

# TAX RATES FOR THE TAX YEAR 2020

## TAX RATES FOR AOP & BUSINESS INDIVIDUALS

1.	Upto Rs.400,000	0%
2.	Rs.400,001 to Rs.600,000	5% of the amount exceeding Rs.400,000
3.	Rs.600,001 to Rs.1,200,000	Rs.10,000 + 10% of the amount exceeding Rs.600,000
4.	Rs.1,200,001 to Rs.2,400,000	Rs.70,000 + 15% of the amount exceeding Rs.1,200,000
5.	Rs.2,400,001 to Rs.3,000,000	Rs.250,000 + 20% of the amount exceeding Rs.2,400,000
6.	Rs.3,000,001 to Rs.4,000,000	Rs.370,000 + 25% of the amount exceeding Rs.3,000,000
7.	Rs.4,000,001 to Rs.6,000,000	Rs.620,000 + 30% of the amount exceeding Rs.4,000,000
8.	Exceeding Rs.6,000,000	Rs.1,200,000 + 35% of the amount exceeding Rs.6,000,000

## TAX RATES FOR SALARIED INDIVIDUALS

1.	Upto Rs.600,000	0%
2.	Rs.600,001 to Rs.1,200,000	5% of the amount exceeding Rs.600,000
3.	Rs.1,200,001 to Rs.1,800,000	Rs.30,000 + 10% of the amount exceeding Rs.1,200,000
4.	Rs.1,800,001 to Rs.2,500,000	Rs.90,000 + 15% of the amount exceeding Rs.1,800,000
5.	Rs.2,500,001 to Rs.3,500,000	Rs.195,000 + 17.5% of the amount exceeding Rs.2,500,000
6.	Rs.3,500,001 to Rs.5,000,000	Rs.370,000 + 20% of the amount exceeding Rs.3,500,000
7.	Rs.5,000,001 to Rs.8,000,000	Rs.670,000 + 22.5% of the amount exceeding Rs.5,000,000
8.	Rs.8,000,001 to Rs.12,000,000	Rs.1,345,000 + 25% of the amount exceeding Rs.8,000,000
9.	Rs.12,000,001 to Rs.30,000,000	Rs.2,345,000 + 27.5% of the amount exceeding Rs.12,000,000
10.	Rs.30,000,001 to Rs.50,000,000	Rs.7,295,000 + 30% of the amount exceeding Rs.30,000,000
11.	Rs.50,000,001 to Rs.75,000,000	Rs.13,295,000 + 32.5% of the amount exceeding Rs.50,000,000
12.	Exceeding Rs.75,000,000	Rs.21,420,000 + 35% of the amount exceeding Rs.75,000,000

\* 25% Reduction in Tax for full time Teacher except practising doctors.

\* Salary rate applicable where salary income exceeds 75% of total taxable income.

## TAX RATES OF COMPANIES

Banking Company	35%
Public & Private Company	29%
Small Company	23%

## 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
Rs.2,000,001 to Rs.4,000,000	Rs.210,000 + 20.0% of the gross amount Exceeding Rs.2,000,000
Rs.4,000,001 to Rs.6,000,000	Rs.610,000 + 25.0% of the gross amount Exceeding Rs.4,000,000
Rs.6,000,001 to Rs.8,000,000	Rs.1,110,000 + 30.0% of the gross amount Exceeding Rs.6,000,000
Exceeding Rs.8,000,000	Rs.1,710,000 + 35.0% of the gross amount Exceeding Rs.8,000,000

## 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.

## CAPITAL GAIN ON DISPOSAL OF IMMOVABLE PROPERTY

Where the gain does not exceed Rs.5 million	5%
Where the gain exceeds Rs.5 million but does not exceed Rs. 10 million	10%
Where the gain exceeds Rs.10 million but does not exceed Rs. 15 million	15%
Where the gain exceed Rs.15 million	20%

## RATE FOR PROFIT ON DEBT - SECTION 7B

Where profit on debt does not exceed Rs.5,000,000	15%
Where profit on debt exceeds Rs.5,000,000 but not exceed Rs.25,000,000	17.5%
Where profit on debt exceeds Rs.25,000,000 but does not exceed Rs.36,000,000	15%

## FINAL DISCHARGE OF TAX

Nature of Payment	Section	Rate (ATL)
Purchase of locally produced edible oil by manufacturer of cooking oil or vegetable ghee or both	148A	2.0%
Dividend u/s 236S	150	7.5% to 15.0%
Exports	154	1.0%
Prize Bond (Winning from raffle, lottery, quiz @ 20% u/s 156(2))	156(1)	15.0%
Commission on Petroleum Products	156A	12.0%

## ADJUSTABLE TAX

Nature of Payment	Section	Rate (ATL)
Royalty to Resident Persons	153(B)	15.0%

\* 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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## MINIMUM TAX

Nature of Payment	Section	Rate (ATL)
Individuals & AOPs [having annual turnover Rs.10 Million or more] and Companies (Except otherwise specified)	113	1.50% of Turnover
Oil Marketing Companies, Refineries, SSGCL, SNGPL, PIA, Dealer or Distributors of Fertilizers & Poultry Industry	113	0.75% of Turnover
Distributors of Pharma, Fast Moving Consumer goods, Cigarettes, Petroleum Agent, Rice Mills & Flour Mills & dealers of sugar, cement, edible oil (if ATL in ST & IT)	113	0.25% of Turnover
Motorcycles Dealers	113	0.30% of Turnover
Imports of Remeltable Steel, Potassic Fertilizer, Urea, LNG, Cotton, Gold & Manufacturers under SRO.1125(I)/2011	148	1.0%
Persons importing Coal & finished Pharma Products	148	4.0%
All Other Imports including edible oil & packing material by Companies & Industrial Undertakings u/s 148(8)	148	5.5%
Imports of raw material, plant, machinery, equipment & parts by Ind. Undertaking or by large import house are adjustable.148(7)	148	6.0%
All Other Imports including edible oil & Packing material	148(8)	1.75%
Imports of Plastic Raw Material by Ind. Undertaking for own	148(8)	4.5%
Imports Commercial of Plastic Raw Material	148(8)	3.0%
Imports Commercial covered under SRO.1125(I)/2011	151	10.0%
Profit on debt upto Rs.500,000 (not minimum in case u/s	151	15.0%
Profit on debt exceeding Rs.500,000 (7B or Company)	152(1A)	7.0%
Contracts by non-residents	153(1)(a)	4.0%
Sale of Goods (Companies)	153(1)(a)	4.5%
Sale of Goods (Other than Companies)	153(1)(a)	1.5%
Sale of Rice, Cotton Seed Oil & Edible Oils	153(1)(a)	2.0%
Sale by Distributor of Fast Moving Consumer Goods (Companies)	153(1)(a)	2.5%
Sale by Distributor of Fast Moving Consumer Goods (Others)	153(1)(a)	0.25%
Sale by dealers, sub-dealers of sugar, cement and edible oil	153(1)(b)	8.0%
Services (Companies)	153(1)(b)	10.0%
Services (Other than Companies)	153(1)(b)	3.0%
Transport Services, freight, air cargo, courier, hotel, security guards, manpower outsourcing, car rental, advertising excluding electronic & print media, software development, IT, tracking, building maintenance & allied.	153(1)(b)	1.5%
Electronics & Print Media advertising Services	153(1)(c)	7.0%
Contracts (Companies)	153(1)(c)	7.5%
Contracts (Other than Companies)	153(1)(c)	10.0%
Contracts (Sportspersons)	153(2)	1.0%
Services of Stitching, Dyeing, Printing, Embroidery, Washing, Sizing & Weaving to Exporters	233(1)	10.0%
Advertising Commission	233(1)	8.0%
Life Insurance Agent Commission upto Rs.500,000	233(1)	12.0%
Brokerage & Commission (Other than above)	234A	4.0%
CNG Stations on Gas bills	235(4)(a)	
Electricity Bill		

For Ind. and AOP, upto higher of Tax calculated in formula is minimum and above tax is adjustable. Upto Bill Rs.360,000 P.A Upto Bill Rs.30,000 P.M

\* Tax deducted u/s 153(1)(a) not be minimum in case of manufacturing or listed company.

\* Tax deducted u/s 153(1)(c) is adjustable in case of listed company.

## TRANSITIONAL ADVANCE TAX - Division II Part IV of First Schedule

Nature of Payment	Section	Rate (ATL)
Cash withdrawal from bank	231AA	231A 0.6% Not in ATL
Sale by auction (right to collect tolls shall be final tax)	236A	10%
Sale or transfer of Immovable property (same year minimum)	236C	1%
Functions and gatherings	236D	5%
Minimum Rs.20,000 or Rs.10,000 city wise & 5% of bill whichever is higher..	236G	0.7%
Sale to distributors, dealers or wholesalers - Fertilizer	236G	0.1%
Sale to distributors, dealers or wholesalers - Other	236H	1%
Sale to retailers - Electronics	236H	0.5%
Sale to retailers - Others	236J	
On dealers, commission agents and arhatis, etc		
Group or Class A	Rs.100,000	Group or Class B Rs.75,000
Group or Class C	Rs.50,000	Any other category Rs.50,000
Purchase of immovable property	236K	1%
Banking transaction otherwise than through cash	236P	0.6% Not in ATL
Payment to resident for right to use machinery and equip	236Q	10%

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

## PUNJAB AGRICULTURAL INCOME TAX ACT, 1997 New

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.4,800,000	Rs.60,000 + 10% of the amount exceeding Rs.2,400,000
6.	Exceeding Rs.4,800,000	Rs.300,000 + 15% of the amount exceeding Rs.4,800,000