

TAX RATES FOR THE TAX YEAR 2019

TAX RATES FOR BUSINESS INDIVIDUALS*

1.	Upto Rs.400,000	0%
2.	Rs.400,001 to Rs.800,000	Rs. 1,000
3.	Rs.800,001 to Rs.1,200,000	Rs. 2,000
4.	Rs.1,200,001 to Rs.2,400,000	5% of the amount exceeding Rs.1,200,000
5.	Rs.2,400,001 to Rs.3,000,000	Rs.60,000 + 15% of the amount exceeding Rs.2,400,000
6.	Rs.3,000,001 to Rs.4,000,000	Rs.150,000 + 20% of the amount exceeding Rs.3,000,000
7.	Rs.4,000,001 to Rs.5,000,000	Rs.350,000 + 25% of the amount exceeding Rs.4,000,000
8.	Exceeding Rs.5,000,000	Rs.600,000 + 29% of the amount exceeding Rs.5,000,000

TAX RATES FOR SALARIED INDIVIDUALS*

1.	Upto Rs.400,000	0%
2.	Rs.400,001 to Rs.800,000	Rs. 1,000
3.	Rs.800,001 to Rs.1,200,000	Rs. 2,000
4.	Rs.1,200,001 to Rs.2,500,000	5% of the amount exceeding Rs.1,200,000
5.	Rs.2,500,001 to Rs.4,000,000	Rs.65,000 + 15% of the amount exceeding Rs.2,500,000
6.	Rs.4,000,001 to Rs.8,000,000	Rs.290,000 + 20% of the amount exceeding Rs.4,000,000
7.	Exceeding Rs.8,000,000	Rs.1,090,000 + 25% of the amount exceeding Rs.8,000,000

Note: 40% Reduction in Tax for full time Teacher.

Note: Salary rate applicable where salary income exceeds 50% of total taxable income.

TAX RATES FOR ASSOCIATIONS OF PERSONS

1.	Upto Rs.400,000	0%
2.	Rs.400,001 to Rs.1,200,000	5%
3.	Rs.1,200,001 to Rs.2,400,000	Rs.40,000 + 10% of the amount exceeding Rs.1,200,000
4.	Rs.2,400,001 to Rs.3,600,000	Rs.160,000 + 15% of the amount exceeding Rs.2,400,000
5.	Rs.3,600,001 to Rs.4,800,000	Rs.340,000 + 20% of the amount exceeding Rs.3,600,000
6.	Rs.4,800,001 to Rs.6,000,000	Rs.580,000 + 25% of the amount exceeding Rs.4,800,000
7.	Exceeding Rs.6,000,001	Rs.880,000 + 30% of the amount exceeding Rs.6,000,000

TAX RATES OF COMPANIES

Banking Company	35%
Public & Private Company	29%
Small Company	24%

DEDUCTION ON INCOME FROM PROPERTY U/S 155 FOR IND. & AOP

Upto Rs.200,000	NIL
Rs.200,001 to Rs.600,000	5.0% of the gross amount Exceeding Rs.200,000
Rs.600,001 to Rs.1,000,000	Rs.20,000 + 10.0% of the gross amount Exceeding Rs.600,000
Rs.1,000,001 to Rs.2,000,000	Rs.60,000 + 15.0% of the gross amount Exceeding Rs.1,000,000
Exceeding Rs.2,000,000	Rs.210,000 + 20.0% of the gross amount Exceeding Rs.2,000,000

DEDUCTION ON INCOME FROM PROPERTY U/S 155 FOR COMPANIES

The rate of tax to be deducted shall be 15% of gross amount of rent for filers and 17.5% for non-filers.

CAPITAL GAIN ON DISPOSAL OF IMMOVABLE PROPERTY

Irrespective of Holding Period allotment covered u/s 236C(4)	0.0%
Holding period is upto one year acquired on or after 01-07-2016	10.0%
Holding period is upto two years acquired on or after 01-07-2016	7.5%
Holding period is upto three years acquired on or after 01-07-2016	5.0%
Holding period is more than three years acquired on or after 01-07-2016	0.0%
Holding period is upto three years, if acquired before 01-07-2016	5.0%
Holding period is more than three years, if acquired before 01-07-2016	0.0%

* Finance Supplementary (Amendment) Act, 2018 Dated 08-10-2018

** Finance Supplementary (Second Amendment) Act, 2019 Dated 10-03-2019

With compliments from

Asif Iqbal

Enrolled as an Advocate on 13th March 2015 later on as an Advocate High Court on 30th March, 2017. Appointed as Vice Chairman Tax & Corporate Law Performs Committee Lahore Year 2020-2021. Appointed as Senior Vice President Lahore Bar Association Of Tax & Corporate Committee Year 2020. Appointed as Chairman Of Tax Law Reforms Committee by Lahore Bar Association Year 2022. Appointed as Chairman of Tax Committee by Lahore Tax Bar Association Year 2022.

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MINIMUM TAX

Nature of Payment	Section	Filer	Non-Filer
Individuals & AOPs [having annual turnover Rs.10 Million or more] and Companies (Except otherwise specified)	113	1.25% of Turnover	
Oil Marketing Companies, Refineries, SSGCL, SNGPL, PIA, Dealer or Distributors of Fertilizers & Poultry Industry	113	0.50% of Turnover	
Distributors of Pharma, Fast Moving Consumer goods, Cigarettes, Petroleum Agent, Rice Mills & Flour Mills	113	0.20% of Turnover	
Motorcycles Dealers	113	0.25% of Turnover	
Commercial Importer (Clause (a) omitted on 10.03.2019)	148(8)**	5.0%	5.0%
Imports of edible oil & packing material by Companies or Industrial Undertaking	148(8)	5.5%	8.0%
Imports of edible oil & packing material (Others)	148(8)	6.0%	9.0%
Imports of Plastic Raw Material by Ind. Undertaking for own	148(8)	1.75%	8.0%
Imports Commercial of Plastic Raw Material	148(8)	4.5%	9.0%
Imports Commercial covered under SRO.1125(I)/2011	148(8)	3.0%	4.5%
Services (Companies)	153(1)(b)	8.0%	14.5%
Services (Other than Companies)	153(1)(b)	10.0%	17.5%
Transport Services	153(1)(b)	2.0%	2.0%
Services provided to Textile, Carpets, Leather, Surgical & Sports goods	153(1)(b)	1.0%	1.0%
Electronics & Print Media advertising Services (Companies)	153(1)(b)	1.5%	12.0%
Electronics & Print Media advertising Services (Others)	153(1)(b)	1.5%	15.0%
Electricity Bill For Ind. and AOP, upto higher of Tax calculated in formula is minimum and above tax is adjustable.	235(4)(a)	Upto Bill Rs.360,000 P.A Upto Bill Rs.30,000 P.M	

FINAL DISCHARGE OF TAX

Nature of Payment	Section	Filer	Non-Filer
Imports of Remeltable Steel, Potassic Fertilizer, Urea, LNG, Cotton, Gold & Manufacturers under SRO.1125(I)/2011	148	1.0%	1.5%
Persons importing Coal	148	4.0%	6.0%
Imports by Companies & Industrial Undertakings	148	5.5%	8.0%
Imports of raw material, plant, machinery, equipment and parts by Ind. Undertaking or import by large import house are adjustable			
Imports (Other than above)	148	6.0%	9.0%
Purchase of locally produced edible oil by manufacturer of cooking oil or vegetable ghee or both	148A	2.0%	2.0%
Dividend	150	7.5% to 25.0%	
Profit on debt upto Rs.500,000 (Other than Companies)	151	10.0%	10.0%
Profit on debt exceeding Rs.500,000 (Other than Companies)	151	10.0%	17.5%
Contracts by non-residents	152(1A)	7.0%	13.0%
Sale of Goods (Companies)	153(1)(a)	4.0%	8.0%
Sale of Goods (Other than Companies)	153(1)(a)	4.5%	9.0%
Sale of Rice, Cotton Seed Oil & Edible Oils	153(1)(a)	1.5%	1.5%
Sale by Distributor of Fast Moving Consumer Goods (Companies)	153(1)(a)	2.0%	2.0%
Sale by Distributor of Fast Moving Consumer Goods (Others)	153(1)(a)	2.5%	2.5%
Local Sales & Supplies provided to Textile, Carpets, Leather, Surgical & Sports goods, Cigarettes and Pharma	153(1)(a)	1.0%	1.0%
Contracts (Companies)	153(1)(c)	7.0%	14.0%
Contracts (Other than Companies)	153(1)(c)	7.5%	15.0%
Contracts (Sportspersons)	153(1)(c)	10.0%	10.0%
Services of Stitching, Dyeing, Printing, Embroidery, Washing, Sizing & Weaving to Exporters	153(2)	1.0%	1.0%
Exports	154	1.0%	1.0%
Prize Bond (Winings from raffle, lottery, quiz @ 20% u/s 156(2))	156(1)	15.0%	25.0%
Commission on Petroleum Products	156A	12.0%	17.5%
Advertising Commission	233(1)	10.0%	15.0%
Life Insurance Agent Commission upto Rs.500,000	233(1)	8.0%	16.0%
Brokerage & Commission (Other than above)	233(1)	12.0%	15.0%
CNG Stations on Gas bills	234A	4.0%	6.0%

TRANSITIONAL ADVANCE TAX - Division II Part IV of First Schedule

Nature of Payment	Section	Filer	Non-Filer	
Cash withdrawal from bank	231AA	231A**	-	0.6%
Sale by auction	236A	236A	10%	15%
Sale or transfer of Immovable property	236C	236C	1%	2%
Functions and gatherings Minimum Rs.20,000 or Rs.10,000 city wise & 5% of bill whichever is higher...	236D**	236D**	5%	5%
Sale to distributors, dealers or wholesalers - Fertilizer	236G	236G	0.7%	1.4%
Sale to distributors, dealers or wholesalers - Other	236G	236G	0.1%	0.2%
Sale to retailers - Electronics	236H	236H	1%	1%
Sale to retailers - Others	236H	236H	0.5%	1%
On dealers, commission agents and arhatis, etc	236J	236J		
Group or Class A	Rs.10,000	Group or Class B	Rs.7,500	
Group or Class C	Rs.5,000	Any other category	Rs.5,000	
Purchase of immovable property upto Rs. 4(M)	236K	236K	0%	1%
Purchase of immovable property exceeding Rs. 4(M)	236K	236K	2%	4%
Banking transaction otherwise than through cash	236P*	236P*	-	0.6%
Payment to resident for right to use machinery and equip	236Q	236Q	10%	10%

** Section 236D - or maximum Function area < 500 sq. yards @ 5% of bill or Rs.5,000 whichever is higher.

* A word of caution: Due care and caution has been taken to print this paper and if any error, mistake or mission is found to have crept in, the information would be gladly accepted and efforts would be made to remove the same in next time. For further detail please consult the relevant Law.

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