

PROPOSED TAX CARD Tax Year 2008

<u>TAX RATES FOR IND. OTHER THAN SALARIED PERSON & AOP</u>				<u>TAX RATES FOR SALARIED CLASS</u>				<u>RATES FOR DEDUCTION OF TAX AT SOURCE</u>	
<u>Income group</u>		<u>Tax Rate</u>		<u>Income group</u>		<u>Tax Rate</u>		<u>Particulars</u>	<u>Rate</u>
Up to		Rs. 100,000	0%	Up to Rs. 150,000		0%		- Other dividend income	10%
Rs. 100,001 to	Rs. 110,000	0.5%		Rs. 150,001 to	Rs. 200,000	0.25%		- Raffle lottery or crossword puzzle, Sales promotion schemes	20%
Rs. 110,001 to	Rs. 125,000	1.0%		Rs. 200,001 to	Rs. 250,000	0.50%		- Yield on a National Saving Deposit Certificate, including a Defence Saving Certificate, under the National Saving Scheme.	
Rs. 125,001 to	Rs. 150,000	2.0%		Rs. 250,001 to	Rs. 300,000	0.75%		- Interest on an account or deposits with banks / financial institutions	10%
Rs. 150,001 to	Rs. 175,000	3.0%		Rs. 300,001 to	Rs. 350,000	1.50%		- Profit on any security issued by the Federal Government, a Provincial Government or a local authority to any person other than a financial institution.	10%
Rs. 175,001 to	Rs. 200,000	4.0%		Rs. 350,001 to	Rs. 400,000	2.50%		- Profit on any bond, certificate, debenture, security or instrument of any kind (not a loan agreement between a borrower and a banking company or a development finance institution) by a banking company, financial institution, finance society or a company as defined in the 2001 Ordinance, other than to a financial institution.	20%
Rs. 200,001 to	Rs. 300,000	5.0%		Rs. 400,001 to	Rs. 500,000	3.50%		- Rent	5%
Rs. 300,001 to	Rs. 400,000	7.5%		Rs. 500,001 to	Rs. 600,000	4.50%		- Brokerage & Commission	10%
Rs. 400,001 to	Rs. 500,000	10.0%		Rs. 600,001 to	Rs. 700,000	6.00%		- On Export of Raw Cotton and Cotton Yarn	1.0%
Rs. 500,001 to	Rs. 600,000	12.5%		Rs. 700,001 to	Rs. 850,000	7.50%		- Brokerage & Commission-for Travel and Insurance Agents	10%
Rs. 600,001 to	Rs. 800,000	15.0%		Rs. 850,001 to	Rs. 950,000	9.00%		- On Contracts of all types	6%
Rs. 800,001 to	Rs. 1,000,000	17.5%		Rs. 950,001 to	Rs. 1,050,000	10.00%		- Telephone Bills/Prepaid payphone Cards	10%
Rs. 1,000,001 to	Rs. 1,300,000	21.0%		Rs. 1,050,001 to	Rs. 1,200,000	11.00%		- Cash withdrawal from Bank	0.2%
Rs. 1,300,001		25.0%		Rs. 1,200,001 to	Rs. 1,500,000	12.50%		- Supply of Rice, Cotton and Cotton seed	1.5%
				Rs. 1,500,001 to	Rs. 1,700,000	14.0%		- Edible oils	1%
				Rs. 1,700,001 to	Rs. 2,000,000	15.0%		- Other supplies	3.5%
				Rs. 2,000,001 to	Rs. 3,150,000	16.0%		- Imports other than following	5%
				Rs. 3,150,001 to	Rs. 3,700,000	17.5%		- Tractors	2%
				Rs. 3,700,001 to	Rs. 4,450,000	18.5%		- DAP Phosphate	2%
				Rs. 4,450,001 to above	8,400,000	19.0%		- Plant and Machinery	0%
				Rs. 8,400,001 to above		20%		- On gas consumption charges of CNG Stations	6%
								- On purchase of motorcars	5%
								- Services rendered:	
								- Transport Services	2%
								- Other Services	6%
								- Import of edible oils	2%
								- Payments to non-residents for execution of:	
								- Turnkey Contract	6%
								- Contract, Sub-Contract for the design, Construction or supply of plant & equipment:	
								- Under a hydel power project or a transmission line project	6%
								- Under any other power project	6%
								- Any other contract:	6%
								- Advertisement by the Private TV Channels	6%
								- Petroleum Products	10%
								- Royalties / Fee for technical services	15%
								- On payment other than salary, dividend, supplies, services, execution of contracts, property, prize money, winning from raffles, lottery or cross word puzzles.	30%
								Other rates	
								- On Sale and purchase of shares	0.01%

TAX RATES FOR SMALL COMPANIES

The tax rate for Small Companies is 20% of the taxable income.

COMPANIES

	<u>TAX YEAR</u>	
	2007	2008
Rate of tax for all kinds of companies	35%	35%

OR

Minimum tax under section 113 @0.5% of the turnover whichever is higher

RATE OF TAX ON SHIPPING OR AIR TRANSPORT

The rate of tax imposed under section 7 shall be:

- In the case of shipping 8% of the gross amount received or receivable;
- In the case of air transport 3% of the gross amount received or receivable;

RATES OF APPEAL FEE

<u>Stage</u>	<u>Appeal Fee</u>
Commissioner (Appeals) /Addl. Commissioner	<ul style="list-style-type: none"> - Rs. 1,000 or 10% of tax levied whichever is less - Where no tax is payable <ul style="list-style-type: none"> - Rs. 1,000/- for companies - Rs. 200/- for other cases
Income Tax Appellate Tribunal.	<ul style="list-style-type: none"> - Rs. 2,500/- or 10% of the tax levied whichever is less. - Where no tax is levied Rs. 2,000/- for Companies and Rs. 500/- for others