

EXTRACT OF LAWS

TO BE AMENDED THROUGH

THE KHYBER PAKHTUNKHWA
FINANCE BILL, 2026

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

3. (1) Government may by notification specify urban areas where tax shall be levied under this Act:

Provided that one urban area may be divided into two or more rating areas or several urban areas may be grouped as one rating area.

[(3) The tax shall be due from the owner of buildings and lands].

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

- (a) buildings and lands vesting in the Federal Government or Government of Khyber Pakhtunkhwa except buildings and lands vesting in-
 - (i) Federal Government and are used for the purpose of profit or leased in **perpetuity**;
 - (ii) Government of Khyber Pakhtunkhwa and are used for the purpose of profit or leased in **perpetuity**; or
 - (iii) Semi-Governmental the Organizations, Authorities, Boards, Autonomous Bodies, Public Sector Commercial Organizations, Pubic Limited Companies, Public Sector Commercial Organizations
- (b) residential buildings, the area whereof does not exceed **4.99 Marlas**;) of Federal Government and Government of Khyber Pakhtunkhwa;
- (c) residential buildings owned and occupied by widow or minor orphan: Provided that if a widow or a minor orphan owns more than one residential building in any rating area of the Province, she/he shall be exempted from payment of tax in respect of only one building which is self occupied by her/him;

16. (1) If any sum due on account of the tax levied under section 3 or as a penalty imposed under this Act, is not paid within the time allowed for its payment and the person from whom it is due does not show cause to the satisfaction of the Collector or any other person authorized by him why he should not pay the same, such sum (inclusive of all costs of recovery) may be recovered under a warrant in the prescribed form or in a form to the like effect to be signed by the Collector— (i) by distress or sale of the movable property belonging to such person; or

- (ii) by attachment and sale of the immovable property belonging to him. The warrant may be addressed to an officer of the Excise and Taxation Department for execution, and in executing it he may obtain such assistance from other servants of the Department as he may consider necessary.

The West Pakistan Motor Vehicle Taxation Act. 1958
(West Pakistan Act No. XXXII of 1958)

SCHEDULE, for Serial No.3

1.	2.	3.
3.	Vehicles plying for hire and ordinarily used for the transport of passengers:	
	(a) mechanically propelled tricycle / rickshaw with seating capacity of not more than three persons;	Rs. 1000/-
	(b) other vehicles with seating capacity of-	
	(i) not more than 4 persons;	Rs. 1500/-
	(ii) more than 4, but not more than 6 persons; and	Rs. 2000/-
	(iii) more than 6 persons;	Rs. 300/- per seat

The Khyber Pakhtunkhwa Finance Act, 1990

(Khyber Pakhtunkhwa Act No. IV of 1990)

(Amended in Finance Bill 2025)

Amendment of section 7 of the Khyber Pakhtunkhwa Act No. IV of 1990.—In the Khyber Pakhtunkhwa Finance Act, 1990 (Khyber Pakhtunkhwa Act No. IV of 1990), in section 7, -

- (a) in sub-section (1), for the existing "TABLE", the "TABLE", as specified in **Appendix-V** appended to this Act, shall be substituted; and
- (b) in sub-section (2), for the word and figures "30th day of September", the word and figures "31st day of May", shall be substituted.

Appendix-V
[see section 6]

"TABLE"
[see section 7(1)]

1. Sr. No.	2. Description of Tax Payers.	3. Rates of Tax (Per Annum).
1.	(a) all persons engaged in any profession, trade, calling or employment other than those specifically mentioned hereinafter, in the Province of Khyber Pakhtunkhwa, whose monthly income or earning: (i) upto Rs. 36,000/- (ii) when exceed Rs. 36,000/- but not exceed Rs. 50,000/- (iii) when exceed Rs. 50,000/- but not exceed Rs. 1,00,000/- (iv) when exceed Rs.1,00,000/- but not exceed Rs. 2,00,000/- (v) when exceed Rs.2,00,000/- but not exceed Rs. 5,00,000/- (vi) exceed Rs.5,00,000/-	exempted Rs. 1200/- Rs.1500/- Rs.2000/- Rs.3000/- Rs.5000/-
	(b) Employees of Federal and Provincial Government drawing pay in basic scales: (i) BS – 01 to 06. (ii) BS – 07 to 12.	exempted Rs. 1000/-

	(iii) BS – 13 to 16.	Rs.1200/-
	(iv) BS – 17.	Rs. 1500/-
	(v) BS – 18.	Rs.1800/-
	(vi) BS – 19.	Rs. 2000/-
	(vii) BS – 20 and above.	Rs. 3000/-
2.	<p>All limited companies, Modarbas, Mutual Funds and any other body corporate with paid up capital and reserves in the preceding year whichever is more:</p> <p>(a) when not exceeding Rs. 10 million.</p> <p>(b) when exceeding Rs. 10 million but not exceeding 25 million.</p> <p>(c) when exceeding Rs. 25 million but not exceeding 50 million.</p> <p>(d) when exceeding Rs. 50 million but not exceeding 100 million.</p> <p>(e) when exceeding Rs. 100 million.</p> <p>Explanation: The paid-up capital in case of foreign bank shall be the minimum paid up capital as determined by the State Bank of Pakistan.</p>	<p>Rs. 30,000/-</p> <p>Rs. 50,000/-</p> <p>Rs. 60,000/-</p> <p>Rs. 90,000/-</p> <p>Rs. 1,00,000/-</p>
3.	<p>Persons other than companies owing factories, commercial establishment, private education institutions and private hospitals having the following commercial establishments:</p> <p>(a) any commercial establishment, factories having ten or more employees which have not been otherwise explicitly given in this table.</p> <p>(b) private clinic and hospitals having up to 10 employees.</p> <p>(c) private hospitals having employees more than 10 but not more than 50.</p> <p>(d) private hospitals having more than 50 employees.</p> <p>(e) private medical colleges.</p> <p>(f) private engineering institutes having Degree Programs.</p> <p>(g) private business education institutes:</p>	<p>Rs. 20,000/-</p> <p>Rs. 20,000/-</p> <p>Rs. 80,000/-</p> <p>Rs.1,00,000/-</p> <p>Rs. 1,00,000/-</p> <p>Rs. 1,00,000/-</p>

	(i) having up to 100 students; and	Rs. 80,000/-
	(ii) exceeding 100 students;	Rs. 100,000/-
	(h) private law colleges.	Rs. 100,000/-
	(i) private education institutions including professional and technical institutions other than specified in clauses (e), (f), (g) and (h), charging monthly fee not exceeding Rs.1000/- per student.	Rs. 8,000/-
	(j) private education institutions including professional and technical institutions other than specified in clauses (e), (f), (g) and (h), charging monthly fee exceeding Rs.1000/- but not exceeding Rs. 2000/- per student.	Rs. 12,000/-
	(k) private educational institutions including professional and technical institutions other than specified in clauses (e), (f), (g) and (h), charging monthly fee exceeding Rs.2000/- but not exceeding Rs. 5000/- per student.	Rs. 25,000/-
	(l) private educational institutions including professional and technical institutions other than specified in clauses (e), (f), (g) and (h), charging monthly fee exceeding Rs. 5000/- per student.	Rs. 100,000/-
4.	Holders of import or export license, assessed to income tax in the preceding year with annual turnover:	
	(a) when not exceeding Rs. 50,000/-	Rs. 5,000/-
	(b) when exceeding Rs. 50,000/-	Rs. 7,000/-
5.	Clearing agents licensed or approved as Custom House agents.	Rs. 12,000/-
6.	Travel agents:	
	(a) IATA travel agents approved.	Rs. 30,000/-
	(b) Non – IATA approved.	Rs. 15,000/-
	(c) Hajj, Umra and tour operators.	Rs. 30,000/-
	(d) Overseas educational/manpower promoters and consultants.	Rs.20,000/-
7.	Restaurants/guest houses liable to sales tax.	Rs. 40,000/-
8.	Professional caterers.	Rs. 40,000/-
9.	Wedding halls /lawns (irrespective of their nomenclature).	Rs. 70,000/-
10.	Advertising agencies.	Rs. 30,000/-

11.	<p>Doctors:</p> <p>(a) specialists practicing at Peshawar.</p> <p>(b) specialists practicing at divisional headquarters.</p> <p>(c) specialists practicing at district headquarters.</p> <p>(d) specialists practicing at places other than in clause (a), (b) and (c) above.</p> <p>(e) Non-specialists including medical practitioners.</p> <p>(f) Hakeem's, Homeopathic, medical and dental technicians.</p> <p>(g) Dentist:</p> <p>Note- There shall be a rebate of 25% on lump sum payment and 20% rebate on payment in three equal installments on arrears accrued till 30th June, 2025. This concession shall be valid up-to 30th June, 2026.</p>	<p>Rs. 40,000/-</p> <p>Rs. 35,000/-</p> <p>Rs. 30,000/-</p> <p>Rs. 25,000/-</p> <p>Rs. 20,000/-</p> <p>Rs. 10,000/-</p> <p>Rs. 20,000/-</p>
12.	<p>"Diagnostics and therapeutic centers" including pathological and chemical laboratories:</p> <p>(a) located at divisional headquarters.</p> <p>(b) located at other places.</p>	<p>Rs. 25,000/-</p> <p>Rs. 8000/-</p>
13.	<p>Contractors, suppliers and consultants who during the preceding financial year supply to the Federal or any Provincial Government or any local authority in the district, goods, commodities or rendered services of the value:</p> <p>(a) when exceeding Rs. 10000/- but not exceeding Rs. 0.5 million.</p> <p>(b) when exceeding Rs. 0.5 million but not exceeding Rs. 01 million.</p> <p>(c) when exceeding one million but not exceeding Rs. 2.5 million.</p> <p>(d) when exceeding Rs. 2.5 million but not exceeding Rs. 10 million.</p> <p>(e) when exceeding Rs. 10 million but not exceeding Rs. 25 million.</p> <p>(f) when exceeding Rs. 25 million but not exceeding Rs. 50 million.</p>	<p>Rs. 10,000/-</p> <p>Rs. 15,000/-</p> <p>Rs. 20,000/-</p> <p>Rs. 40,000/-</p> <p>Rs. 50,000/-</p> <p>Rs. 70,000/-</p>

	(g) when exceeding Rs. 50 million and above.	Rs. 1,00,000/-
14.	Petrol / Diesel / CNG filling stations.	Rs. 30,000/-
15.	All establishments, including video shops, real estate shops/ agencies, car dealers and net cafes assessed or not assessed to income tax in the preceding financial year.	Rs. 10,000/-
16.	Chartered Accountants with an independent audit practice and excluding those who are employed in companies not owned by them.	Rs. 20,000/-
17.	Vehicle service stations.	Rs. 10,000/-
18.	Transporters/transport companies: (a) within the limits of Provincial headquarters. (b) other than Provincial headquarters.	Rs. 10,000/- Rs. 5,000/-
19.	Members of Stock Exchange.	Rs. 50,000/-
20.	Money Changers: (a) within Provincial headquarter limit. (b) other than Provincial headquarters.	Rs. 50,000/- Rs. 25,000/-
21.	Health fitness centers/gymnasium: (a) within Provincial headquarter limit. (b) other than Provincial headquarters.	Rs. 10,000/- Rs. 5,000/-
22.	Jewelers: (a) Provincial headquarter limit. (b) other than Provincial headquarters.	Rs. 30,000/- Rs. 20,000/-
23.	Departmental Stores.	Rs. 40,000/-
24.	Electronics goods stores.	Rs. 20,000/-
25.	Cable operator.	Rs. 10,000/-
26.	Printing presses.	Rs. 10,000/-
27.	Pesticide dealers.	Rs. 6,000/-
28.	Tobacco dealers and exporters.	Rs. 25,000/-
29.	Whole sales dealers/distributors /agency holders.	Rs.30,000/-
30.	Chemist /druggist /medical stores.	Rs.15000/-
31.	Tailor shop: (a) shalwar qameez. (b) shalwar qameez + waistcoat + pant shirt.	Rs.5000/- Rs.15000/-
32.	Flour mills.	Rs.30,000/-
33.	Bricks, shuttering, sand depot and building material suppliers.	Rs.20,000/-
34.	Furniture showroom/ shops etc:	

	(a) furniture showroom/shops/karkhana upto 10 employees.	Rs.15,000/-
	(b) furniture showroom/shops/karkhana having more than 10 employees.	Rs.30,000/-
35.	Honey shops, whole sellers, exporters and distributors.	Rs. 10,000/-
36.	Beauty parlor.	Rs. 15,000/-
37.	Aesthetic clinics.	Rs. 40,000/-.

Khyber Pakhtunkhwa Finance Ordinance, 2022
(Khyber Pakhtunkhwa Act No. XXIII of 2022),-

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 12[ten per cent] of the room rent per lodging unit per day, 13[based on fifty percent of the total number of lodging units available in the hotel concerned;] 14[deleted];

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

2[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 3[:]]

4[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 tax payer 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 at 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.]

Amended as in Finance Bill 2025

- (a) for the existing third proviso, the following shall be substituted, namely:
(b) for the existing third proviso, the following shall be substituted, namely:

"Provided also that arrears up-to June, 2025 in the subject head shall be collected by Excise and Taxation Officer concerned, with a rebate for all tax defaulters on all defaulted amount of tax in the subject head at the following rates:

Sr. No.	Defaulted Amount (Rupees).	Rebate.	Validity.
1.	Payment in three installments.	15% of the defaulted amount.	30 th October, 2025.
2.	Lump-sum payment.	25% of the defaulted amount.	30 th October, 2025."

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

2. **Definitions.** --In this Act, unless there is anything repugnant to the subject or context, -

(an) "place of business" means whenever a person whether directly, indirectly, physically or virtually-

- i. owns, avails or uses on rent, shares or in any other manner occupies any space in the Province from where he carries on an economic activity whether wholly or partially and includes a person who provides services without physical presence in the Province; or
- ii. carries on an economic activity, whether wholly or partially through any other person, such as an agent whether domiciled, resident, stationed or not, associate, franchise, branch, office or otherwise in the Province;

(aa) "tax fraud" means knowingly, dishonestly or fraudulently and without an lawful excuse,-

- i doing of any act or causing to do any act in contravention of the duties and obligations under this Act or the rules or notifications issued thereunder; or
- ii omitting to take any action or causing the omission of any action, including providing of taxable services without being registered under this Act; or
- iii falsifying or causing falsification of tax invoices or other tax documents or records; or

18. **Standard or general tax rate application choice.**---(1) Where any services or class of services are chargeable to reduced rate of tax either under the **Second Schedule** or under any notification issued under this Act, any registered person or class of registered persons, providing such services, may, after taking permission from the Management Committee, opt to pay sales tax at standard or general rate and take input tax adjustment as admissible under this Act and the rules and every such permission shall be effective from the date mentioned therein and subject to such conditions, restrictions and limitations as may be specified by the Management Committee in this behalf:

Provided that a registered person, in case of a company, may opt to operate under standard rate system on intimation to the Management Committee at least one month in advance and shall not be entitled to revert back to the reduced rate without prior permission from the Management Committee as required under sub-section (2).

22. Joint and several liability of persons where tax remained unpaid.—Where a person receiving a taxable service from another person, is in the knowledge of or has reasonable grounds to suspect that some or all of the tax, payable in respect of that taxable service or any previous or subsequent taxable service provided or to be provided; shall go unpaid as against the requirements of this Act, such person as well as the person, providing the taxable service, shall be jointly and severally liable for payment of such unpaid amount of tax:

Provided that the Management Committee may, by notification in the official Gazette, exempt any person, service or transaction or class of persons, services or transactions from the provision of this section.

Explanation. —Notwithstanding anything contained in this section, it shall be the responsibility of a person to take all possible measures to ensure that the person, from whom he has received taxable services, deposits the due tax, relating to such transaction, in the manner as provided under this Act and the rules.

27. Assessment of tax and recovery of tax not levied or short-levied.—(1) Where on the basis of any information acquired during an audit, inquiry, inspection or otherwise, an officer of the Authority, not below the rank of Assistant Collector, is of the opinion that a registered person has not paid the tax due on taxable services, provided by him or

has made short payment, including such short payment as has resulted or may result from taking inadmissible adjustment of input tax, the officer of the Authority shall make an assessment of the tax actually payable by that person:

[(1A) Where a person fails to file a return or files a return or makes payment of the tax after the due date or fails to furnish any information, explanation, documents, record or any other details as may be required in a notice issued under sections 36, 37, 60, 61 and 63 or fails to comply with the provisions of sections 34 or 64 of this Act, an order under this section shall be passed to the extent of imposition of penalty or default surcharge in accordance with sections 53 and 54 of this Act.]11

CHAPTER-VI

INVOICING, BOOK KEEPING AND AUDIT PROCEEDINGS

34. Issuance of tax invoices.—(1) A registered person, providing a taxable service, shall issue a serial numbered and dated tax invoice, containing the following particulars:

- (a) name, address and registration number of the service provider;
- (b) name, address and registration number, if any, of the service recipient;
- (c) description of service or services;
- (d) value exclusive of the tax;
- (e) applicable rate of the tax;
- (f) amount of the tax; and
- (g) value inclusive of the tax.

- (2) The Management Committee may, by notification in the official Gazette, specify a modified format of invoices for different services or persons and prescribe the manner and procedure for regulating the issuance and authentication of tax invoices.
- (3) A registered person, providing a taxable service, may, subject to such conditions and restrictions as the Management Committee may, by notification in the official Gazette, specify, issue invoices to another registered person or other recipient of taxable service electronically and transmit images or statements of such invoices to the Management Committee as well as to the Collector, as may be specified.

CHAPTER-IX OFFENCES, PENALTIES AND DEFAULT SURCHARGE

53. Offences and penalties. ---If a person commits any offence, described in Column (2) of the Table below shall, in addition to and not in derogation of any punishment to which he may be liable under any other law, be liable to the penalty, mentioned against that offence in Column (3), imposed in accordance with the jurisdiction specified in Column (4) thereof.

TABLE

1. S.No	2. Offences.	3. Punishment or Penalty.	4. Competent Jurisdiction.
1.	Where a person who is required to apply for registration under this Act fails to make an application for registration before providing any taxable services.	Such person shall be liable to pay a penalty of one hundred thousand rupees or five percent of the amount of the tax he would have been liable to pay had he been registered, whichever is higher provided that in the case of non-compliance of compulsory registration, the minimum penalty shall be two hundred thousand rupees.	Officer of the Authority competent under this Act.
2.	Where a person who is required to get himself registered under this Act, fails to get registered within ninety days of providing taxable services or who fails to comply with compulsory registration.	Such person shall be liable to imprisonment for a term which may extend to one year, or with fine which may extend to the amount of the tax he would have been liable to pay had he been registered, or with both.	Special Judge.
3.	Where a person fails to furnish a return within the due date.	Such person shall be liable to pay a penalty of nine thousand rupees per tax period or a fraction thereof provided that if a return is filed within ten days of the due date, he shall pay a penalty of three hundred rupees for each day of default.	Officer of the Authority competent under this Act.

4.	Where a person fails to issue tax invoice.	Such person shall be liable to pay a penalty of one hundred thousand rupees or five percent of the tax involved, whichever is higher.	Officer of the Authority competent under this Act.
[4A.	Were any registered person, who after integration of its computerized system with the computer system of the authority i.e., through Restaurant Invoice Management System (RIMS) or Invoice Management and Reporting system (IMRS) or any other prescribed system, fails to comply with e-invoicing system or issues invoices outside the e-invoicing system or failed to upload invoices on Restaurants Invoice Management System (RIMS) or Invoice Management and Reporting System (IMRS) on real-time basis.	Such person shall be liable to pay a penalty of rupees one hundred thousand (100,000) or five percent (05%) of the tax involved, whichever is higher, for each instance of non-compliance.	Officer of the Authority competent under this Act.]15 15 Inser
5.	Where a person fails to deposit the amount of the tax due or any part thereof in time or in the manner provided under this Act or the rules made or notifications issued thereunder.	Such person shall be liable to pay a penalty of ten thousand rupees or five percent of the tax payable for that period, whichever is higher provided that no penalty shall be levied if any miscalculation is made for the first time during a financial year.	Officer of the Authority competent under this Act.
6.	If a person does not pay the amount of tax due even after the expiry of a period of sixty days of issuance of the notice for such payment by an officer, not below the rank of Assistant Collector.	Such person shall be liable to imprisonment for a term which may extend to three years, or with fine which may extend to the amount of the unpaid tax, or with both.	Special Judge.
7.	Where a person fails to properly maintain or retain records required under this Act or the rules made and notifications issued thereunder.	Such person shall pay a penalty of ten thousand rupees or five percent of the total tax paid or assessed on the basis of available information, to be payable for the tax period or periods for which he has failed to maintain the required record, whichever is higher.	Officer of the Authority competent under this Act.

[7A]	Where a registered person, including a person compulsorily registered under this Act, who, in non-compliance to the provisions of this Act, fails to produce information/ records/ documents on receipt of a notice by an officer of the Authority, not below the rank of Assistant Collector.	Such person shall be liable to pay a penalty of rupees two hundred thousand (200,000) for the first instance of non-compliance- In case of non-compliance for the second time, such person shall be liable to pay a penalty of rupees five hundred thousand (500,000)- In case of non-compliance for the third time, such person shall be liable to pay a penalty of rupees one million (1,000,000).	Officer of the Authority competent under this Act.]16 16 Inserted
8.	Where a person knowingly, deliberately, intentionally or fraudulently- submits a false, fake, untrue or forged document to the Management Committee or any of officer of the Authority; or destroys, alters, mutilates or falsifies the records including a tax invoice; makes a false statement, false declaration, false representation, or false personification, or gives any false data or information; or commits, causes to commit or attempts to commit tax fraud, or abets or connives in the commission of tax fraud equal to one hundred thousand rupees or more.	i. Such person shall be liable to pay a penalty of one hundred thousand rupees or one hundred percent of the tax payable for the tax period or periods to which the offence relates, whichever is higher. ii. He shall further be liable to imprisonment for a term which may extend to five years or with fine which may extend to an amount equal to the tax payable for the tax period or periods to which the offence relates, or with both.	i. Officer of the Authority competent under this Act. ii.Special Judge
9.	[Where a person violates any embargo placed on providing of service or violates the restrictions imposed vide sealing of business premises in connection with recovery of tax.]17	i. Such person shall be liable to pay a penalty of fifty thousand rupees or ten percent of the amount of the tax sought to be recovered, whichever is higher. ii. He shall, further be liable to imprisonment for a term which may extend to one year, or with fine which may extend to an amount equal to the amount of the	i. Officer of the Authority competent under this Act. ii.Special Judge.

		tax sought to be recovered, or with both.	
10.	Where a person obstructs any officer of the Authority in the performance of his official duties under the law.	<p>i. Such person shall be liable to pay a penalty of fifty thousand rupees or one hundred percent of the tax payable for the tax period to which the offence of such person relates, whichever is higher.</p> <p>ii. He shall be further liable to imprisonment for a term which may extend to one year or with fine not exceeding fifty thousand rupees or with both.</p>	<p>i. Officer of the Authority competent under this Act.</p> <p>ii. Special Judge.</p>
11.	Where a person fails to fulfill any of the conditions, limitations or restrictions prescribed in a notification issued under any of the provisions of this Act or the rules made thereunder, or where a person contravenes any provision of this Act or the rules made thereunder for which no penalty has specifically been provided in this section.	Such person shall be liable to pay a penalty of twenty-five thousand rupees or three percent of the tax payable for the tax period to which the offence relates, whichever is higher.	Officer of the Authority competent under this Act.
12.	Where a person repeats an offence for which a punishment is provided under this Act.	Such person shall be liable to punishment equal to twice the punishment provided under this Act for such offence.	<p>i. Officer of the Authority competent under this Act; or</p> <p>ii. Special Judge</p> <p>- as the case may be</p>
13.	Where a person- (a) knowingly and without any lawful authority or excuse gains access to	Such person shall pay a penalty of twenty-five thousand rupees or one hundred percent of the amount equal to the loss caused to the tax revenue.	i. Officer of the Authority competent

	<p>the computerized system of the Authority; or</p> <p>(a) uses, discloses or publishes or otherwise disseminates, without any lawful authority or excuse, any information obtained from the said system; or</p> <p>(c) falsifies any record or information stored in the said system; or</p> <p>(d) knowingly or dishonestly damages or impairs the said system; or</p> <p>(e) knowingly or dishonestly damages or impairs any duplicate tape or disc or other medium on which any information obtained from the said system is kept or stored; or</p> <p>(f) uses, without any lawful authority or excuse, unique user identifier of any other registered user to authenticate a transmission of information to the said system; or</p> <p>fails to comply with or contravenes any of the conditions prescribed for security of unique user identifier.</p>	<p>He shall further be liable to imprisonment for a term which may extend to three years, or with fine which may extend to an amount equal to the loss caused to the tax revenue, or with both.</p>	<p>under this Act.</p> <p>Special Judge.</p>
<p>14.</p>	<p>Where any person intentionally, deliberately or fraudulently intervenes, alters or damages any electronically filed invoices mechanism or system prescribed or specified for the purpose of avoiding correct payment of due tax.</p>	<p>i. Such person shall pay a penalty of one hundred thousand rupees or one hundred percent of the amount equal to the loss caused or believed to be caused, to the tax revenue, whichever is higher.</p> <p>ii. He shall further be liable to imprisonment for a term which may extend to three years, or with fine which may extend to an amount equal to the loss caused to the tax revenue, or with both.</p>	<p>i. Officer of the Authority competent under this Act.</p> <p>ii. Special Judge</p>

15.	Where an officer of the Authority acts or conducts himself in a manner resulting in vexatious prosecution or undue detriment of a taxpayer.	Such officer shall be liable to imprisonment for a term which may extend to three years or with fine not exceeding fifty thousand rupees or with both.	Special Judge.
16.	Where a bank fails to attach or delays in attaching the bank account of the person from whom tax is sought to be recovered, specified in the notice issued by the officer of the Authority or fails or delays in payment of such amount.	i. Such bank shall be liable to penalty of one hundred thousand rupees or five percent of the amount of tax involved, whichever is higher. The concerned officer of such bank shall further be liable, upon conviction by the Special Judge, to imprisonment which may extend to one year or with fine which may extend to five percent of the amount of tax involved, or with both.	i. Officer of the Authority competent under this Act. Special Judge
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.	Officer of the Authority competent under this Act.
18.	Where an individual, who during the course of business is making the payment on behalf of the withholding agent but fails to withhold or deposit the due 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.	Officer of the Authority competent under this Act.
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

Explanation-I: For the purpose of this section, in situations, where penalty or penalties are to be adjudicated or other penal actions are to be initiated or taken in terms of this section, in respect of any withholding agent, the word and expressions, carrying meanings of a "service-provider", shall be construed as "service-recipient" or if so required, as "withholding agent".

Explanation-II.—For the purpose of this section, in situations, where the officer of the Authority, competent under this Act is of the opinion, at any stage of the proceedings but before signing the order, that the accused person ought to receive a more severe punishment, than that which the officer of the Authority is empowered to inflict or the case is one which ought to be tried by the Special Judge, he may record the opinion and send the case to the Special Judge for trial.

60. Officers to have access to premises, stocks, accounts and records.—(1) Any officer of Authority, not below the rank of Assistant Collector, shall, [with the prior approval of the Collector or Management Committee,]20 in his relevant jurisdiction, have free access to the business premises, registered office or any other place, where any stocks, business records or documents, required under this Act, are kept or maintained by any registered person or a person liable for registration or whose business activities are covered under this Act or who may be required for any inquiry or investigation in any tax fraud, committed by him or his agent or any other person, and such officer may, at any time, inspect the goods, stocks, records, data, documents correspondence, accounts, statements, utility bills, bank statements, information, regarding nature and sources of funds or assets, with which his business is financed, and any other records or documents, including those which are required under any other law, to be maintained in any form or mode and may take into his custody such records, statements, diskettes, documents or any part thereof, in original or copies thereof, in such form as the authorized officer may deem fit against and sign the receipt.

(4) The records and material etc., taken into custody, shall be documented into an inventory statement, to be signed jointly by the officer of the Authority and the person concerned or his agent or representative; provided that refusal to sign the inventory statement by such person or his agent or representative shall not affect the legality or validity of the inventory statement and its contents.

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;

"SECOND SCHEDULE
[see sections 3(1) and (4), 12, 17(1)(j), 18]
(As amended in Finance Act 2025)

Part-II
Tax Rates below Standard Rate

11.	<p>(a) 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>i. 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>ii. Architects and civil engineers or town promoters, developers, planners.</p> <p>iii. Town, real estate or property promoters, developers or planners.</p> <p>iv. 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.</p> <p>v. Interior decorators.</p> <p>vi. Landscaping or land development designers including land surveyors.</p> <p>vii. Other similar, allied or ancillary services.</p>	<p>9815.0000 9815.1000 9815.2000 9815.3000 9815.4000 9815.9000 9819.5000</p>	<p>Five percent (5%) without any input tax adjustmen t.</p>
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<p>(b) Government funded construction projects including ADP/PSDP- funded projects and construction of hydropower projects the rate of Tax shall be charged.</p> <p>(c) In case of land development, tax shall be charged at specific fixed tax.</p> <p>(d) In case of commercial construction of residential buildings, flats or apartments, commercial plazas, malls, towers or complexes etc., tax shall be charged.</p>	<p>Four percent (4%) without any input tax adjustment</p> <p>One hundred rupees (Rs.100 only) 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>
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<p>Exemption: Full exemption on:</p> <p>(a) 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.</p> <p>(b) Residential construction and allied works in respect of the Prime Minister's Naya Pakistan Housing Scheme.</p> <p>(c) The projects initiated or under taken under Government's Annual Development Programme (ADP) provided either such projects have been initiated or complete donor before 30th 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).</p> <p>(d) 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 30th 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 30th June, 2021.</p> <p>(e) 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.</p> <p>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 30th June, 2021 on any ground whatsoever.</p> <p>Explanation: 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>Fifty Rupees (Rs.50 only) per square feet of the covered area without any input tax adjustment</p>
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<p>Clarification: For the purpose of removal of any doubt, it is clarified that for the purpose of this serial number.</p> <p>(i) 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>(ii) self-construction of residential houses for personal use shall not be liable to tax.</p> <p>(iii) Construction services shall include construction works of power (including hydro-power) generation projects.(iv) 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 intention or purpose for sale, leasing or renting.</p> <p>(iv) The tax rate of 4% shall not be applicable on such ADP funded projects as are approved or initiated before 01st July 2025.</p>		
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NOTIFICATION

Peshawar, dated the 13th May, 2026.

No. BO (RES-II) FD/ 3-4/2026. In exercise of the powers conferred by section 12 of the Khyber Pakhtunkhwa Sales Tax on Services Act, 2022 (Khyber Pakhtunkhwa Act No. XIX of 2022), the Government of Khyber Pakhtunkhwa is pleased to declare that in the First Schedule and Second Schedule, the following amendments shall be made, namely:

In the Second Schedule, in Part-II, under the heading "Tax Rates below Standard Rate",-

44.	Annual Developmental Program Projects.	All projects whether related to construction or otherwise as are funded or budgeted through Annual Developmental Program schemes shall be charged to tax at the rate of 4% on all such projects as are approved after 01 st July 2025: Provided that social welfare projects which are specifically designed or intended for poverty alleviation, women and child welfare, support for persons with disabilities, skill development and employment generation, distribution of food, ration or cash assistance to needy families, and establishment or operation of shelter homes for orphans, widows or the elderly, shall be exempt from the levy and application of any tax.	Four percent (04%), without any input tax adjustment.
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Khyber Pakhtunkhwa Infrastructure Development Cess Act, 2022
(Khyber Pakhtunkhwa Act No. XXV of 2022)

2. Definitions.--- (1) In this Act, unless there is anything repugnant or contrary to the subject or context, the following words shall have the meanings as are assigned to them that is to say,-

(j) "prescribed" means prescribed by rules and regulations;

In section 3,

[(1A) Notwithstanding anything contained in sub-section (1), Government may by notification in the official Gazette, fix or specify an other rate of cess to be levied and collected,

as determined on the basis of value of goods, net weight and distance and may establish such rate on an incremental basis or otherwise, as deemed appropriate, for the purposes of this Act.]

10. Extent of relevancy of other applicable laws.--- Where under this Act, cess is collected or collectable in terms of the provisions of the Customs Act or, as the case may be, the Sales Tax Act, such provisions shall be deemed to be the provisions of this Act, so far as they relate to the matters pertaining to-

- (d) enforcement including recovery and adjudication and appeals;
- (e) detention, seizure and confiscation of goods;
- (f) penalties and prosecution; and
- (g) all other allied and ancillary matters.

11. Assumption and exercise of jurisdiction by the Authority.--- (1) This Act and the rules, shall be treated as fiscal law for the purpose of 1[clause (i) of sub-section (1) of section 2 of the Khyber Pakhtunkhwa Revenue Authority Act, 2022 (Khyber Pakhtunkhwa Act No. XVIII of 2022)].

- (2) The provisions of the 2[Sales Tax on Services 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.
- (3) In situations, covered in sub-section (2), the Authority may, through its authorized officer or officers, take any action or measure in respect of cess, including default surcharge and penalty, in so far as such action or measure relates to-
 - (a) assessment or determination of any non-paid or short-paid amount of payable cess, including default surcharge and penalty through adjudication or otherwise;
 - (b) calling of or collecting information, access to records, accounts and other relevant documents of the persons liable to pay cess;
 - (c) audit and investigation;
 - (d) summoning of persons and recording of statements and evidences;
 - (e) recovery of defaulted amounts and arrears;

- (f) tax fraud deemed as fraud with respect to non-payment or evasion of cess;
- (g) arrest and prosecution; and
- (h) all other allied or ancillary matters.

20. Powers to make regulations.— (1) The Authority may, by notification in the official Gazette, make regulations in respect of the matters relating to the-

- (a) establishment of check posts and cess facilitation and service centers and management and operations thereof;
 - (b) mobile checking squads and management thereof;
 - (c) enforcement and audit;
 - (d) storage or warehousing of detained or seized goods and vehicles;
 - (e) auction of confiscated goods and vehicles including registrations of auctioneers;
 - (f) provisional release of seized vehicles against bank guarantees; and
 - (g) any other allied or ancillary matter.
- (2) The regulations, made under sub-section (1), shall be submitted to the Policy Making Council of the Authority for its information in its very next scheduled meeting.
- (3) The Authority may issue general orders, circulars or instructions, directions or clarifications for the operational purposes of this Act and the rules or regulations issued thereunder, including prescribing standard forms, declarations, statements and other documents necessary for such purposes.

Appendix-I
[see section 3(b) and (c)]
"SCHEDULE-I
[see sections 3 (2) and 4(b)]
PART-A

RESIDENTIAL BUILDINGS INCLUDING RESIDENTIAL APARTMENTS, PENTHOUSES ETC.

S. 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.	Up to 4.9 Marlas (self-occupied only).	Exempted.	Exempted.	Exempted.	Exempted.	Exempted.	Exempted.	Exempted.	Exempted.	Exempted.	Exempted.	Exempted.
2.	Upto 4.9 Marlas other than self-occupied.				2000/-	1800/-	1800/-	1600/-	1600/-	1400/-	1400/-	1200/-
3.	Exceeding 4.9 Marlas but not exceeding 10 Marlas.				3000/-	2500/-	2500/-	2000/-	2000/-	1700/-	2000/-	1500/-
4.	Exceeding 10 Marlas but not exceeding 15 Marlas.				3500/-	3000/-	3000/-	2700/-	3000/-	2500/-	2500/-	2000/-
5.	Exceeding 15 Marlas but not exceeding 18 Marlas.				4700/-	4000/-	4000/-	3500/-	3500/-	3000/-	3000/-	2500/-
6.	Exceeding 18 Marlas but not exceeding 20 Marlas.				16000/-	13500/-	13500/-	10000/-	7000/-	6000/-	6000/-	5000/-
7.	Exceeding 20 Marlas but not exceeding 30 Marlas.				25000/-	18000/-	15000/-	12000/-	10000/-	8000/-	7000/-	5000/-
8.	Exceeding 30 Marlas but not exceeding 40 Marlas.				30000/-	28000/-	25000/-	22000/-	20000/-	18000/-	15000/-	10000/-
9.	Exceeding 40 Marlas.				40000/-	37000/-	35000/-	30000/-	25000/-	20000/-	18000/-	15000/-

Provided that-

- (a) all units, falling under entry at Serial No. 1, are exempted from Urban immovable Property Tax.
- (b) rate of tax for the entries from Serial Nos. 2 to 9 of areas of Provincial Headquarters shall be,-
 - (i) for category "A", Rs. 1000/- per marla;
 - (ii) for category "B", Rs. 800/- per marla; and
 - (iii) for category "C", Rs. 500/- per marla.

Note: Categorization of the area for this Part shall be specified by Government from time to time into categories "A", "B" or "C".

PART-B

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 **Part-A** 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-C

RESIDENTIAL LANDS AND BUILDINGS OWNED OR
ACQUIRED FOR THE USE ON RENT OR LEASE:

Sr. No.	Residential Premises Rented or Leased-out to.	Annual Rate of Tax (Percentage of Actual Rent).
1.	Government Organization.	10 %
2.	Semi Government Organization.	10%
3.	Non-Governmental Organization.	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.	Distribution Businesses.	10%
12.	Properties being occupied by banks which are rented or leased out by autonomous bodies or institutions such as educational institutes, medical institutes and recreational centers.	15%
13.	Guest Houses.	10%
14.	All types of banks and financial institutions.	15%
15.	Lands and buildings other than those exempted under section 4 of this Act, which is owned and occupied by such person, body, institution or organization.	The tax shall be levied on the assessed annual rental value of such lands and buildings on the rates specified in the respective category mentioned above.

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 or any other arrangements then the tax shall be levied on the assessed annual rental value by the assessing authority.*

Appendix-II
 [see section 3(c)]
"SCHEDULE-II
 [see section 3(2) (b)]

PART-A
COMMERCIAL LANDS AND BUILDINGS OWNED OR
ACQUIRED FOR THE USE ON RENT:

Sr. No.	Commercial Premises Rented to.	Annual Rate of Tax (Percentage of Actual Rent).
1.	Government Organization.	10%
2.	Semi Government Organization.	10%
3.	Non- Governmental Organization.	10%
4.	Development Financial Institution.	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 Organization.	10%
11.	Distribution Businesses.	10%
12.	Properties being occupied by banks which are rented by autonomous bodies or institutions such educational institutes, medical institutes and recreational centers.	15%
13.	Guest Houses.	10%
14.	Private Hospitals.	5%
15.	Medical stores and other businesses working in health sector.	5%
16.	Properties being rented to air ticketing agencies and jewelers.	5%
17.	All types of banks and financial institutions	15%
18.	Tenant of leaseholder of Evacuee Trust Properties using the property for commercial and business purposes. The tenants shall be liable to pay the tax and shall not claim the tax from the Evacuee Trust Board.	5%
19.	Lands and buildings other than those exempted under section 4 of this Act, which is owned and occupied by such person, body, institution or organization.	The tax shall be levied on the assessed annual rental value of such lands and buildings on the rates specified in the respective category mentioned above.

Provided that where the actual rent agreement is lower than the prevailing market rent due to the advance amount paid (PAGGRI) middleman or any other arrangements to the

owner or middleman then the tax shall be assessed on the assessed annual rental value by the assessing authority:

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:

- (a) **punishment for concealment of facts.**—Any owner, lessee 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 to one (01) year and with a fine not exceeding the amount of tax payable.

Note: For the purpose of this clause, the relevant provisions of the Criminal Procedure Code, 1898 (Act No. V of 1898) shall *mutatis mutandis* be applicable;

- (b) **imposition of fine.**—Where an owner, found guilty of an offence 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 offence; provided that the total fine shall not exceed the total tax payable; and
- (c) **recovery of the amount of fine, etc. as arrears of land revenue.**—Any fine or other sum, due under this Act, or as determined by the assessing authority, shall be recoverable as arrears of land.

Part-B Other Commercial Properties

Tax for properties, used as shops or for any other commercial activity, not mentioned in any other Part, shall be divided into different locality factors, namely A1, A, B, C and D, depending on locality and area, and shall be assessed and taxed with the following formula:

- (a) the formula for tax calculation shall be-
- (i) plot area in the square yard + (plus)
 - (ii) covered area in square feet x (multiplied by)
 - (iii) locality factor.

Provided that passageways, washrooms and other public utilities shall not be counted while calculating or 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.	Ground	Basement.	1 st floor.	2 nd floor.	3 rd floor.	4 th floor.	5 th floor.	All other floors beyond 5 th floor.
A1.	30.	28.	28.	26.	24.	22.	20.	18.
A.	24.	22.	22.	20.	18.	16.	14.	12.
B.	16.	14.	14.	13.	12.	11.	10.	9.
C.	10.	8.	8.	7.	6.	5.	5.	5.
D.	7.	6.	6.	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-

- (i) covered area in square feet x (multiplied by
- (ii) locality factor.

Part-C

For Educational Institutions (annual tax based on locality):

Sr. No	Category of Educational Institution.	A1 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.500/-per marla. Note-I: All industrial buildings, situated in rating areas, shall be entitled to twenty five percent (25%) rebate on lump sum payment of all arrears accrued till 30 th June, 2025, and fifteen percent (15%) rebate on payment of these arrears in three equal installments: Note-II: The concession under Note-I shall be valid up to 30 th June, 2026.
2.	Grid stations and its offices, switch yards, houses, flats, vacant land and grounds.	Rs. 500 per marla. Note- There shall be a rebate of 25% on lump sum payment and 20% rebate on payment in three equal installments on arrears accrued till 30 th June, 2025. This concession shall be valid up-to 30 th June, 2026.
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 Rs.30,000/- (iii) District Headquarter and respective sub-urban areas Rs. 20,000/-

Note: Categorization of the area for this Part shall be specified by Government from time to time into Categories "A-I", "A", "B", "C" or "D".

Appendix-V
[see section 6]
"TABLE
[see section 7(1)]

1. Sr. No.	2. Description of Tax Payers.	3. Rates of Tax (Per Annum).
1.	(a) all persons engaged in any profession, trade, calling or employment other than those specifically mentioned hereinafter, in the Province of Khyber Pakhtunkhwa, whose monthly income or earning:	
	(vii) upto Rs. 36,000/-	exempted
	(viii) when exceed Rs. 36,000/- but not exceed Rs. 50,000/-	Rs. 1200/-
	(ix) when exceed Rs. 50,000/- but not exceed Rs. 1,00,000/-	Rs.1500/-
	(x) when exceed Rs.1,00,000/- but not exceed Rs. 2,00,000/-	Rs.2000/-
	(xi) when exceed Rs.2,00,000/- but not exceed Rs. 5,00,000/-	Rs.3000/-
	(xii) exceed Rs.5,00,000/-	Rs.5000/-
	(b) Employees of Federal and Provincial Government drawing pay in basic scales:	
	(viii) BS – 01 to 06.	exempted
	(ix) BS – 07 to 12.	Rs. 1000/-
	(x) BS – 13 to 16.	Rs.1200/-
	(xi) BS – 17.	Rs. 1500/-
	(xii) BS – 18.	Rs.1800/-
	(xiii) BS – 19.	Rs. 2000/-
	(xiv) BS – 20 and above.	Rs. 3000/-

2.	<p>All limited companies, Modarbas, Mutual Funds and any other body corporate with paid up capital and reserves in the preceding year whichever is more:</p> <p>(f) when not exceeding Rs. 10 million.</p> <p>(g) when exceeding Rs. 10 million but not exceeding 25 million.</p> <p>(h) when exceeding Rs. 25 million but not exceeding 50 million.</p> <p>(i) when exceeding Rs. 50 million but not exceeding 100 million.</p> <p>(j) when exceeding Rs. 100 million.</p> <p>Explanation: The paid-up capital in case of foreign bank shall be the minimum paid up capital as determined by the State Bank of Pakistan.</p>	<p>Rs. 30,000/-</p> <p>Rs. 50,000/-</p> <p>Rs. 60,000/-</p> <p>Rs. 90,000/-</p> <p>Rs. 1,00,000/-</p>
3.	<p>Persons other than companies owing factories, commercial establishment, private education institutions and private hospitals having the following commercial establishments:</p> <p>(m) any commercial establishment, factories having ten or more employees which have not been otherwise explicitly given in this table.</p> <p>(n) private clinic and hospitals having up to 10 employees.</p> <p>(o) private hospitals having employees more than 10 but not more than 50.</p> <p>(p) private hospitals having more than 50 employees.</p> <p>(q) private medical colleges.</p> <p>(r) private engineering institutes having Degree Programs.</p> <p>(s) private business education institutes:</p> <p>(i) having up to 100 students; and</p> <p>(ii) exceeding 100 students:</p> <p>(t) private law colleges.</p>	<p>Rs. 20,000/-</p> <p>Rs. 20,000/-</p> <p>Rs. 80,000/-</p> <p>Rs. 1,00,000/-</p> <p>Rs. 1,00,000/-</p> <p>Rs. 1,00,000/-</p> <p>Rs. 80,000/-</p> <p>Rs. 100,000/-</p> <p>Rs. 100,000/-</p>

	(u) private education institutions including professional and technical institutions other than specified in clauses (e), (f), (g) and (h), charging monthly fee not exceeding Rs.1000/- per student.	Rs. 8,000/-
	(v) private education institutions including professional and technical institutions other than specified in clauses (e), (f), (g) and (h), charging monthly fee exceeding Rs.1000/- but not exceeding Rs. 2000/- per student.	Rs. 12,000/-
	(w) private educational institutions including professional and technical institutions other than specified in clauses (e), (f), (g) and (h), charging monthly fee exceeding Rs.2000/- but not exceeding Rs. 5000/- per student.	Rs. 25,000/-
	(x) private educational institutions including professional and technical institutions other than specified in clauses (e), (f), (g) and (h), charging monthly fee exceeding Rs. 5000/- per student.	Rs. 100,000/-
4.	<p>4. Holders of import or export license, assessed to income tax in the preceding year with annual turnover:</p> <p>(a) when not exceeding Rs. 50,000/-</p> <p>(b) when exceeding Rs. 50,000/-</p>	<p>Rs. 5,000/-</p> <p>Rs. 7,000/-</p>
5.	Clearing agents licensed or approved as Custom House agents.	Rs. 12,000/-
6.	<p>6. Travel agents:</p> <p>(e) IATA travel agents approved.</p> <p>(f) Non – IATA approved.</p> <p>(g) Hajj, Umra and tour operators.</p> <p>(h) Overseas educational/manpower promoters and consultants.</p>	<p>Rs. 30,000/-</p> <p>Rs. 15,000/-</p> <p>Rs. 30,000/-</p> <p>Rs.20,000/-</p>
7.	Restaurants/guest houses liable to sales tax.	Rs. 40,000/-
8.	Professional caterers.	Rs. 40,000/-
9.	Wedding halls /lawns (irrespective of their nomenclature).	Rs. 70,000/-
10.	Advertising agencies.	Rs. 30,000/-

11.	<p>Doctors:</p> <p>(h) specialists practicing at Peshawar.</p> <p>(i) specialists practicing at divisional headquarters.</p> <p>(j) specialists practicing at district headquarters.</p> <p>(k) specialists practicing at places other than in clause (a), (b) and (c) above.</p> <p>(l) Non-specialists including medical practitioners.</p> <p>(m) Hakeem's, Homeopathic, medical and dental technicians.</p> <p>(n) Dentist:</p> <p>Note- There shall be a rebate of 25% on lump sum payment and 20% rebate on payment in three equal instalments on arrears accrued till 30th June, 2025. This concession shall be valid up-to 30th June, 2026.</p>	<p>Rs. 40,000/-</p> <p>Rs. 35,000/-</p> <p>Rs. 30,000/-</p> <p>Rs. 25,000/-</p> <p>Rs. 20,000/-</p> <p>Rs. 10,000/-</p> <p>Rs. 20,000/-</p>
12.	<p>"Diagnostics and therapeutic centers" including pathological and chemical laboratories:</p> <p>(c) located at divisional headquarters.</p> <p>(d) located at other places.</p>	<p>Rs. 25,000/-</p> <p>Rs. 8000/-</p>
13.	<p>Contractors, suppliers and consultants who during the preceding financial year supply to the Federal or any Provincial Government or any local authority in the district, goods, commodities or rendered services of the value:</p> <p>(h) when exceeding Rs. 10000/- but not exceeding Rs. 0.5 million.</p> <p>(i) when exceeding Rs. 0.5 million but not exceeding Rs. 01 million.</p> <p>(j) when exceeding one million but not exceeding Rs. 2.5 million.</p> <p>(k) when exceeding Rs. 2.5 million but not exceeding Rs. 10 million.</p> <p>(l) when exceeding Rs. 10 million but not exceeding Rs. 25 million.</p>	<p>Rs. 10,000/-</p> <p>Rs. 15,000/-</p> <p>Rs. 20,000/-</p> <p>Rs. 40,000/-</p> <p>Rs. 50,000/-</p> <p>Rs. 70,000/-</p>

	(m) when exceeding Rs. 25 million but not exceeding Rs. 50 million.	Rs.1,00,000/-
	(n) when exceeding Rs. 50 million and above.	
14.	Petrol / Diesel / CNG filling stations.	Rs. 30,000/-
15.	All establishments, including video shops, real estate shops/ agencies, car dealers and net cafes assessed or not assessed to income tax in the preceding financial year.	Rs. 10,000/-
16.	Chartered Accountants with an independent audit practice and excluding those who are employed in companies not owned by them.	Rs. 20,000/-
17.	Vehicle service stations.	Rs. 10,000/-
18.	Transporters/transport companies:	
	(c) within the limits of Provincial headquarters.	Rs. 10,000/-
	(d) other than Provincial headquarters.	Rs. 5,000/-
19.	Members of Stock Exchange.	Rs. 50,000/-
20.	Money Changers:	
	(c) within Provincial headquarter limit.	Rs. 50,000/-
	(d) other than Provincial headquarters.	Rs. 25,000/-
21.	Health fitness centers/gymnasium:	
	(c) within Provincial headquarter limit.	Rs. 10,000/-
	(d) other than Provincial headquarters.	Rs. 5,000/-
22.	Jewelers:	
	(c) Provincial headquarter limit.	Rs. 30,000/-
	(d) other than Provincial headquarters.	Rs.20,000/-
23.	Departmental Stores.	Rs. 40,000/-
24.	Electronics goods stores.	Rs. 20,000/-
25.	Cable operator.	Rs. 10,000/-
26.	Printing presses.	Rs. 10,000/-
27.	Pesticide dealers.	Rs. 6,000/-
28.	Tobacco dealers and exporters.	Rs. 25,000/-
29.	Whole sales dealers/distributers /agency holders.	Rs.30,000/-
30.	Chemist /druggist /medical stores.	Rs. 15000/-
31.	Tailor shop:	
	(c) shahwar gameez.	Rs.5000/-
	(d) shahwar gameez + waistcoat + pant shirt.	Rs. 15000/-

32.	Flour mills.	Rs.30,000/-
33.	Bricks, shuttering, sand depot and building material suppliers.	Rs.20,000/-
34.	Furniture showroom/ shops etc: (a) furniture showroom / shops / karkhana upto 10 employees. (b) furniture showroom/shops/karkhana having more than 10 employees.	Rs.15,000/- Rs.30,000/-
35.	Honey shops, whole sellers, exporters and distributors.	Rs.10,000/-
36.	Beauty parlor.	Rs.15,000/-
37.	Aesthetic clinics.	Rs. 40,000/-*