for the year 2020-21, if the hotel and management are registered and on the active taxpayer list of Khyber Pakhtunkhwa Revenue Authority for sales tax on services:

Provided also that arrears up to June 2020 in the subject head shall be collected by Excise, Taxation and Narcotics Control Department of Government with a rebate for all tax defaulters on all defaulted amount of tax on the following rates:

S.No	Defaulted amount (Rs.)	Rebate	validity
1.	Payment in three instalments	20% of the defaulted amount	30th June. 2021
2.	Lump-sum payment	25% of the defaulted amount	30th June. 2021.

**Explanation.** —In this section, unless there is anything repugnant in the subject or context,-

- (a) "hotel" means an establishment where lodging with board or other service is provided for a monetary consideration, but shall not include—
  - (i) any home or hostel maintained exclusively for aged or sick persons, or, as the case may be, for students, by or under the control of a charitable, medical or educational institution;
  - (ii) any rest house, mess or other premises belonging to or in the possession of the Federal or a Provincial Government, where lodging, board or other service is provided for Government officials or members of the Defense Forces;
- (b) "lodging unit" means a bed or other sleeping accommodation which is, or is intended to be, provided to a person staying over night in a room for lodging; and
- (c) "room rent" includes fans, air-conditioning, light, heat, telephone, bedding and all other payments connected with the lodging unit, except the portion, if any, directly attributable to supply of foodstuff.

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**The Khyber Pakhtunkhwa Mines and Minerals Act, 2017**  
**(Khyber Pakhtunkhwa Act No. XXXVI of 2017)**

**“Schedule-IV-A**

[see sections 4(1), 5(4), 66 (1) & 103A]

**CONSTRUCTION AND INDUSTRIAL MINERAL GROUP**

<b>1.</b>	<b>2.</b>	<b>3.</b>
<b>S. No.</b>	<b>Name of Minerals.</b>	<b>Royalty Rates.</b>
24.	Limestone (cement factory).	Rs.250 per ton.
26.	Laterite (Cement Factory).	Rs.200 per ton.
45.	Soap Stone.	Rs.800 per ton.
47.	Silica Sand (others).	Rs.250 per ton.
49.	Slate Stone (others).	Rs.250 per ton.

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**The Khyber Pakhtunkhwa Sales Tax on Services Act, 2022**  
**(Khyber Pakhtunkhwa Act No. XIX of 2022)**

**Section 2**

Clause (m-i)

- (m-i) “Collection Agent” means the State Bank of Pakistan or any other scheduled bank or entity licensed or authorized by the State Bank of Pakistan to transfer money abroad for the specified services;

Clause (x)(ii)

- (ii) in relation to furnishing of a return under Chapter-VI of this Act, means the 18<sup>th</sup> day of month, following the end of the tax period; and

Clause (aw)

- (aw) “return” means a return, required to be furnished under Chapter VI of this Act, and includes any return required to be furnished under this Act and the rules and, where the context so requires, includes a statement or any other instrument containing any information required under this Act or rules;

Clause (aaa)

- (aaa) “service” means anything which is not goods and includes facilities, amenities, utilities or advantages by whatever name called and are liable to sales tax on services as specified in First Schedule:

**Explanation.**---A service shall remain and continue to be treated as service, whether or not the provision thereof involves use, supply, disposition or consumption of goods, either as an essential or as an incidental part or aspect of such service;

**Section 3**

Sub-Section (1)

- (1) A taxable service is a provision of service, listed in the Second Schedule,-  
(a) by a registered person from his registered office or place of business in the Province, in the course of an economic activity;

Explanation.---This clause deals with services provided by registered persons, regardless of whether those services are provided to resident or non-resident; and

- (b) by a resident or non-resident in the course of an economic activity.

Explanation.---This clause deals with services provided by non-resident to resident, whether or not the said resident is an end-consumer of such services.

#### Sub-Section (4)

(4) The services, mentioned in the First Schedule, are not exhaustive and all services, mentioned in the Second Schedule, shall be taxable services, regardless whether or not they are mentioned in the First Schedule.

#### **Clause (a) in Sub-Section (3) in Section 5**

(a) the activities of an employee providing services in that capacity to an employer;

#### **Sub-Section (1) in Section 9**

(1) Subject to the provisions of this Act, there shall be charged, levied, collected and paid a tax on the value of a taxable service, at the rate specified in the Second Schedule:

Provided that fifteen percent rate of tax shall be deemed and treated as the standard or general rate of tax for all purposes of this Act.

### **Section 12**

**12. Power to amend the Second Schedule.**---Government may, on its own or on the recommendation of the Policy Board, by notification in the official Gazette, add, delete or amend any entry of the Second Schedule, including but not limited to, inclusion or exclusion of a service, modification of classification or description of any service or changing the rate of tax of any service.

#### **Clause (c) in Sub-Section (1) in Section 17**

(c) the payment of the amount for a transaction, exceeding value of fifty thousand rupees, excluding payment against a utility bill, not made by a crossed cheque drawn on a bank draft, pay order or any other banking instrument, showing transfer of the amount of the sales tax invoice in favour of the service-provider from the business bank account of the service-recipient.

#### **Sub-Section (5) in Section 27**

(5) No order, under this section, shall be made by an officer of the Authority, unless a notice to show cause is given within five years from the end of the tax period to which the assessment relates or relevant date, as the case may be, to the person in default, specifying the grounds on which it is intended to proceed against such person and he shall take into consideration the representation made by such person and provide him with an opportunity of being heard if the person so desires and impose the penalty and default surcharge in accordance with sections 54 and 55 of this Act.

#### **Sub-Section (1) in Section 33**

(1) The Management Committee may de-register a registered person or such class of registered persons not required to be registered under this Act.

### **Sub-Section (7) in Section 38**

(7) Nothing shall bar the Government or the Management Committee to conduct audit including special forensic and investigation etc. of any registered person or class of registered persons, any taxable or class of taxable services jointly in collaboration and association with other tax authorities or boards whether Federal or Provincial, in the country.

**Explanation.**---For the purposes of this section or section 27 of this Act, the audit of records include audit of the tax affairs of the registered person under this Act and the rules.

### **Section 39**

#### Sub-Section (1)

(1) Every registered person shall furnish, not later than the due date, a true, correct and properly filled-up return in the prescribed form to the Management Committee or any other office through the computerized system or any other manner or mode as may be specified by the Management Committee, indicating the tax due and paid during a tax period and such other information, as may be specified.

#### Sub-Section (6)

(6) A registered person may, after prior permission of the Collector, file a revised return, within six months of filing a return under sub-section (1), sub-section (2) or sub-section (3) to correct any omission or wrong declaration made therein and to deposit any amount of tax not paid or short-paid.

### **Section 44**

**44. Distribution of powers.**---(1) The Management Committee may, by notification in the official Gazette and subject to such limitations or conditions as may be specified therein, empower by name or designation-

- (a) an Additional Collector to exercise or perform any of the powers or function of the Collector (Appeals);
- (b) an Additional Collector to exercise or perform any of the powers or function of the Collector;
- (c) a Deputy Collector to exercise or perform any of the powers or function of the Additional Collector;
- (d) an Assistant Collector to exercise or perform any of the powers or function of the Deputy Collector; and
- (e) any other officer of the Authority to exercise or perform any of the powers or function of an Assistant Collector.



(2) The officer of the Authority, to whom any powers or functions are delegated under this section, shall not further delegate such powers.

(3) The officer, designated or empowered as Collector (Appeals), shall not sit in appeal against his own orders in original. In the interest of natural justice, the Management Committee shall make alternate arrangements in such cases.

#### **Sub-Section (2) in Section 45**

(2) The Collector may adjudicate any case, falling in the jurisdiction and powers of any officer subordinate to him, in appeal against the order passed by the Collector in such case shall lie to the Appellate Tribunal.

#### **Entries at Serial No. 17 and 19 of the table in section 53.**

1.	2.	3.	4.
S.No	Offences.	Punishment or Penalty.	Competent Jurisdiction.
17.	Where a person fails to withhold or withholds but fails to deposit the tax.	Such person shall be liable to a penalty of twenty-five thousand rupees or five percent of the amount of tax involved, whichever is higher.	
19.	Where any person- (a) fails to make the payment of consideration for goods or services from the business bank account to the service-provider or supplier of goods, as the case may be; or (b) fails to receive the payment of consideration for services in the business bank account of the service-provider, as the case may be.	(i) Such person shall be liable to a penalty of fifty thousand rupees or ten percent of the amount of consideration or transaction involved, whichever is higher.  (ii) Such person shall, further be liable, upon conviction by the Special Judge to imprisonment for a term which may extend to six months, or with fine or with fine not exceeding twenty thousand rupees or with both.	i) Officer of the Authority competent under this Act.  ii) Special Judge

#### **Clause (a) in Sub-Section (1) in Section 54**

(a) at the rate of twenty four percent (24%) per annum, amount of tax or charge or the amount of refund erroneously made; and

#### **in Sub-Section (1) in Section 74**

**74. Recovery of arrears of tax.**---(1) Subject to sub-section (2), where any amount of tax is due from any person, an officer of the Authority not below the rank of Assistant Collector may-

- (a) deduct the amount from any money owing to the person from whom such amount is recoverable and which may be at the disposal or in the control of such officer or any officer of the Authority;
- (b) require, by a notice in writing, any person who holds or may subsequently hold any money for or on account of the person from whom tax may be recoverable to pay to such officer the amount specified in the notice; provided that where such person other than Government department and other public sector non-commercial institution, deliberately avoids compliance to such notice despite his ability to do so, the officer of the Authority may issue a show cause notice for imposition of personal penalty, not exceeding one hundred thousand rupees;
- (c) require, by notice in writing, any bank to attach that person's bank account(s) whether business or otherwise and recover the amount payable without attachment and remit the money there from; provided that where such notice has been issued and the officer in charge of the bank branch concerned declines or otherwise is found involved in any manipulation with the defaulter to avoid remittance of the requested amount, the officer of the Authority may issue a show cause notice for imposition of personal penalty not exceeding one hundred thousand rupees;
- (d) place embargo on any business premises of such person till such amount is paid or recovered;
- (e) seal the person's business premises till such time as the amount of tax is paid or recovered in full;
- (f) attach and sell or sell without attachment any movable or immovable property of the person from whom tax is due;
- (g) attach, through direct or real-time collection, of sale proceeds of services by appointing an official receiver for direct deposit thereof with Government under relevant head of account; and
- (h) recover such amount by attachment and sale of any movable or immovable property, including attachment of bank account or accounts of the guarantor, person, company, bank or financial institution where a guarantor or any other person, company, bank or financial institution fails to make payment under his or its guarantee, bond or instrument deposited, filed or executed by the person as security or surety for payment of tax due:

Provided that the officer of the Authority may, in consequence of any notice, issued under any of the above clauses, recover the due amount of tax, in the manner prescribed under the rules or otherwise as deemed appropriate to make recovery of such amount directly from the person, who is holding or is otherwise in custody of any money, whether owned by or payable to the defaulter.

### Sub-Section (4) in Section 83

(4) The business information gathered through computerized system shall be confidential to be used only for official and legal purposes and no unauthorized person shall claim or be provided any access to such information.

#### FIRST SCHEDULE

(Classification and Description of Services)  
[see sections 2(ad) & (aaa), 3(4) & 17(1)(g)(i)]

Classification(1)	Description(2)
9801.0000	Services provided by hotels, restaurants, marriage halls, lawns, clubs and caterers, suppliers of prepared eatables and drinkables, <i>pandals</i> and <i>shamianas</i> , messes, hostels and similar undertakings including allied, auxiliary or ancillary services thereto
9801.1000	Hotels and similar establishments
9801.2000	Restaurants and similar undertakings or businesses
9801.3000	Marriage halls, lawns, <i>pandals</i> and <i>shamianas</i>
9801.4000	Clubs
9801.5000	Caterers and other persons supplying prepared eatables and drinkables
9801.6000	Motels, guest houses, lodges and farm houses
9801.7000	Messes and hostels
9801.8000	Similar other services or service providers
9801.9000	Services allied, auxiliary or ancillary thereto
9802.0000	<b>Advertisements and advertisement services</b>
9802.1000	TV including cable TV networks
9802.2000	Radio
9802.3000	Closed Circuit TV (CCTV)
9802.4000	Newspapers, periodicals, magazines and similar other publications
9802.5000	Website and internet
9802.6000	Poles or similar structures
9802.7000	Billboards, electronic bill boards, hoarding boards, signboards and similar other medium of advertisement display
9802.8000	Lease or renting of space whether on constructed or erected structure or otherwise, for the purposes of advertisements
9802.9000	Other similar services or other advertisement services

9803.0000	Cinematographic production, photographic services and broad casting services
9803.1000	Film making or film production including drama production whether in serials or otherwise
9803.2000	TV production
9803.3000	Radio production
9803.4000	Broad casting services
9803.5000	Photographic services (services of photography or photographers)
9803.9000	Other similar, allied, ancillary or auxiliary services
9804.0000	Services provided as facilities for travel or transportation (including carriage) of persons
9804.1000	Sea or river (ships, vessels, ferries, trawlers, launches, barrages, boats or similar power-operated structures)
9804.2000	Air (aircrafts, airplanes, helicopters, airships, air-balloons and other flying structures, apparatuses or machines)
9804.3000	Railways (train) including tram ways
9804.4000	Road (busses, coaches, coasters, wagons, jeeps, cars, taxis and other motor or motor-bike-operated four or three wheel vehicles primarily meant for passengers transport)
9804.5000	Chairlifts or similar directly or indirectly power-operated moving structures
9804.9000	Other traveling or transportation services
9805.0000	Services provided for carriage or transportation of goods
9805.1000	Sea or river (ships, vessels, oil tankers, ferries, trawlers, launches, barrages, boats or similar power-operated structures)
9805.2000	Air (airplanes, helicopters, airships, air-balloons and other flying structures, apparatuses or machines)
9805.3000	Railways (train) including tramways
9805.4000	Road (vehicles whether or not containerized like trucks, trailers, trawlers, oil tankers, loaders, pick-ups, trollies and other power or motor bike-operated four or three wheel vehicles primarily meant for loading and carriage of goods)
9805.5000	Bucket-lifts or similar directly or indirectly power-operated moving structures

9805.6000	Conduit, pipeline, convey or and similar cargo transmission networks or arrangements for transportation of goods whether liquid or otherwise
9805.9000	Other services for carriage or transportation of goods whether liquid or otherwise
9806.0000	Services provided by persons authorized to transact business on behalf of others as agent or otherwise
9806.1000	Shipping agents, ship chandlers, stevedores, and ship handling or management service providers
9806.2000	Freight forwarding agents and cargo forwarding or moving businesses
9806.3000	Customs or customs house agents
9806.4000	Travel agents, tour operators and recruiting agents
9806.5000	Advertising agents and advertisement intermediaries
9806.6000	Share transfer agents and general insurance agents
9806.7000	Sponsorship services
9806.8000	Business management or business support services
9806.9000	Other similar services
9807.0000	Services provided in matters of sale, purchase, rent or hire
9807.1000	Property dealers, property agents and realtors
9807.2000	Car and other automobile dealers (whether old or new)
9807.3000	Dealers of electrical or electronic equipments, appliances or other goods (whether old or new)
9807.4000	Dealers of other second hand goods
9807.9000	Other similar or allied services
9808.0000	Services (including dyeing) provided by laundries (launderers), dry cleaners or similar other businesses whether independently or Otherwise
9808.1000	Launderers and dry cleaners operating independently
9808.2000	Launderers and dry cleaners operating in conjunction with other businesses providing services
9808.3000	Laundering or dry cleaning services by other businesses (including those performed for industrial purposes)
9808.4000	Dyers of cloth or clothes including industrial dyers (e.g., dyers of textiles or textile materials)
9808.9000	Other similar or allied services

9809.0000	Courier services including speedy, fast, quick or urgent mail or cargo services provided either by courier companies or by other businesses or entities whether as a sole activity or in conjunction or along with other business activity or activities
9809.1000	Courier services (including parcels) by dedicated businesses
9809.2000	Urgent delivery cargo services as an exclusive business activity
9809.3000	Courier or urgent delivery cargo services performed by other businesses like passenger transport companies or entities
9809.9000	Other similar, allied or ancillary services
9810.0000	Services provided by persons engaged in contractual execution of works or furnishing supplies (excluding transactions involving contractual supply of goods only, without any component of service)
9810.1000	Work contractors other than construction or maintenance work
9810.2000	Maintenance work services whether or not involving furnishing of supplies (excluding supplies of goods only)
9810.9000	Other similar services
9811.0000	Services, by whatever name called, provided whether independently or otherwise for personal care, personal beautification and cosmetic uplift by beauty parlors, beauty clinics, slimming clinics and similar other businesses operating separately or otherwise
9811.1000	Ladies' beauty parlors or beauty clinics including ladies' salons Whether working independently or as part of other businesses
9811.2000	Cosmetic treatment or cosmetic surgery centers or clinics whether operating as stand-alone or as part of other businesses
9811.3000	Sliming or other health clinics or clubs providing, <i>interalia</i> , personal beautification services whether working independently or otherwise
9811.4000	Gents' grooming parlors or salons including barbour shops providing single or multiple services for personal care or beautification
9811.9000	Other similar services
9812.0000	Packing or packaging services including allied and ancillary services
9812.1000	Packing or packaging of industrial goods or products for industrial or commercial purposes
9812.2000	Packing or packaging of old or used office or household goods
9812.9000	Other similar, allied or ancillary services

9813.0000	Telecommunication and similar, allied or ancillary services
9813.1000	Telephone services (including fixed line, wireless, cellular, wireless local loop, video, pre-paid, post-paid, pay phone cards and voice mail etc.)
9813.1010	Messaging services (including Short Message Service (SMS), Multimedia Message Service (MMS) and messaging through other digital applications etc.)
9813.1020	Installation, provision, shifting, changing, conversion and restoration of telephone connections (including conversion of NWD connection to non NWD or <i>vice versa</i> ) and similar other services
9813.2000	Band width services (including copper-line/fiber-optic/co-axial cable/microwave/satellite-based, IP services, teleconferencing, 3G/4G/5G/LTE or similar other services)
9813.3000	Telegraph and other services relating there to
9813.4000	Tele fax including store and forward fax and similar other services
9813.4010	Internet services including e-mail, dial-up and other allied services
9813.4020	Broad band services for DSL connection (including copper-line/ fiber-optic/co-axial cable/wireless/satellite-based, internet/e-mail/ data/SMS/MMS services on WLL or cellular mobile networks) and similar other services
9813.4030	Data communication network services (DCNS including copper-line/co-axial, cable/fiber-optic/wireless/radio/satellite-based, services relating to value-added data, virtual private network (VPN) and digital signature) and similar other services
9813.5000	Long distance international (LDI) services
9813.6000	Local loop or other similar services
9813.7000	Audio text services (including tele-text, trunk radio, paging or similar other services)
9813.8000	Voice paging services (including radio paging, vehicle or other object (whether or otherwise) tracking and burglar alarm etc.) and other similar services
9813.9000	Other similar, allied or ancillary services
9814.0000	Services provided by banks or banking companies, insurance companies, cooperatives and foreign exchange companies or dealers (including similar institutions or entities)

9814.1000	Banks or banking companies, cooperatives or similar institutions or entities (their all services including bank guarantee, brokerage, letter of credit, pay order or demand draft, bill of exchange, transfer of money in any manner, bill discounting, lockers and safe vaults, credit/debit cards, foreign exchange dealings, ATMs, issue-banking, provision of loans, business or investment financing or advances, leasing or releasing whether financial, equipment/commodity-related, <i>musharakah</i> financing etc.)
9814.2000	Insurance companies (their all services including goods, fire, theft, marine, travel, life, health, industrial, business-related, moveable or immoveable property insurance and other insurance and reinsurance services)
9814.3000	Services of cooperatives and cooperative societies (including producer cooperatives, worker cooperatives, consumer cooperative, credit unions, retail or purchasing cooperatives, social cooperatives, industrial service cooperatives, manufacturing cooperatives, marketing cooperatives, cooperative farming societies, housing cooperatives and credit cooperatives etc.)
9814.4000	Service of foreign exchange companies, dealers and money changers or similar businesses
9814.9000	Other similar banking, insurance, cooperative or money exchange services
9815.0000	Services provided by architects, civil engineers, construction consultants, construction contractors, town or real estate or property promoters, developers or planners including interior decorators or allied or ancillary professions
9815.1000	Architects and civil engineers or town promoters, developers or planners
9815.2000	Town, real estate or property promoters, developers or planners
9815.3000	Construction contractors including contractors of allied work such as electrical or gas fittings, plumbing, water boring, wood work, plastering, flooring, steel work, paint and other finishing work
9815.4000	Landscape or land development designers including land surveyors
9815.9000	Other similar, allied or ancillary services
9816.0000	<b>Services provided by practitioners, professionals, consultants and advisers (by whatever name called) in their respective fields or disciplines</b>
9816.1000	Medical, dental or allied health fields or disciplines including paramedics and specialized technicians
9816.2000	Veterinary and allied sciences including pet care



9816.3000	Law and allied fields or disciplines
9816.4000	Financial, accountancy, cost accountancy, tax management or tax affairs and similar other fields or disciplines
9816.5000	Human resource management or development
9816.6000	Business planning, business management, business reforms, business communication including hospitality administration and similar other fields or disciplines
9816.9000	Other similar services
9817.0000	<b>Services provided by laboratories engaged in lab work like examination, analysis, testing, verification, experimentation, innovation and product development etc., in relevant domain so knowledge</b>
9817.1000	Scientific including medical, health or health care labs
9817.2000	Mechanical including engineering labs
9817.3000	Chemical including materials or goods testing labs
9817.4000	Electrical or electronic labs
9817.5000	Forensic labs
9817.6000	Petro-chemical labs
9817.9000	Other similar labs
9818.0000	<b>Services provided by specialized agencies</b>
9818.1000	Security agencies including security alarm services
9818.2000	Credit rating or similar evaluation agencies
9818.3000	Market research or market survey agencies
9818.4000	Private detective or intelligence service providing agencies
9818.5000	Project including business project planning or preparation agencies
9818.9000	Other similar agencies
9819.0000	<b>Services provided by specified persons or businesses</b>
9819.1000	Stock brokers, future brokers and commodity brokers
9819.1100	Underwriters
9819.1200	Indenters and similar other commission agents
9819.1400	Packers and movers not falling under classification heading 9812.0000
9819.1500	Distribution agents
9819.2000	Money exchangers not falling under classification heading 9814.0000
9819.3000	Rent-a-car and automobile rental services

9819.4000	Survey or other than those falling under classification heading 9815.0000
9819.5000	Designers other than those falling under classification heading 9815.0000
9819.6000	Outdoor photographers and video graphers including studios services other than those falling under classification heading 9803.0000
9819.7000	Video tape, sound record, program producers and production services other than those falling under classification heading 9803.0000
9819.8000	Art painters including services provided by art galleries (excluding sale of their own pre-made—not made to order—art products
9819.9000	Cable TV operators including private radio channel operators
9819.9100	Auctioneers other than those who pay tax as customs agent
9819.9200	Public relations services other than those who pay tax as practitioner, professional, consultant or advisor of business communication
9819.9300	Technical testing and analysis services other than those classifiable under heading 9817.0000
9819.9400	Service provided by a registrar to an issue
9819.9500	Services relating to processing for registration or protection of copy rights or other IPRs
9819.9900	Other similar services
9820.0000	<b>Services provided by specialized workshops or under takings</b>
9820.1000	Auto-workshops whether or not providing other allied or extended services
9820.2000	Workshops for industrial, construction, earth moving or other similar, heavy duty or special purpose machinery
9820.3000	Workshops for electric or electronic equipments or appliances including computer hardware
9820.4000	Car washing or similar service stations
9820.9000	Other similar workshops or businesses
9821.0000	<b>Services provided in specified fields not clubbed with other (taxable) services classified elsewhere in this Schedule</b>
9821.1000	Health care centers, health clubs, gyms or physical fitness centers
9821.2000	Indoor sports and games centers
9821.3000	Baby care centers
9821.4000	Body massage centers
9821.5000	Pedicure centers

9821.9000	Other similar services
9822.0000	<b>Services provided for specified purposes</b>
9822.1000	Fumigation or decontamination of commercial, industrial or residential buildings, warehouses, <i>godowns</i> , storage houses or storage places, parks, gardens and other buildings or places including business places
9822.2000	Maintenance or cleaning services in respect of buildings or other places whether or not wholly or partly constructed including places having only civil infrastructure
9822.3000	Janitorial services
9822.4000	Dredging or de-silting services
9822.5000	Salvage or similar other recovery services
9822.9000	Other similar services
9823.0000	Franchise services either on giving or on receiving ends including royalties or similar financial benefits arising out of intellectual property rights or other factors of business good will
9824.0000	Brokerage (whether traditional, discount. commodity or other category) services (other than stock or securities brokers)
9825.0000	Exhibition, convention or carnival services including renting of purpose-specific property or space for such events
9826.0000	Services of computer software engineers including provisioning of information, data feeding, data processing, data cleaning, data storage, data transfer or data management etc.
9827.0000	Services relating to handling, storage or ware housing of goods whether or not movement or transport of such goods is undertaken or conducted by the same service provider
9828.0000	Services of fashion designers not engaged in designing, manufacturing and selling their own products or goods through their regular paid employees
9829.0000	Services of internet café including businesses providing facilities for playing computer games as separate activity of in conjunction or along with such café services

9830.0000	Airport services (including passenger facilitation, car parking, cargo handling, aviation support services, flight kitchen supplies, Renting of special purpose machinery, equipment, vehicles, porter age, quarantine and other fumigation or vaccination, janitorial services, jet or other fuel supply services etc.)
9831.0000	Forward contract services whether for property, commodity or other purposes
9832.0000	Coaching, training, vocational or tuition centers (whether or not called academies)
9833.0000	Tracking services
9834.0000	Quality control services (ISO certification authority)
9835.0000	Debt collection agencies
9836.0000	Amusement parks services
9837.0000	Call centers
9838.0000	Film and drama studios including mobile stage shows or cinemas
9839.0000	Entertainment services including services provided for planning, arranging or managing sports activities, games or matches etc.
9840.0000	Services provided in respect of manufacturing or processing on toll or charges basis(out of main or major inputs owned by others)
9841.0000	Container terminal, container handling or container storage services regardless whether the containers are empty or stuffed with cargo

9842.0000	Man power recruitment including recruitment for overseas jobs and labour supply services regardless the labour charges are given by these vice provider or the service recipient

9843.0000	Dry port services including operation of a dry port and other provided a torin respect of dry port such as inward/out ward transportation/movement of goods, cargo handling, cargo storage or warehousing, loading/unloading of cargo, booking or discharge of cargo etc.
9844.0000	Public bonded ware house services
9845.0000	Services provided in respect of exploration or mining of minerals, oil and gas including surveys and other activities related or allied thereto
9846.0000	Event management services whether covering all or any of the processes like planning, budgeting, scheduling, site selection, acquiring necessary permits, coordinating transportation and parking, arranging for speakers or entertainers, arranging decor, event security, catering or any other allied or connected task
9847.0000	Electric power and gas transmission (including wheeling) or distribution services
9848.0000	Valuation or assessment services including competency and eligibility testing services
9849.0000	Transportation, carriage, haulage or transmission of cargo whether dry, liquid or otherwise
9850.0000	Digital or IT-based services in whatever form or manner or under whatever arrangement including but not limited to web design and development, mobile app development, server management, page-speed optimization, UX/UI optimization, PPC marketing, blogging, Google Ad Words, Face book advertising, Insta-gram advertising, custom software development, assessment and road map development, software maintenance and support services, supply of any other software or soft ware product or products through any medium and online digital marking services such as search engine optimization (SEO), so cal media marketing, content marketing, affiliate marketing, influencer marketing, email marketing, viral marketing services etc.
9851.0000	Ride-hailing or ride-hail services like Uber, Cream, Biker and Lifted. Regard less of the mode, manner or dynamics of the business system involved in such services.
9852.0000	Online Market Place (OMP) including online platform or portal services by whatever name called.

9853.0000	Services relating to or in respect of the installation, erection, commissioning or other permanent structure-affixed/ linked/ tied placement (whether full or in part) of any industrial, mechanical or electrical plant, machinery or equipment (excluding installation of domestic equipment etc. for residential use)
9854.0000	Services relating to or involving collection, provision, organization, digitization, processing, analysis, safety, preservation, sharing, verification, validation, decontamination or any other treatment of data including granting access to data for the purposes of information-gathering, information-verification, information-authentication or similar other purposes.
9855.0000	Visa processing or visa acquisition services including advisory or consultancy services for foreign education or migration provided by persons in their private business or professional capacity.
“9856.0000	Education services including technical and vocational education services provided by private sector.
9856.1000	Pre-primary education services.
9856.2000	Primary education services.
9856.3000	Lower secondary education services.
9856.4000	Secondary education services.
9856.5000	Upper secondary education services.
9856.6000	Post-secondary non-tertiary education services.
9856.7000	First stage tertiary education services.
9856.8000	Second stage tertiary education services.
9856.9000	Other education and training services and educational support services.
9857.0000	Management services, including fund and asset management services.”;

**SECOND SCHEDULE**  
(Taxable Services)

[see sections 3 (1) & (4), 9 (1), 12, 17 (1)(j) & (k) & 18 (1)]

S#	Description of Services	Headings	Rate of Tax
1.	<p>Services provided or rendered by hotels, motels, guest houses, resorts, accommodation – and/or – food service providing farm-houses, motorway–or–highway-side accommodation – and/or – food provisioning/food servicing or food supply facilities, restaurants (including food service supply chains), ice cream parlors, marriage or wedding halls, marques, lawns, clubs and caterers, suppliers of prepared eatables and drinkables, <u>pandals</u> and <u>shamianas</u>, clubs including such clubs as, though run on mutuality basis, are operated in commercial mode, manner or style, messes, hostels and similar entities, enterprises or undertakings including all such services, facilities, utilities, entertainments, comforts, enjoyments or amusements etc., as are allied, auxiliary or ancillary thereto.</p> <p><b>Exemptions and Reduced Tax Rates:</b></p> <p>(i) Full exemption shall be available to the services of hostels exclusively meant for providing accommodation and allied facilities to students.</p> <p>(ii) The rate of tax in case of services (whole range of services including accommodation, food supplies and laundry etc.) provided or rendered by all other categories of hostels shall be Five Percent (5%) without any input tax adjustment.</p> <p>(iii) [Services provided or rendered by local non-corporate stand-alone hotels or chains of such hotels (including guest houses, clubs and lodges etc.) and restaurants shall be charged to tax at the rate of six percent (06%) without input tax adjustment; provided that the Restaurant Invoice Management System (RIMS) shall compulsorily be installed and working properly on regular basis on all restaurants registered with the Authority:</p> <p>Provided that in case of traditional type restaurants usually called as <i>dhaba</i> or conventional hut-type or similar other road/street side non-air-conditioned restaurants usually serving limited range of pre-cooked or pre-prepared food items with informal seating environment (located or operating anywhere in the the Province), the tax shall be charged and paid at the rate of two percent (02%).]<sup>26</sup></p>	9801.0000 9801.1000 9801.2000 9801.3000 9801.4000 9801.5000 9801.6000 9801.7000 9801.8000 9801.9000	[Thirteen percent (13%) with the facility of input tax adjustment as allowed under this Act, rules and regulations] <sup>27</sup>

	(iv) In case of traditional accommodation facilities like <i>sarrayae</i> or inns or open air over night bed provisioning services generally located or available around or in the vicinity of railway stations, bus or wagon stands (stations), the rate of tax shall be [two percent (02%)] <sup>28</sup> . without any input tax adjustment if the charges for overnight stay do not exceed rupees three hundred per bed.		
	(v) In case of marriage or wedding halls including <i>pandals</i> and <i>shamiana</i> and similar other businesses including food services provided therein, the rate of tax shall be [eleven percent (11%)] <sup>29</sup> without any input tax adjustment.  [(v-a) Tax shall be charged on fixed rate basis in respect of wedding/ marriage/ shadi halls as per the following categories:		
	CATEGORY-A: Where the wedding hall is having a capacity of 500 or above persons and located in posh area of a major city, its rate of fixed tax shall be rupees 25,000 per function.  CATEGORY-B: Where the wedding hall is having a capacity of more than 300 but less than 500 persons and located in municipality, its rate of fixed tax shall be rupees 15,000 per function.  CATEGORY-C: Where the wedding hall is having a capacity of less than 300 persons and located in suburb or roadside outside main city, its rate of fixed tax shall be rupees 10,000 per function.  <b>Note:</b> The registered person may opt one of the tax regimes, as specified at under clauses (v) and (v-a) above. The existing registered person shall be bound to give his option till 25 <sup>th</sup> June, 2024; provided that the person, liable to be registered in future, shall give such option at the time of registration with the Authority.] <sup>30</sup>  (vi) In case of caterers whether stand-alone or otherwise, the rate of tax shall be Ten Percent (10%) without any input tax adjustment.  (vii) In case of non-corporate sector hospitality businesses, including hotels, guest houses, rest houses, lodges, restaurants and similar other accommodations and food serving businesses, located in the tourist spots of Galiyat and Kaghan Valleys, the tax shall be charged and paid at the rate of Five Percent (5%), without any input tax adjustment, subject to the compliance to all such conditions and procedures, as may be prescribed by the Authority, in this behalf.		



	<p><b>Explanation:</b> It is clarified for the removal of any doubt that the services of this entry include “<i>takeaway</i>” or “<i>home or door-step delivery</i>” transactions of the restaurants or other categories or types of food serving outlets either as a part of their overall services or as an exclusive activity.</p>		
[1A]	Services provided by Health Care Centers etc. in Private Sector.	9821.1000	Five percent (05%) (without input tax adjustment) of the charges (including fixed charges, if any) of such centers or hospital beds/ rooms: Provided that the said charges exceed rupees 10,000/- per day per bed/room.] <sup>31</sup>
2.	<p>Services provided or rendered by beauty parlors, beauty clinics, health care centers, cosmetic or plastic surgery centers/clinics, hair transplant centers or clinics, health clubs, gyms (including yoga centers with or without yoga teaching classes system or arrangements), physical fitness centers, massage centers, pedicure/ manicure centers, swimming pools and similar other establishments, undertakings, enterprises or entities etc.</p> <p><b>Exemption:</b> Full exemption on:</p> <p>(i) cosmetic treatment of burns or burned body parts; and</p> <p>(ii) conventional or traditional barber shops provided they do not render any high end beautician or cosmetic services.</p>	9811.0000 9811.1000 9811.2000 9811.3000 9811.4000 9811.9000 9821.1000 9821.4000 9821.5000	Five Percent (5%) without any input tax adjustment
3.	<p>Services provided or rendered by stand-alone or other launderer sand dry cleaners including carpenters of a set or similar furniture items cleaners or washers.</p> <p><b>Exemption:</b> Full exemption to small size traditional style stand-alone launderers and dry cleaners operating without any branded or registered business name and without the involvement or use of any electrical or mechanical apparatus, equipment or machinery for washing or cleaning purposes.</p> <p><b>Reduced Rate of Tax:</b> Services provided or rendered by medium sized stand-alone or other launderers and dry cleaners including carpet or sofa set or similar furniture items cleaners or washers shall be chargeable to tax at the rate of Two Percent (2%) without any input tax adjustment.</p>	9808.0000 9808.1000 9808.2000 9808.3000 9808.4000 9808.9000	Fifteen Percent (15%)

	<p><b>Explanation:</b> No benefit of exemption or reduced rate of tax shall be available or admissible to the laundries and dry-cleaning or other similar businesses operating under chain-business-system with or without any business brand name or operating as a part of businesses providing hotel or other accommodation services and in all such cases, the rate of tax shall be Fifteen Percent (15%).</p>		
4.	<p>Telecommunication and similar, allied or ancillary services including:</p> <p>a) Telephone services (including fixed line, wireless, cellular, wireless local loop, video, pre-paid, post-paid, pay phone cards and voicemail etc.);</p> <p>b) Messaging services (including short message service (SMS), multi media message service (MMS) and messaging through other digital applications etc.);</p> <p>c) Installation, provision, shifting, changing, conversion and restoration of telephone connections (including conversion of NWD connection to non NWD or <i>vice versa</i>) and similar other services;</p> <p>d) Bandwidth services (including copper-line/fiber-optic/co-axial cable/microwave/satellite-based, IP services, teleconferencing, 3G/4G/5G/LTE or similar other services;</p> <p>e) Telegraph and other services relating thereto;</p> <p>f) Tele fax including store and forward fax and similar other services; Internet services including e-mail, dial-up and other allied services;</p> <p>g) Broad band services for DSL connection (including copper-line/fiber-optic/co-axial cable/ wireless/satellite-based, internet/e-mail/ data/SMS/MMS services on WLL or cellular mobile networks) and similar other services;</p> <p>h) Data communication network services (DCNS including copper-line/co-axial cable/fiber-optic/ wireless/radio/satellite-based, services relating to value added data, virtual private network (VPN) and digital signature) and similar other services;</p> <p>i) Long distance international (LDI) services;</p> <p>j) Local loop or other similar services; Audio text services (including tele-text, trunk radio, paging or similar other services);</p>	<p>9813.0000 9813.1000 9813.1010 9813.1020 9813.2000 9813.3000 9813.4000 9813.4010 9813.4020 9813.4030 9813.5000 9813.6000 9813.7000 9813.8000 9813.9000</p>	<p>Nineteen and a half Percent (19.5%)</p>

	<p>k) Voice paging services (including radio paging, vehicle or other object (whether or otherwise) tracking and burglar alarm etc.) and other similar services;</p> <p>l) Rental either full, partial or on sharing basis of space, place or any other facility or arrangement on towers or other structures or installations for any purposes;</p> <p>d) Internet-based cable TV services whether as a single service or otherwise; and</p> <p>e) All other similar, allied, ancillary or auxiliary services.</p> <p><b>Explanation:</b> In case of incoming international calls, charges received by telecom service providers abroad shall be taxed on tax fraction formula basis only to the extent to which such charges are shared or received by such domestic service providers treating the charges so shared or received as tax-inclusive.</p>		
5.	<p>Services provided or rendered by persons authorized to transact or deal with business in any manner on behalf of others such as customs agents, shipping agents (including import/export cargo freight forwarders), stock brokers, share transfer agents, business support or business or asset management agents, tour operators, travel agents, recruiting/recruitment agents, labour or man power supply services, insurance agents, commission agents, distribution agents and similar other persons engaged in business transaction work or activity against commission or similar charges.</p> <p><b>Explanation:</b></p> <p>(i) The persons falling in this category do not generally have any investment or investment-related interest in the business though they may have their own infrastructure or other resources to carry out such work or activity.</p> <p>(ii) The persons covered in this category shall pay tax to the Authority in all such cases where their clients, customers or buyers are located in the province of Khyber Pakhtunkhwa regardless of the location of such person's business or office elsewhere and regard less whether or not documentation or other related formalities of their transactions with such clients, customers or buyers is done or are carried out in the said Province or elsewhere.</p>	<p>9806.0000 9806.1000 9806.2000 9806.3000 9806.4000 9806.6000 9806.7000 9806.8000 9806.9000 9819.1000 9819.1500 9842.0000</p>	Fifteen Percent (15%)

	<p><b>Exemption:</b> Full exemption in case of performance of <i>Hajj and Umrah</i>.</p> <p><b>Reduced Rate of Tax:</b> Except the services falling under the categories of labour or manpower supplies including recruitments for overseas jobs or employment and such services of this entry, as are provided by corporate sector entities, all other services of this entry shall be charged at the rate of Eight Percent (8%), without any input tax adjustment; provided that business support services other than those provided by corporate entities shall be charged to tax at the rate Five Percent (5%).</p> <p><b>[Fixed Rate of Tax:</b> The Customs Agents shall pay tax at the fixed rate of rupees 3,000/- per goods declaration.]<sup>32</sup></p>		
6.	<p>Advertisements on TV including cable TV networks, radio, CCTV, newspapers, periodicals, magazines and similar other publications, websites and internet, poles or similar structures, bill boards, electronic bill boards, hoarding boards, signboards and similar other medium of advertisement display, lease or renting of space whether on constructed or erected structure or otherwise for the purposes of displaying advertisements in any manner and other advertisement services including services provided or rendered by advertising agents.</p> <p><b>Explanation:</b></p> <p>(i) In case of renting or leasing of space for advertisements' purposes by Government or public sector or para-public sector development, housing or other authorities, departments or institutions, the whole amount of tax due shall be with held or deducted and paid directly to the Authority by such authorities, departments or institutions.</p>	9802.0000 9802.1000 9802.2000 9802.3000 9802.4000 9802.5000 9802.6000 9802.7000 9802.8000 9802.9000 9806.5000	Ten Percent (10%) without any input tax adjustment
	<p>(ii) In case of advertisements relayed, telecasted or print-media-circulated in more than one Provincial jurisdictions, tax shall be paid to the Authority on apportionment basis keeping in view the population ratio of the province of Khyber Pakhtunkhwa in the aggregate population of all such jurisdictions.</p> <p><b>Exemption:</b> Full exemption on such advertisements carrying or conveying public service messages as are funded by the Government or financed under foreign grants-in-aid agreements signed with the Government.</p> <p><b>Reduced Rate of Tax:</b> In case of advertisements on or through print media of all types and forms, tax shall be charged at the rate of [ Two Percent (02%)]<sup>33</sup> without any input tax adjustment.</p>		

7.	<p>Courier services including speedy, fast, quick or urgent mail, parcel or cargo services provided either by courier companies or by other businesses, undertakings or entities whether as a sole activity or in conjunction or alongwith other business activity or activities including:</p> <p>a) Courier services (including parcels) by dedicated businesses;</p> <p>b) Urgent delivery cargo or parcel services as an exclusive business activity;</p> <p>c) Courier or urgent delivery cargo or parcel services performed by other businesses or entities like air lines, railways, postal service entities, road passenger transport companies or entities; and</p> <p>d) Other similar, allied or ancillary or ancillary services.</p>	<p>9809.0000 9809.1000 9809.2000 9809.3000 9809.9000</p>	Fifteen Percent (15%)
8.	<p>Services provided or rendered in matters of sale, purchase, rent or hire (other than rent-a-car) under any kind or type of arrangements with the client or the principal:</p> <p>(a) Property dealers, property agents and realtors.</p> <p>(b) Car and other automobile dealers (whether old or new).</p> <p>(c) Dealers of electrical or electronic equipments, appliances or other similar goods (whether old or new). Dealers of plant and machinery including construction machinery and similar capital goods.</p> <p>(d) Dealers of other second hand goods.</p> <p>(e) Renting services in respect of plant, machinery including construction machinery and other equipments etc.</p> <p><b>Reduced Rate of Tax:</b> All services covered in this entry except services (whole range) rendered or provided by corporate sector dealers and authorized automobile (all categories of automobiles) dealers shall be chargeable to tax at the rate of Two Percent (2%) without any input tax adjustment</p>	<p>9807.0000 9807.1000 9807.2000 9807.3000 9807.3000 9807.9000</p>	Fifteen Percent (15%)
9.	<p>Services provided by specialized workshops or undertakings:</p> <p>a) Auto-workshops whether or not providing other allied or extended services.</p> <p>b) Workshops for industrial, construction, earth-moving or other similar heavy duty or special purpose machinery.</p>	<p>9820.0000 9820.1000 9820.2000 9820.3000 9820.4000 9820.9000</p>	<p>(i) Five Percent (5%) without any input tax adjustment in case of industrial workshops;</p> <p>(ii) Two Percent (2%) without any Input tax adjustment in case of all other</p>

	<p>c) Workshops for heavy or light duty electric, electrical or electronic machinery ( such as transformers , generators, turbines, motors, pumps, rotators, power accumulators, transmission networks or systems etc.) equipments or appliances etc. , including computer hardware and allied equipments or appliances etc.</p> <p>d) Services provided in respect of their pair or maintenance of aircrafts, helicopters and other flying objects.</p> <p>e) Car washing (including compounding and polishing etc.) or similar service stations.</p> <p>f) Other workshops or workshop-type businesses.</p>		<p>Categories or types of workshops;</p> <p>(iii)One Percent (1%) without any input tax adjustment in case of stand-alone car wash (car wash station) services; and</p> <p>(iv)Ten Percent (10%) without any Input tax adjustment in case of authorized automobile dealers' workshops (whole range of their workshop services including Car wash etc.)</p>
10.	<p>Franchise services either on giving or on receiving ends including royalties or similar financial benefits arising out of intellectual property rights or other factors of business good will, market standing, popularity, image or reputation etc.</p> <p><b>Exemption:</b> Full exemption on or in respect of franchises relating to the services in the fields of health and education.</p>	<p>9823.0000</p> <p>9819.9500</p>	<p>Fifteen Percent (15%)</p>
11.	<p>Services provided or rendered by specialized agencies:</p> <p>a) Security agencies including their activities relating but not limited to providing cash or precious articles' transportation or movement security, tracking services and security alarm services.</p> <p>b) Credit rating or similar evaluation or revaluation agencies.</p> <p>c) Project including business project planning or preparation agencies.</p> <p>d) Market research or market survey agencies.</p> <p>e) Private detective or intelligence service providing agencies.</p> <p>f) Other similar agencies.</p>	<p>9818.0000</p> <p>9818.1000</p> <p>9818.2000</p> <p>9818.3000</p> <p>9818.4000</p> <p>9818.5000</p> <p>9818.9000</p>	<p>Ten Percent (10%) without any input tax adjustment</p>
12.	<p>Services provided or rendered in respect of manufacturing or processing on toll or charges basis (out of main or major inputs owned by others).</p>	<p>9840.0000</p>	<p>Five Percent (5%) without any input tax adjustment</p>

	<p><b>Explanation:</b></p> <p>(i) The terms, expressions or concepts “<i>industrial vending, contractor third party manufacturing, contract production, contract processing, contract milling, contract machining, contract conversion, contract processing, contract printing</i>” for any industrial or allied purposes are covered in and liable to tax under this entry.</p> <p>(ii) The expression “<i>processing</i>” includes processes involving specialized working (whether initial, intermediary or finishing), washing, cleaning, coloring (dyeing), printing, packing or pack ageing etc., for industrial or allied purposes.</p> <p>(iii) The exclusive services of printing or publication of written materials or products performed on contract basis by businesses like printing presses or printing/publication houses shall also be covered in and taxed under this entry.</p> <p><b>Exemption:</b> Full exemption on text books printed on contract printing basis meant for free distribution to the students by or through the Government.</p>		
13.	<p>Services provided by persons engaged in contractual execution or performance of works (including but not limited to, repair, maintenance, and renovation, up-gradation, cleaning, fumigation and decontamination services or janitorial works) or furnishing supplies (excluding transactions involving contractual supply of goods only, without any component of service relating to such goods).</p>	9810.0000 9810.1000 9810.2000 9810.9000 9822.1000 9822.2000 9822.3000	[Fifteen Percent (15%)] <sup>34</sup> without any input tax adjustment
14.	<p>Services provided by construction contractors, architects, civil engineers, land or property surveyors, construction consultants, designing and supervision consultants, town or real estate or property promoters, developers or planners including interior decorators or allied or ancillary professions:</p> <p>(f) Construction services rendered or provided in respect of the construction of structures, buildings, roads, bridges, under passes or flyovers (and other civil works), electro-mechanical works, turn-key and Engineering, Procurement and Construction (EPC) projects and similar other works involving construction activity.</p> <p>(g) Architects and civil engineers or town promoters, developers, planners.</p>	9815.0000 9815.1000 9815.2000 9815.3000 9815.4000 9815.9000 9819.5000	Five Percent (5%) except Government funded construction projects including ADP/PSDP funded projects and construction of hydropower projects on which the rate of tax shall be Two Percent (2%).
	<p>(h) Town, real estate or property promoters, developers or planners</p>		

- (i) Services of contractors of allied works such as electrical, mechanical, gas fittings, plumbing, water boring, wood work, plastering, flooring, steel work, paint and other finishing work or works.
- (j) Interior decorators.
- (k) Landscaping or land development designers including land surveyors.
- (l) Other similar, allied or ancillary services.

**Exemption:** Full exemption on:

- (i) The construction work in respect of development of industrial estates/zones, consular buildings and construction works under international tenders based on and funded from foreign grants-in-aid agreements or arrangements.
- (ii) Residential construction and allied works in respect of the Prime Minister's Naya Pakistan Housing Scheme.
- (iii) The projects initiated or under taken under Government's Annual Development Programme (ADP) provided either such projects have been initiated or complete donor before 30<sup>th</sup> June, 2021 or payments, whether full or in part, in respect thereof have been made on or before the said date (the ongoing projects in respect of which agreements or contracts were signed before the said date, shall be titled to this exemption regardless of the schedule of payments relating thereto).
- (iv) To the extent of such portion or portions of the construction work of the projects of Public Sector Development Programme (PSDP), as were undertaken and completed before 30<sup>th</sup> June, 2021, regardless of the dates of their approval or initiation; provided that no such exemption shall be claimed or available on such portion or portions of the work of such project or projects as has/have not been completed before 30<sup>th</sup> June, 2021.
- (v) Construction services, including allied works, provided or rendered in respect of low-cost housing projects and schemes of the Provincial Housing Authority of Khyber Pakhtunkhwa.

**Condition:** The exemption allowed under this part shall not be construed or interpreted in any manner to claim or take any refund, waiver, dispensation or relief of tax already deposited, paid or recovered (including already withheld or deducted but not deposited or paid) on or before 30<sup>th</sup> June, 2021 on any ground whatsoever.



	<p><b>Explanation:</b> For the purpose of this item, the expression “initiated” shall, under no circumstances, be construed to commence prior to the date of actual signing of the agreements for Government sector construction projects.</p>		
	<p><b>Specific Rate of Tax:</b></p> <p>(i) In case of land development, tax shall be charge at the rate of one hundred rupees (Rs.100only) per square yard of the total (aggregate or gross) developed land without any segregation, fragmentation, segmentation, splitting or slicing with reference to the factual or intended use whether immediate or subsequent and no input tax adjustment shall be admissible in this regard.</p> <p>(ii) In case of commercial construction of residential buildings, flats or apartments, commercial plazas, malls, towers or complexes etc., the rate of tax shall be fifty rupees (Rs.50 only) per square foot of the covered area without any input tax adjustment.</p> <p><b>Clarification:</b> For the purpose of removal of any doubt, it is clarified that for the purpose of this serial number:</p> <p>(iii) construction services shall also cover all such construction and allied services as are financed and funded either under Annual Development Program (ADP) or under Public Sector Development Program (PSDP); and</p> <p>(iv) self-construction of residential houses for personal use shall not be liable to tax.</p> <p>(v) Construction services shall include construction works of power (including hydropower) generation projects.</p> <p>(vi) Where fixed rates of rupee one hundred per square yard, or as the case may be, rupees fifty per square foot are applicable in case of land development and commercial construction as per description specified above, tax shall not be charged in respect of the areas allocated, fixed or used exclusively for schools, medical dispensaries, mosques, graveyards, parks, public toilets, corridors (inside passages of buildings) and stairs provided that these facilities are meant for common use of the public at large without the involvement of any commercial aspect including</p>		

	(vii) intention or purpose for sale, leasing or renting.		
15.	<p>Digital or IT-based services in whatever form or manner or under whatever arrangement, including but not limited to:</p> <ul style="list-style-type: none"> <li>a) Web design and development;</li> <li>b) Mobile app development;</li> <li>c) Server management;</li> <li>d) page-speed optimization, UX/UI optimization;</li> <li>e) PPC marketing, blogging;</li> <li>f) Google Ad Words, Face book advertising, Instagram advertising;</li> <li>g) Custom software development, assessment and road map development, software maintenance and support services, supply or sale of any other software or software product or products through any medium;</li> <li>h) Online digital marking services such as search engine optimization (SEO);</li> <li>i) social media marketing, content marketing, affiliate marketing, influencer marketing, email marketing, viral marketing services, etc.</li> </ul> <p><b>Explanation:</b> This entry does not cover such persons who are engaged in providing or rendering services relating to software or IT-based system development or management or similar other such fields in the individual capacity and are eligible to pay tax at reduced rate under item (g) of entry No. 19.</p>	9850.0000	Two Percent (2%) without any input tax adjustment
16.	<p>Services relating to works or projects in respect of exploration and production (E&amp;P) or mining of minerals, oil and gas including licensing, renting or re-renting, leasing or re-leasing, surveys, geo-map development, equipment mobility, product evaluation, product marketing and other services or activities related or allied thereto.</p> <p><b>Explanation:</b> In case of oil, gas and mining sector or industry, tax shall be charged on both the fee (by whatever name called) paid for the purposes of lease or license including renewal thereof and on the royalty:</p> <p><b>Provided</b> that where such fee or royalty is received by a government department or authority, the tax shall be paid on receipt basis directly by such department or authority.</p>	9845.0000	Fifteen Percent (15%)

	<p><b>Reduced Rate of Tax:</b> The rate of tax on the leases (including re-leasing by the lessees) and licenses (including sub-contracting or license usage permissions by license holder) granted or fees and royalties, received by Government Departments, or as the case may be, by the lessees or licensees, shall be Two Percent (2%) without any input tax adjustment; provided that no tax shall be demanded in case of the charges for such leases, licenses, fees or royalties etc, received up to 30<sup>th</sup> June, 2021, if tax thereon has not been already withheld, paid or recovered (no refund or waiver of any such tax amount shall be admissible under any circumstances).</p>		
17.	<p>Airport services (including passenger facilitation, car parking, cargo handling, cargo warehousing or storage, aviation support services, flight kitchen supplies, renting of special purpose machinery, equipment, vehicles, porter age, quarantine and other fumigation or vaccination, janitorial services, aircraft cleansing services, aircraft maintenance services, jet or other fuel supply services etc.)</p> <p><b>Explanation:</b> The fee, taxes or similar other charges received by Civil Aviation Authority as a regulatory body for or in respect of its official functions shall not be charged to tax even though such functions appear to be of the nature or character of services.</p>	9830.0000	Ten Percent (10%) without any input tax adjustment
18.	<p>Dry port services including operation of a dry port and other services provided at or in respect of dry port such as inward/out ward transportation/movement of goods, cargo handling, cargo storage or ware housing, loading/unloading of cargo, booking or discharge of cargo, services relating to inspections, certification or similar or other type of services-related activities in respect of cargo etc.</p>	9843.0000	Ten Percent (10%) without any input tax adjustment
19.	<p>Services provided or rendered by practitioners, professionals, consultants and advisers (by whatever name called) in the irrespective fields or disciplines:</p> <ol style="list-style-type: none"> <li>Medical, dental or allied health fields or disciplines including para-medics and specialized technicians of medical fields.</li> <li>Human resource management or development (including training services)</li> <li>Veterinary and allied sciences including pet care.</li> <li>Law and allied fields or disciplines.</li> <li>Financial, accountancy, cost accountancy, audit, tax management or tax affairs and similar other fields or disciplines.</li> <li>Business planning, business management, business reforms, business communication including hospitality administration and similar other fields or disciplines.</li> </ol>	9816.0000 9816.1000 9816.2000 9816.3000 9816.4000 9816.5000 9816.6000 9816.9000 9826.0000	<p>Five Percent (5%) without any input tax adjustment:</p> <p>Provided that the above reduced rate shall not be applicable to corporate entities and to such other entities as are operating in collaboration or as subsidiary or</p>

	<p>g) Software or IT-based system development or management or similar other such fields.</p> <p>h) Similar services in other fields, disciplines or regimes.</p> <p><b>Reduced Rate of Tax:</b> In case of practitioners, professionals, consultants or advisers of medical (including dental) and legal professions or fields, the rate of tax shall be Two Percent (2%) without any input tax adjustment and in cases where regular compliance is made and continued to be so made, not ax demand for the period prior to the affectivity date of this entry, shall be raised or enforced.</p> <p><b>[Fixed Rate of Tax:</b> In case of practitioners, professionals, consultants or advisers of legal profession or field, rupees five hundred (500) shall be deposited as fixed sales tax at the time of filing of each case, appeal or petition and proof of which shall be attached with the Power of Attorney] which shall be attached with the Power of Attorney.]<sup>35</sup></p>		branch of foreign service providing entities and all such entities shall pay tax at the rate of Fifteen Percent (15%) and avail admissible input tax adjustment.
20.	<p>Cinematographic production , photographic services, recording services and telecasting or broadcasting services including:</p> <p>a) Film making or film production including drama production whether in serials or otherwise.</p> <p>b) Tele casting or broad casting services (other than TV cable operators).</p> <p>c) Videotape and recording services, sound recording services. TV/Radio production house services.</p> <p>d) Photographic services (services of photography or photographers).</p> <p>e) Other similar, allied, ancillary or auxiliary services.</p> <p><b>Exemption:</b> Full exemption on telecasting or broad casting services of and by government-owned TV or Radio stations or channels (this exemption shall not be construed to cover any other service or services</p>	<p>9803.0000</p> <p>9803.1000</p> <p>9803.2000</p> <p>9803.3000</p> <p>9803.4000</p> <p>9803.5000</p> <p>9803.9000</p>	[Two Percent (02%)] <sup>36</sup> Without any input tax adjustment
21.	Event management services whether cover in gall or any of the processes like planning, budgeting, scheduling, site selection, acquiring necessary permits, coordinating transportation and parking, arranging for speakers or entertainers, arranging decor, event security, catering, picturing, video filming, musical enjoyment so or any other allied or connected task.	9846.0000	[Ten Percent (10%)] <sup>37</sup> without any input tax adjustment
22.	Exhibition, convention or carnival services and allied services including renting of purpose-specific property or space for such events.	9825.0000	[Five Percent (05%)] <sup>38</sup> without any input tax adjustment
23.	Cable TV operators other than those providing internet-based TV services whether composite, multiple, bundled or otherwise which are chargeable to tax under telecommunication services.	9819.9000	Two Percent (2%) without any input tax adjustment

24.	Services of fashion designers not engaged in designing, manufacturing and selling their own products or goods through the irregular paid employees.	9828.0000	Five Percent (5%)
25.	Services provided or rendered by call centers (by whatever name called) engaged in mediating business, trade or sale/purchase transactions between the sellers and buyers whether located inside or outside the country.	9837.0000	Two Percent (2%) without any input tax adjustment.
26.	<p>Services provided or rendered by banks or banking companies, insurance companies, cooperatives and foreign exchange companies or dealers (including similar institutions or entities besides microfinance institutions):</p> <p>a) Banks or banking companies, cooperatives or similar institutions or entities (their all services including bank guarantee, brokerage, letter of credit, pay order or demand draft, bill of exchange, transfer of money in any manner, bill discounting, lockers and safe vaults, credit/debit cards, foreign exchange dealings, ATMs, issue-banking, bank assurance, provision of loans, business or investment financing or advances, leasing or re-leasing whether financial, equipment/commodity-related, <i>musharakah</i> financing etc.).</p> <p>b) Insurance companies (their all services including goods, fire, theft, marine, travel, life, health, industrial, business-related, moveable or immoveable property insurance and other insurance and reinsurance services)</p> <p>c) Services of cooperatives and cooperative societies (including producer cooperatives, worker cooperatives, consumer cooperatives, credit unions, retail or purchasing cooperatives, social cooperatives, industrial service cooperatives, manufacturing cooperatives, marketing cooperatives, cooperative farming societies, housing cooperatives and credit cooperatives etc.).</p> <p>d) Services of foreign exchange companies, dealers and money changers or similar businesses.</p> <p>e) Other similar banking, insurance, cooperative or money exchange services.</p> <p>f) Services of payment system operator or of payment system provider as have always been or are rendered or provided in any manner or mode.</p>	9814.0000 9814.1000 9814.2000 9814.3000 9814.4000 9814.9000	Fifteen Percent (15%)

	<p><b>[Reduced Rate of Tax:</b> In case of health insurance services and services in respect of Government sponsored Sehat Card Plus Programme, the tax shall be charged at the rate of Ten Percent (10%) without any input tax adjustment.]<sup>39</sup></p>		
27.	<p>Storage and warehousing services including public bounded warehouses, cold storages and yard surplices used for storage of empty or loaded container son rental or charges basis.</p> <p><b>Reduced Rate of Tax:</b> The tax on cold storage services (including other forms of warehousing of agriculture produce) regardless of their corporate or non-corporate status shall be charged at the rate of [Two Percent (02%)]<sup>40</sup> without any input tax adjustment.</p>	9844.0000	Ten Percent (10%) without any input tax adjustment
28.	<p>Container terminal services including services of storage or warehousing of containers either imported or meant for export including transshipment or transit.</p>	9841.0000	Ten Percent (10%) without any input tax adjustment
29.	<p>Service provided or rendered by persons exclusively, solely or principally engaged in (inland) inter-city transportation or carriage of goods (whether dry or liquid, packed, packaged or otherwise) by road or through pipeline or conduit or through any other modern or advance technology-based conveyance system.</p> <p><b>Explanation:</b> The services provided or rendered by packers and movers engaged in the transportation of goods (whether intra-city or inter-city) with or without prior packing shall be covered in and taxed under this entry.</p>	9805.0000 9805.4000 9805.5000 9805.6000 9805.9000 9812.0000 9812.1000 9812.2000 9812.9000	Fifteen Percent (15%)
[29A]	<p>Services provided as facilities for intra-provincial and inter-provincial travel or transportation (including carriage) of persons by road through buses, coaches, coasters, wagons, jeeps, cars, taxies and other motor vehicles primarily meant for passengers' transport or other traveling or transportation services.</p> <p><b>Clarification:</b> In case of inter-provincial transportation of persons by road through above means, the value for the purposes of sales tax shall be reduced by 50% where such services originate or terminate in the Province.</p>	9804.4000 9805.9000	Five Percent (05%) without input tax adjustment] <sup>41</sup>
30.	<p>Services provided by laboratories, scientific laboratories, mechanical laboratories, chemical laboratories, electrical or electronics laboratories, pathological laboratories, Forensic laboratories medical diagnostic laboratories including technical services relating to X-rays, CT Scan, MR Imaging (MRI), ultrasound, echo etc. or other such laboratories.</p>	9817.0000 9817.1000 9817.2000 9817.3000 9817.4000 9817.5000 9817.6000 9817.9000	Ten Percent (10%)without any input tax adjustment

	<p><b>Exemption:</b> Full exemption to:</p> <p>(i) The laboratories sponsored, controlled and managed either by the Government or its autonomous bodies.</p> <p>(ii) The labor other medical tests carried out against a valid medical prescription issued by a competent medical practitioner aimed at medical diagnosis or medical examination of a disease in any patient for medical treatment purposes.</p>		
31.	<p>Visa processing or visa acquisition services including advisory or consultancy services for foreign education or migration provided by persons in their private business or professional capacity.</p> <p><b>Explanation:</b> Where any person providing services under this entry is also helping or serving his client for the issuance or renewal of the client's passport, the actual amount of fee charged by the Government for the issuance or renewal of the passport shall not be included in the value of services for the purposes of assessment of tax.</p>	9855.0000	Fifteen Percent (15%)
32.	<p>Valuation or assessment services including competency and eligibility testing services and services involving written tests with or without interviews for job or work recruitment or selection for any other purposes.</p> <p><b>Explanation:</b> For the purpose of this entry, valuation or assessment includes revaluation, reassessment or repetition thereof.</p>	9848.0000	Five Percent (5%) without any input tax adjustment
33.	<p>Services provided for inland carriage of goods by air, railways or otherwise against freight or carriage charges:</p> <p><b>Reduced Rate of Tax:</b> The following services of Pakistan Railways whether falling under this serial No. or elsewhere in this Schedule, shall be liable to tax at the rate of Two Percent (2%) without any input tax adjustment:</p> <p>(i) courier services in relation to the speedy, fast, quick or urgent mail, parcel or cargo services provided; and</p> <p>(ii) services provided for inland carriage of goods against freight or carriage charges.</p>	9805.2000 9805.3000	Fifteen Percent (15%)
34.	Services provided or rendered by under writers including sponsorship services.	9819.1100	[Two Percent (02%)] <sup>42</sup> without any input tax adjustment
35.	Services provided or rendered by indenters and similar intermediaries.	9819.1200	Two Percent (2%) without any input tax adjustment
36.	Services provided or rendered by auctioneers.	9819.9100	[Two Percent (02%)] <sup>43</sup> without any input tax adjustment

37.	Dredging or desilting services including cleaning of canals, water channels/tunnels/ lines or reservoirs, pools, fish ponds, lakes or dams in any manner.	9822.4000	Fifteen Percent (15%)
38.	Services relating to or involving collection, provision, organization, digitization, processing, analysis, safety, preservation, sharing, verification, validation, decontamination or any other treatment of data including granting access to data for the purposes of information-gathering, information-verification, information-authentication or similar other purposes.	9854.0000	Fifteen Percent (15%)
39.	Services provided or rendered in respect of quality assurance, quality control, quality inspection (including pre-inspection), quality verification or certification including verification or certification of quality or standards under ISO regime.	9834.0000	[Two Percent (02%)] <sup>44</sup> without any input tax adjustment
40.	Rent-a-car or rent-a-cab services.  <b>Explanation:</b> The persons engaged in providing or rendering service so rent-a-car or cab shall pay tax regardless of the category of the vehicle or logistics used in respect of such services.	9819.3000	Five Percent (5%)
41.	Ride-hailing or ride-hail services like Uber, Cream, Biker and Lyft etc. regardless of the mode, manner or dynamics of the business system involved in such services.  <b>Saving:</b> In cases where regular tax compliance from the effectivity date of this entry is made and continued to be so made, no tax demand shall be raised or enforced for the period prior to such date.	9851.0000	[Five Percent (05%)] <sup>45</sup> without Input tax adjustment
42.	Online Market Place (OMP) including online platform or portal services by whatever name called (other than ride-hailing or ride-hail services).	9852.0000	Two Percent (2%) without any input tax adjustment
43.	Services relating to or in respect of (continuous, inter connected, networked or otherwise) infrastructural system based transmission (wheeling) or distribution of electric power (electricity) or gas by companies including subsidiary companies of power generating companies (or persons) other than companies (persons) who directly transmit or distribute their own generated/ produced electricity or their own recovered/ produced gas.  <b>Explanation:</b> The companies (persons) required to pay tax only on the gross component/ amount of their transmission or distribution charges (by whatever name called).	9847.0000	Fifteen Percent (15%)



44.	<p>Services relating to or in respect of the installation, erection, commissioning or other permanent structure-affixed/ linked/ tied placement (whether full or in part) of any industrial, mechanical or electrical plant, machinery or equipment (excluding installation of domestic equipments etc. for residential use).</p> <p><b>Explanation:</b> The factors like new, reconditioned, repaired, over hauled or old status of the equipments or carrying out any work/ process or works/processes related thereto, shall not affect the levy of tax under this heading.</p> <p><b>Saving:</b> Separate /new insertion of this entry shall under no circumstances effect the tax liabilities already discharged or yet to be discharged under the category or class of services of contractual execution of works under the substituted Schedule.</p>	9853.0000	[Two Percent (02%)] <sup>46</sup> without any inputtax adjustment
45.	Amusement and entertainment services including cinema(all categories), amusement parks, modeling shows, music concerts etc.	9836.0000 9839.0000	Five Percent (5%)without input tax adjustment
46.	Inspection and survey (including re-inspection and re-survey) services not specifically covered in any other entry of this Schedule.	9819.4000	Fifteen Percent (15%)
[46A]	Management services, including fund and asset management services. Allied, ancillary, auxiliary, related, substitutive, comparable or matchable services not specifically, directly or indirectly mentioned any wherein this Schedule but fall in or are linked in any manner to the category or categories of services covered in any of the class or classes of services mentioned or included in the Schedule provided that no argument as to variation in description shall be relevant or permissible for the application of this entry regardless whether such allied and other services are provided by the same person (service provider) whose services are falling under other serial number or numbers or by any other person (service provider) to such same person or to any other person.	9857.0000	Fifteen Percent (15%)] <sup>47</sup> Rate of Tax as per the closest respective entry or entries

### Interpretation.

For the purposes of usage and application of the **Second Schedule** and for understanding the matters related thereto, the following principles shall be binding and followed as an integral part thereof:

1. Each serialized entry in the **Second Schedule** primarily reflects and covers distinct class of services, which means the scope or coverage of tax runs through or alongside the lines of the classes of services. Thus, the specific service descriptions in any class of services does not mean that description of the service is exhaustive. The service shall remain taxable even if it is not cited as such under the class of services covered

in the **Second Schedule**; such service shall be taxable as one of the services of the relevant class of services.

2. Where by virtue of interpretation or otherwise, any service can be considered to be classified or is otherwise found to be classifiable with matching or equal accuracy under two or more entries of the **Second Schedule**, such service shall be classified and taxed under or with reference to the entry appearing later in number regardless whether the rate of tax under such later entry is lower or higher.
3. Due to changes in science and technology, the jargon or nomenclature of market economics and business world is changing faster than changes or adjustments which may be made in the legal instruments. But for the purposes of taxability under the **Second Schedule**, if any service is liable to tax with reference to a particular description mentioned in the **Second Schedule**, the service shall continue to be taxable regardless of any sudden, unexpected or unanticipated change in its commercial or business description, market name or appellation for any reason, whatsoever.
4. Where a person is providing or rendering under the same business name two or more services and all such services are liable to tax at the same rate, he may, if he so desires or needs, use only one entry of the **Second Schedule** covering the major portion of his business turnover, for the purposes of tax assessments and tax declarations.
5. Where a character, nature, dynamic or purpose of any service exactly or substantially resembles or matches with service taxable under the **Second Schedule** and such service can be used as a perfect or close substitute of the scheduled service, such service shall be considered and liable to tax under the **Second Schedule**.
6. Classifications of services given either in the **First Schedule** or in the **Second Schedule** are just for reference and accounting purposes. They have no bearing on the taxability of any service. The taxability of a service shall be determined with reference to its description either mentioned separately or included in the class of services under the **Second Schedule** read with these principles of interpretation.
7. Non-mentioning of a classification heading of any service in the **Second Schedule** shall not in any manner effect the taxability of such service in the said Schedule, nor such non-mentioning shall be taken as plea for non-charging, immunity or exemption of tax.
8. Where in the **Second Schedule**, a description of the main or principal service or services has been mentioned, it shall include all allied, ancillary, auxiliary, related or connected services whether provided or rendered in the form of facility or utility as a part of the main contract or transaction or otherwise and shall be considered as a part and parcel of the main or principal service or services and its value shall invariably be included in the valuation and assessment of tax of such main or principal service or services.
9. Where under any entry, any service or services have been specifically excluded, such service or services shall not be classified or claimed to be classifiable such entry for the purpose of tax assessment or otherwise.
10. Nowhere in any entry "inclusion" of any service or services shall, unless the context otherwise specifically requires, be construed as exclusion of other service or services otherwise falling in or under such entry either by virtue of class of services or otherwise.

11. Where any service is provided or rendered solely against commission or commission charges, tax assessment shall be made on the basis of the gross amount received or to be received on account of such commission or commission charges.
  12. Where during providing of any services by a person who is providing his services by virtue of his professional credentials, procures any durable and repeat-use goods (not the consumable materials procured by the service provider with his own funds as his own business inputs) purely on behalf of and for his client out of the funds provided or to be provided by the client and title of such goods is on acquisition and thereafter continues to be in the name of the client, value of such goods shall not be included in the value of services despite their being meant for use or having been used in the providing of services by such person provided that no input tax adjustment in respect thereof shall be available or admissible under any circumstances and as far the input tax adjustment in respect of the consumable materials purchased as business inputs as aforesaid, it will be available or admissible only if allowed under this Act or the rules made thereunder.
  13. Unless otherwise specified elsewhere in the Second Schedule or under any notification issued under this Act, the corporate sector entities providing or rendering services liable to reduced rates of tax against serial numbers 9, 10, 11, 13, 17, 18, 21, 22, 27, 28 (other than public sector entities providing services covered therein), 39 and 44 of the said Schedule shall not pay tax at any such reduced rate. Such entities shall mandatorily pay tax at standard rate of 15% and all benefits of the admissible input tax adjustment shall be available to them.
  14. Subject to para 13, the services provided by or relating to dealers of agriculture machinery and equipments, commission agents of agriculture produce, agriculture-specific market research, human resource development or management in agricultural fields, and exhibitions of agricultural products or products usable exclusively in agriculture sector shall be charged to tax only at the rate of two percent (2%) without any input tax adjustment.
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**THE KHYBER PAKHTUNKHWA INFRASTRUCTURE  
DEVELOPMENT CESS ACT, 2022**  
**(Khyber Pakhtunkhwa Act No. XIX of 2022)**

**Section 2**

sub-section (1), clause (e),

- (e) **“Finance Act”** means the Khyber Pakhtunkhwa Finance Act, 2013 (Khyber Pakhtunkhwa Act No. XXI of 2013);

sub-section (1), clause (h),

- (h) **“infrastructure”** means roads, streets, bridges, culverts, lights on passage, river or canal banks, beaches, public parks, place of public recreation or enjoyment and convenience, eating places, landscape, forests, fisheries, delta conservation, lakes, hatching or breeding places of aquatic life, wildlife and its sanctuaries,

public schools, vocational and technical training centers and projects, libraries, museums and similar institutions controlled and financed by Government control of traffic for smooth flow and other movement of goods, public order, police force, patrol for safety of goods, stands for loading and unloading of goods, parking places, markets, water supply, hospitals and dispensaries and development, improvement, maintenance and protection of such infrastructure; sub-section (2).

(2) The words and expressions, used but not defined in this Act, shall have same meanings as are assigned to them under the Finance Act or the rules or regulations issued thereunder.

sub-section (3).

(3) Nothing shall bar the application or use of the definitions of the words, terms, concepts and expressions, not defined in this Act or the Finance Act as available in the other statutes cited in this Act; provided that they are directly relevant to the implementation or execution of this Act and the rules.

### **Section 3(1)**

(1) Subject to the provisions of this Act, there shall be levied, collected and administered a cess at the rate of two percent (02%) on transportation, carriage or movement of goods,-

- (a) manufactured or produced or traded or consumed in the Province at a value as determined by reference to the value determined or determinable under the Sales Tax Act, from such date as may be notified by the Government; and
- (b) imported into or exported out of or transited through the Province at a value as determined for purposes of the Customs Act.

### **Section 11**

sub-section (1).

(1) This Act and the rules, shall be treated as fiscal law for the purpose of clause (29) of section 2 of the Finance Act.

sub-section (2).

(2) The provisions of the Finance Act, read with the rules and regulations issued thereunder, shall apply only in situations arising after the expiry of time in which actions, under the terms of section 10 were required, to be taken

### **Section 12(3)**

(3) All provisions of the Finance Act and rules or regulations made thereunder, relating to revision and appeals, shall apply to the cases decided under sub-section (2).

## **Section 17**

**17. Bar on interpretation.**--- Under any circumstances, situations or conditions, the cess leviable and payable under this Act shall be interpreted or construed as a tax on goods or vehicles perse, and it shall instead, be treated as a minimum compensation for the deterioration in the standards of the physical infrastructure of the Province bound to result from the logistical movement of goods therein.

## **The Khyber Pakhtunkhwa Finance Act, 2024** **(Khyber Pakhtunkhwa Act No. I of 2024)**

**Sub-section (2) in Section 3 of the Khyber Pakhtunkhwa Provincial Excise Duty (Un-manufactured Tobacco) Act, 2024, enacted through Section 15 of Khyber Pakhtunkhwa Act No. I of 2024.**

(2) The excise duty shall be payable by the person at the time of removal of the un-manufactured tobacco from the Green Leaf Threshing Unit.

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