

<b>SALES TAX Act, 1990</b>													
Section 11(2)	Officer of Inland Revenue shall, after a notice to show cause to such person, make an order for assessment of tax actually payable by that person or ...												
Section 11(3)	Where by reason of some collusion or a deliberate act, the amount of refund erroneously made shall be served with a notice requiring him to show cause for payment of the amount specified in the notice.												
Section 11(4)	Where by reason of any inadvertence, error or misconstruction, the amount of refund erroneously made shall be served with a notice requiring him to show cause for payment of the amount												
Section 11(5)	Order under this section further extended reduced to 90days instead of 120days.												
Section 11(6)	Relevant date means - a). the time of payment of tax or charge as provided u/s 6 and b). in a case where tax or charge has been erroneously refunded, the date of its refund.												
Fifth Schedule	Supplies against international tenders removed from zero rate categories.												
Sixth Schedule Table- I	Heading no's of the First Schedule to the customs Act, 1990, following S.No will be substitute. <table border="1"> <thead> <tr> <th>S.No</th><th>Description</th></tr> </thead> <tbody> <tr> <td>1</td><td>Live Animals and live poultry</td></tr> <tr> <td>11</td><td>Eggs including eggs for hatching</td></tr> <tr> <td>15</td><td>Edible fruits excluding imported fruits (except fruits imported from Afghanistan) whether fresh, frozen or otherwise preserved but excluding those bottled or canned</td></tr> <tr> <td>16</td><td>Red chillies excluding those sold in retail packing bearing brand names and trademarks</td></tr> <tr> <td>31</td><td>Holy Quran, complete or in parts, with or without translation; Quranic Verses recorded on any analogue or digital media; other Holy books.</td></tr> </tbody> </table>	S.No	Description	1	Live Animals and live poultry	11	Eggs including eggs for hatching	15	Edible fruits excluding imported fruits (except fruits imported from Afghanistan) whether fresh, frozen or otherwise preserved but excluding those bottled or canned	16	Red chillies excluding those sold in retail packing bearing brand names and trademarks	31	Holy Quran, complete or in parts, with or without translation; Quranic Verses recorded on any analogue or digital media; other Holy books.
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Sixth Schedule Table- II	S.No 2 - Cotton seeds removed from local supplies list. S.No 12- Supplies against international tender removed from local supplies list.												
<b>Sales Tax Rules 2006</b>													
Rule 5 (1) (C)	FBR transfer the registration of any registered person or any business of a registered person to an area of jurisdiction where the place of business or registered office or manufacturing units is located.												
Rule 7 (4)	The change of nature of business (e.g. from individual to AOP or corporate person) shall be allowed as under this rule.												
Rule 12	Black listing and suspension of registration. Sub-rule 1 to 5 substitutes. Commissioner or Board follows the procedure prescribed by the Board.												
Rule 46	Chapter VII - Zero rating of supplies against International Tender for Afghan Refugees procedure and conditions for making zero-rated supplies re-define.												
Rule 58	Persons authorized by a taxpayer to represent him or appear on his behalf before the Board also.												
Rule 62	Power to disqualify any complaint receipt against any authorized representative for misconduct from any officer of the Board.												

<b>Sales Tax SRO's</b>	
<b>SRO 589(1) 2012</b>	
Rule 5(1)(c)	FBR may transfer the registration of any registered person or any business of a registered person to an area of jurisdiction where the place of business or registered office or manufacturing units is located
Rule 7(4)	The change of nature of business (e.g., from Individual to AOP or Corporate person) define in this rule.
Rule 12	Black listing and suspension of registration sub-section 1,2,3,4 & 5 of section 12 substitute. i.e., Where the Commissioner or Board has reasons to believe that the registered person is to be suspended or blacklisted, the procedure as prescribed by the Board shall be followed.
Rule 50A	The provision of this Chapter shall apply to supply of locally produced taxable goods by sales tax registered persons against international tender contracts awarded by the Federal and Provincial departments, local governments, autonomous and semi-autonomous bodies and public sector organizations.
Rule 50B	Procedure and conditions for making exempt supplies.
Rule 50C	Any future supply of locally produced goods against international tender shall be governed under the provisions of this Chapter and the contract awarding person or the successful bidder shall apply afresh for provisional authorization of exempt supply under this Chapter
<b>SRO 590 (1) 2012</b>	
Section 7A 10% Minimum value addition on commercial import on supply of computer hardware and parts classifiable under PCT heading OMITTED.	
84.71	Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data, not elsewhere specified or included.
84.73	Parts and accessories (other than covers, carrying cases and the like) suitable for use solely or principally with machines of headings 84.69 to 84.72
84.69	Typewriters and other than printers
84.70	Calculating machines and pocket-size data recording, reproducing and displaying machines with calculating functions; accounting machines, postage-franking machines, ticket-issuing machines and similar machines, incorporating a calculating device; cash registers.
84.71	Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data, not elsewhere specified or included.
84.72	Other office machines (for example, hectograph or stencil duplicating machines, addressing machines, automatic banknote dispensers, coin-sorting machines, coin counting or wrapping machines, pencil-sharpening machines, perforating or stapling machines

SRO 591 (1) 2012	Import and supply of polyethylene and polypropylene exempted from sales tax. Falling under PCT heading No. 3901.1000 Polyethylene having a specific gravity of less than 0.94 3901.2000 Polyethylene having a specific gravity of 0.94 or more 3902.1000 Polypropylene										
SRO 592 (1) 2012	Commercial importer paying value addition tax under Chapter X of Sales Tax Special Procedure Rules, 2007 shall enjoying immunity from audit open payment of advance value addition tax under rule 58E in Chapter II of the Sales Tax Rules, 2006 omitted.  Chapter XI - Special procedure for payment of sales tax by Steel Melters, Re-roller and Ship breakers redefine.										
SRO 593 (1) 2012	Monofilament of more than 67 decitex remove from zero rated or, as the case may be, at the rate of five percent.										
SRO 594 (1) 2012	Following SRO's rescind SRO 555(1)/1996, dated 1 <sup>st</sup> July 1996. <div style="border: 1px solid black; padding: 5px;">CBR is pleased to remove the power of the officers of sales tax specified in column (2) of the table to adjudicate the cases involving assessment of sales tax, charging of additional tax, imposition of penalty and recovery of ' amount erroneously refunded subject to limitations and conditions as are specified in column (3) of the said table</div> SRO 849(1)/1997, dated 25 <sup>th</sup> September 1997. <div style="border: 1px solid black; padding: 5px;">Federal Government is pleased to remove the exemption of the supplies of imported Industrial raw material, components and sub-components and goods other than consumer goods and consumer durables, excluding the mild steel products and their raw materials specified in its Notification No. SRO 511(I)/97, dated 5th July, 1997, and Notification No. SRO 512(I)/97, dated 5th July 1997, if imported directly by the manufacturers who are liable to pay turnover tax or are engaged in manufacture of the goods other than taxable goods, for use within the factory of such manufacturers for which the aforesaid goods have been imported.</div> SRO 103(1)/2005, dated 3 <sup>rd</sup> February 2005. <div style="border: 1px solid black; padding: 5px;">Federal Government is pleased to remove the fixation of the value of Potassic Fertilizers both Sulphate of Potash (SOP) and Muriate of Potash (MOP), for the purposes of assessment of sales tax chargeable at import stage as well as against the local supply of these fertilizers at Rs.4610/- per metric</div> SRO 15(1)/2006, dated 6 <sup>th</sup> February 2006. SRO 644(1)/2007, dated 27 <sup>th</sup> June 2007. <div style="border: 1px solid black; padding: 5px;">Items in respect of supply or import of which rates of 22% and 19.5% was prescribed are now chargeable at the standard rate of 16%.</div>										
SRO 595 (1) 2012	Raw materials sub components and components if imported for the manufacturing of goods to be supplied against international tenders - removed from section 13.  Following items added in exemption list. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Waste paper</td><td>Supplies thereof</td></tr> <tr> <td>Remelttable scrap</td><td>Import and supplies thereof</td></tr> <tr> <td>Sprinkler Equipment</td><td>Supplies thereof</td></tr> <tr> <td>Drip Equipment</td><td>Supplies thereof</td></tr> <tr> <td>Spray pumps and nozzles</td><td>Supplies thereof</td></tr> </table>	Waste paper	Supplies thereof	Remelttable scrap	Import and supplies thereof	Sprinkler Equipment	Supplies thereof	Drip Equipment	Supplies thereof	Spray pumps and nozzles	Supplies thereof
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SRO 596 (1) 2012	Repayment-cum-Drawback rate of sales tax paid on steel products under Chapter XI of the Sales Tax Special Procedures Rules, 2007 increased.										
SRO 597 (1) 2012	Billets and Ingots sales tax payment on ad valorem basis increased.										

SRO 602 (1) 2012	<ul style="list-style-type: none"> <li>• Remeltable scrip PCT heading 72.04 removed from zero rate.</li> <li>• Sales tax on Cotton seed oil supplied to registered manufacturers of vegetable ghee and cooking oil are zero rated.</li> </ul>
SRO 604 (1) 2012	Import of Soyabean seed by solvent extraction industries, sales tax increase from six percent to seven (7) percent.
SRO 605 (1) 2012	Import of rapeseed by solvent extraction industries, sales tax reduced from fifteen percent to fourteen percent.
<b>Excise Duty</b>	<b>Amendments of The Federal Excise Act, 2005</b>
<b>First Schedule</b>	
S. No 9	Locally produced cigarettes if their retail price exceeds Rs. 21.86 FED increased from 64% to 65% of the retail price.
S. No 10	Locally produced cigarettes if their retail price exceeds Rs. 13.36 per ten cigarettes but does not exceed Rs. 22.86 per ten cigarettes, FED increased from Rs 4.75 to Rs 7.02 per ten cigarettes plus 70% per incremental Re or part thereof.
S. No 11	Locally produced cigarettes if their retail price does not exceeds Rs .13.36 per ten cigarettes, FED increased from Rs 4.75 to Rs 7.02 per ten cigarettes.
S. No 13	Manufacture of any brand of cigarette in non-tariff areas, FED reduced from Rs. 500 per metric ton to Rs 400 per metric ton.
	<b>FED REMOVED On following S. No's</b>
S. No 22	Lubricating oil in packs not exceeding 10 liters
S. No 23	Lubricating oil in packs exceeding 10 liters
S. No 24	Ten per cent of the retail price
S. No 25	Lubricating oil manufactured from reclaimed oils or sludge or sediment, subject to the condition if sold in retail packing or under brand names the words manufactured from reclaimed oil or sludge or sediment should be clearly printed on the pack
S. No 27	Base lube o
S. No 42	Perfume and toilet wares:
S. No 43	Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), including sunscreen or sun tan preparations; manicure or pedicure preparations.
S. No 44	Preparations for use on the hair excluding herbal hair oil and kali mehndi
S. No 45	Pre-shave, shaving or after-shave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included;  prepared room deodorizers, whether or not perfumed or having disinfectant properties (excluding agarbatti and other odoriferous preparations which operate by burning).
S. No 50	

Income Tax	Amendment of Ordinance, XLIX of 2001
Section 2(35AA)	NCCPL = National Clearing Company of Pakistan Limited, which is a company incorporated under the Companies Ordinance, 1984 (XLVII of 1984) and licensed as "Clearing House" by the Securities and Exchange Commission of Pakistan
Section 9	Taxable Income redefined.
Section 10	Total Income Redefined
Section 13(7)	This section not apply to loans not exceeding Rs.500,000
Section 14	Benchmark rate for the tax years next following the tax year is not exceeding 10% in respect of any tax year.
Section 37(1A)	Capital gain arising on the disposal of immovable property, held for a period up to two years, by a person in a tax year, shall be chargeable to tax.
Section 37(5)	Immovable property removed from the definition of Capital Assets.
Section 37A(1)	Capital gain on disposal of securities held for a period of less than a year. Other than a gain that is exempt from tax under this Ordinance shall be inserted.
Section 37A(A)	Capital gain on the disposal of a security computation formula inserted.
Section 39(1)(cc)	Income from other sources includes additional payment on delayed refund under any tax law.
Section 53(1A)	Deleted
Section 59A(1),(2),(3) & 4	Harmonized the provision of adjustment of losses in AOP cases.
Section 62(2b) & (2c)	Tax credit for investment in shares and insurance increase from 15% to 20%, or Rs. 500,000 to Rupees one million of the person taxable income for the year.
Section 62(3)(b)	Holding period of shares reduced from 36months to 24months.
Section 65B(1)	Tax credit for investment include on account of minimum tax and final payable under any of the provision of this Ordinance.
Section 65B(4),(5) & 6	Redefined and inserted new clause
Section 65D(1)	The word manufacturing in Pakistan removed from tax credit for newly establishment industrial undertakings.  And including corporate dairy forming.
Section 65D(2)(d)	The industrial undertaking is set up with 100% equity raised through issuance of new shares for cash consideration.  Provided short term loan and finance obtained for working capital shall not disqualify for claiming tax credit.
Section 65D(3)	Deleted
Section 65D(4)	Remove the ambiguities
Section 65D(5)	Tax credit for investment and industrial undertaken establish before the first day of July,2011 an industrial undertaking shall be treated to have been setup on the date on which the industrial undertaking is ready to go into production, whether trial production or commercial production.
Section 65E	Redefine
Section 76(11)	Authorized FBR to make rules and determination of cost for any asset.

Section 100,(100B)	Special provision relating to capital gain tax on production of oil and natural gas, and exploration and extraction of other mineral deposits.
Section 100B(1) & (2)	Define capital gain on disposal of securities.
Section 100(6)	Treat remittance of branch profit as Pakistan source Dividend.
Section 113(1)	Tax payable or paid does not include tax already paid or payable in respect of deemed income.
Section 114(6)(c)	Revised return subject to taxable income declared is not less than and loss declared is not more than income or loss, as the case may be, determined by an order issued under section 121,122,122A,122C,129, 132,133 or 221  Provided that if any of the clause 6 conditions are not fulfilled, the return furnished shall be treated as an invalid return as if it had not been furnished.
Section 120(6)	No notice u/sub-sec (3) shall be issued after the expiry of 180days from the end of financial year in which return was furnished. Increase the period for examination of return.
Section 121(1)	Best judgment assessment Remove ambiguity for ex-part assessments.
Section 122(1)	Include section 122C for amendment of assessments. And Removed section 59, 59A, 62, 63 or 65 of the repealed Ordinance.
Section 122(5A)	Power to Assistant Commissioner to conduct enquires as Commissioner deems necessary.
Section 122(C)(2)	Provisional Assessment order is not completed if Individual or an AOP not submitted wealth statement, wealth reconciliation statement and other documents required under sub-section (2A) of section 116 and a company if return of income tax along with audited accounts or final accounts, as the case may be, for the relevant tax year are filed by the company electronically within the said period of sixty days.
Section 127(1)	Remove the blank gap.
Section 128(1A)	Commissioner (Appeals) may stay the recovery of such tax for a period not exceeding 30days in aggregate.
Section 129(5),(6) & (7)	Delete the duplication of limitation for the stay of recovery of tax by ITAT.
Section 130(4)(a)	Change of nomenclature.
Section 130(4)(b)	Reduce the limit of experience required to be a Member of ITAT from 5 years to 3 years.
Section 137(2)	Under section 122C, provide option to taxpayer for payment of tax voluntarily.
Section 148 (7) & (8)	The amount of tax required to be collected not amount collected
Section 151(3)	The amount of tax deductible not amount deducted.
Section 152(1AAA) & 2	Under this section consolidate the provision of withholding taxes relating to payments to non-residents.
Section 152(2A)	General rate of 20% of WHT not applicable to the permanent establishment in Pakistan of the non-resident person subject to the approval from commissioner.
Section 152 (1B) & 1(BB)	The amount of tax deductible not amount deducted.
Section 152(3)	Section 153 removed as this section does not deal with payment to non-residents.

Section 153(1)	Advance payment to permanent establishment in Pakistan of a non-resident person removed from this section.
Section 153(3)	The amount of tax deductible not amount deducted.
Section 153(A)	By this section to make every manufacturer withholding agents at the time of sales to distributors, dealers and wholesalers. The tax to be collected by the manufactures at 1% and deposited in the Govt Treasury. The amount of tax credit for the tax collected will be allowed in computing the tax due from distributors, dealers and wholesalers on the taxable income for the tax year in which the tax was collected.
Section 154(4)	Final liability under this section is the amount of tax deductible and not the amounts deducted.
Section 156(3)	Final liability under this section is the amount of tax deductible and not the amounts deducted.
Section 156A(2)	Final liability under this section is the amount of tax deductible and not the amounts deducted.
Section 169(1)(a) & (1)(b)	Final tax under this section is the amount of tax to be collected and not the amounts collected and the amount of tax to be deducted and not the amounts deducted.
Section 169 (2)	Tax required to be deductible has not been deducted or short deducted shall be recovered under section 162, and all the provisions of this Ordinance shall apply accordingly.
Section 171(1)	Additional payment for delayed refund compensation at the rate of KIBOR replaced with fixed rate of 15% per annum of the amount of the refund computed.
Section 176(1)(c)	Notice to obtain information or evidence the word "selected for audit" deleted.
Section 181 B	The FBR make a scheme for introduction of a tax payer honor card for Individual taxpayers, who fulfill a minimum criterion to be eligible for the benefits as contained in the scheme.
Section 182(2)	Offences and penalties where the tax payer admits his defaults He may voluntarily pay the amount of penalty due under this section.
Section 205(1)	Default surcharge rate equal to KIBOR + 3% replaced with 18% per annum fixed rate on the recovery of tax from persons holding money on behalf of a taxpayer and Liquidators.  Proviso inserted that, there is no surcharge if payment is made after first appeal.
Section 205(1A) & (1B)	Fails to pay advance tax u/s 147 shall be liable to default surcharge at the rate equal to KIBOR + 3% on the amount of tax unpaid replaced with fixed rate of tax at 18% per annum.
Section 205 (3)	Late payment of tax by withholding agent u/s 160 shall be liable to default surcharge at the rate equal to KIBOR + 3% replaced with fixed rate of tax at 18% per annum.  Proviso inserted that, there is no surcharge if payment is made after first appeal.

Section 230 (1) & (2)	<p>Introduction of new department "The Directorate General (Intelligence and Investigation) shall consist of Director General and as many Directors, Additional Directors, Deputy Directors and Assistant Directors and such other officers as the Board may by notification in the official Gazette appoint.</p> <p>The Board may, by notification in the official Gazette</p> <p>a). Specify the functions and jurisdiction of the DG and its officers; and</p> <p>b). confer the powers of authorities specified in section 207 upon the DG and its officers.</p>
Section 231 (A)(1)	Cash withdrawal in a day limit exceeded Rs. 50,000 from Rs. 25,000
Section 233	Final tax under this section is the amount of tax to be collected and not the amounts collected.
Section 233A (1) & (2)	Delete the requirement to withhold tax when making payments to members in respect of trading of shares by the members and financing of carryover trade in share business.
Section 233AA	Make National clearing Company of Pakistan Limited (NCCPL) as a withholding agent for margin financing in share business.