TAX CARD

Withholding & Income Tax Rates — Tax Year 2009

Applicable from July 01, 2008 to June 30, 2009 | As updated vide the Finance Act, 2008

Prepared by Umair A R Mughal, FBR-Registered Income Tax Practitioner (ITP)

taxaccountant.pk

Foreword

TaxAccountant.pk is a tax and business compliance consultancy serving clients across Pakistan. We provide FBR registration, tax filing, corporate compliance, and advisory services to individuals, salaried persons, and businesses of all sizes.

This Tax Card has been prepared to give our clients and the wider business community a ready, easy-to-understand reference to the income tax and withholding tax rates applicable in Pakistan for Tax Year 2009 (1 July 2008 to 30 June 2009), as introduced vide the Finance Act, 2008.

A note on sourcing for this edition: the underlying rate data for this card was supplied to us as a pre-compiled "proposed" rate list rather than sourced directly by us from the primary text of the Finance Act, 2008 or the Income Tax Ordinance, 2001. Because we have not yet independently cross-verified each figure against the primary legislative text, every section in this card is marked **[I]** (secondary-sourced / unconfirmed) rather than **[P]**. We recommend cross-checking any rate here against the Finance Act, 2008 before relying on it for a filing position, and we will upgrade sections to [P] as we complete our own verification.

We also note that the source material provided to us was incomplete at the tail end of the Appeal Fees section — this gap is flagged plainly at that section rather than filled in with an assumed figure.

We hope this card serves as a useful, ready reference for our clients' tax planning and compliance needs.

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1. Tax Rates for Individuals (Other than Salaried Person & AOP)

[I]

INCOME GROUPS & RATES — TAX YEAR 2009

Taxable Income (Rs.)	Rate
Up to 100,000	0%
100,001 – 110,000	0.5%
110,001 – 125,000	1%
125,001 – 150,000	2%
150,001 – 175,000	3%
175,001 – 200,000	4%
200,001 – 300,000	5%
300,001 – 400,000	7.5%
400,001 – 500,000	10%
500,001 – 600,000	12.5%
600,001 – 800,000	15%
800,001 – 1,000,000	17.5%
1,000,001 – 1,300,000	21%
1,300,001 and above	25%

Sourced from a pre-compiled rate list supplied by the client; not yet cross-verified against Finance Act, 2008 primary text. Rate structure shown as a flat marginal rate per bracket (as supplied) rather than a cumulative-plus-excess formula — practitioners should confirm whether the source intended a slab formula before applying.

2. Tax Rates for Salaried Class [I]

INCOME GROUPS & RATES — TAX YEAR 2009

Taxable Income (Rs.)	Rate
Up to 180,000	0%
180,001 – 250,000	0.5%
250,001 – 350,000	0.75%
350,001 – 400,000	1.5%
400,001 – 450,000	2.5%
450,001 – 550,000	3.5%
550,001 – 650,000	4.5%
650,001 – 750,000	6%
750,001 – 900,000	7.5%
900,001 – 1,050,000	9%
1,050,001 – 1,200,000	10%
1,200,001 – 1,450,000	11%
1,450,001 – 1,700,000	12.5%
1,700,001 – 1,950,000	14%
1,950,001 – 2,250,000	15%
2,250,001 – 2,850,000	16%
2,850,001 – 3,550,000	17.5%
3,550,001 – 4,550,000	18.5%
4,550,001 – 8,650,000	19%
8,650,001 and above	20%

Sourced from a pre-compiled rate list; not yet cross-verified against Finance Act, 2008 primary text.

3. Tax Rates for Companies [I]

GENERAL RATE & SMALL COMPANY TURNOVER SLABS

Category	Rate
All companies (general rate, 2008 and 2009)	35%

SMALL COMPANIES — TURNOVER BASED

Turnover	Rate
Up to Rs.250 million	20%
Rs.250M – Rs.350M	25%
Rs.350M – Rs.500M	30%
Above Rs.500M	35%

Sourced from a pre-compiled rate list; not yet cross-verified against Finance Act, 2008 primary text. The relationship between the flat 35% company rate and this turnover-tiered "small company" table is not fully clear from the source and should be confirmed (i.e. whether the turnover table is a carve-out from, or in addition to, the general 35% rate).

4. Rental Income — Individuals & AOP [I]

RENT OF IMMOVABLE PROPERTY

Gross Rent (Rs.)	Rate
Up to 150,000	Nil
150,001 – 400,000	5%
400,001 – 1,000,000	Rs.12,500 + 10% of excess over Rs.400,000
Above 1,000,000	Rs.72,500 + 15% of excess over Rs.1,000,000

Sourced from a pre-compiled rate list; not yet cross-verified against Finance Act, 2008 primary text. See also Section 6 (Section 155 — Individuals & AOP) below, which the source document lists separately with different bracket boundaries — this overlap has not been reconciled and should be checked, since rental income withholding is ordinarily governed by Section 155 itself.

5. Rental Income — Companies [I]

RENT OF IMMOVABLE PROPERTY — COMPANIES

Gross Rent (Rs.)	Rate
Rs.1 – 400,000	5%
400,001 – 1,000,000	Rs.20,000 + 10% of excess over Rs.400,000
Above 1,000,000	Rs.80,000 + 15% of excess over Rs.1,000,000

Sourced from a pre-compiled rate list; not yet cross-verified against Finance Act, 2008 primary text. See note under Section 4 regarding overlap with Section 155.

6. Section 155 Withholding — Individuals & AOP [I]

SEC 155

Gross Rent (Rs.)	Rate
Up to 150,000	Nil
150,001 – 500,000	5% of excess over Rs.150,000
500,001 – 1,300,000	Rs.17,500 + 10% of excess over Rs.500,000
Above 1,300,000	Rs.97,500 + 15% of excess over Rs.1,300,000

⚠ This table's bracket boundaries differ from the "Rental Income — Individuals & AOP" table in Section 4, despite both being sourced from the same document under Section 155. Flagged as an unreconciled discrepancy in the source data — please confirm which (if either) is current before use.

7. Section 155 Withholding — Companies [I]

SEC 155

Gross Rent (Rs.)	Rate
Up to 400,000	5%
400,001 – 1,000,000	Rs.20,000 + 10% of excess over Rs.400,000
Above 1,000,000	Rs.80,000 + 10% of excess over Rs.1,000,000

⚠ Note the source lists the top-bracket marginal rate here as 10% (not 15% as in Section 5's equivalent company table) — this inconsistency is in the supplied source data itself and has not been resolved.

8. Special Provisions [I]

REBATES, PTR & EXEMPTIONS

Provision	Detail
Senior citizens (60+)	50% rebate where income up to Rs.400,000
Sec 113A (PTR)	0.5% of turnover if ≤ Rs.5M (not applicable to share limited companies)
Working women exemption	Rs.125,000 (non-salaried), Rs.240,000 (salaried)

SEC 113B (PTR)

Turnover	Rate
Rs.1 – Rs.5M	Rs.25,000
Rs.5M – Rs.10M	Rs.25,000 + 0.5% of excess
Above Rs.10M	Rs.50,000 + 0.75% of excess

Sourced from a pre-compiled rate list; not yet cross-verified against Finance Act, 2008 or Income Tax Ordinance, 2001 primary text.

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9. Tax Deduction at Source — Summary [I]

WITHHOLDING TAX RATES BY CATEGORY

Category	Rate
Dividend (general)	10%
Raffle / lottery / promotion schemes	20%
National Savings Certificates	10%
Bank deposit interest	10%
Government / local authority securities	20%
Bonds / debentures / securities (financial institutions)	10%
Brokerage & commission	10%
Export of raw cotton / yarn	1%
Travel / insurance agents commission	10%
Contracts (all types)	6%
Telephone bills / prepaid cards	10%
Cash withdrawal from banks	0.3%
Rice / cotton / cotton seed	1.5%
Telephone / mobile subscriber bills > Rs.1,000	10%
Other supplies	3.5%
Imports (general)	5%
DAP phosphate	5%
Plant & machinery	0%
Gas consumption (CNG stations)	4%
Transport services	2%
Other services	6%
Non-resident contracts (turnkey, hydel, transmission, other)	6%
Petroleum products	10%
Royalties / technical services	15%
Other payments (non-salary/dividend/contracts/prizes)	30%
Payment to non-resident media	10%
Sale & purchase of shares	0.01%

Sourced from a pre-compiled rate list; not yet cross-verified against Finance Act, 2008 primary text. Section references (e.g. specific WHT section numbers) were not supplied for these items and have been omitted rather than guessed.

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10. Motor Vehicle Purchase Tax [!]

BY ENGINE CAPACITY

Engine Capacity	Tax (Rs.)
Up to 850cc	10,000
851cc – 1000cc	14,000
1001cc – 1300cc	22,500
1301cc – 1600cc	22,500
1601cc – 1800cc	35,000
1801cc – 2000cc	30,000
2000cc and above	50,000

⚠ As supplied, the 1801cc–2000cc bracket (Rs.30,000) is lower than the preceding 1601cc–1800cc bracket (Rs.35,000) — a non-monotonic sequence that looks like a possible transcription error in the source data. Flagged rather than silently corrected.

11. Builders & Developers [!]

ADVANCE TAX ON DEVELOPMENT

Category	Rate
Building	Rs.50 per sq. ft
Land	Rs.100 per sq. yard

Sourced from a pre-compiled rate list; not yet cross-verified against Finance Act, 2008 primary text.

12. Shipping & Air Transport [!]

PRESUMPTIVE TAX ON GROSS RECEIPTS

Category	Rate
Shipping	8% of gross receipts
Air transport	3% of gross receipts

Sourced from a pre-compiled rate list; not yet cross-verified against Finance Act, 2008 primary text.

13. Appeal Fees

[I]

FILING FEES BY FORUM

Forum	Fee
Commissioner (Appeals) / Additional Commissioner	Rs.1,000 or 10% of tax, whichever is less
— if no tax payable	Rs.1,000 (companies), Rs.200 (others)
Income Tax Appellate Tribunal	Rs.2,500 or 10% of tax, whichever is less
— if no tax payable	Rs.2,000 (companies), *[incomplete in source]*

⚠ The source document was truncated mid-sentence at exactly this point — the "if no tax payable" figure for non-company appellants before the Income Tax Appellate Tribunal was never supplied. Left blank rather than guessed; please provide the missing figure or the complete original source.

Disclaimer & Contact

This card has been prepared from a rate list supplied for Tax Year 2009 (per the Finance Act, 2008), and reflects the source material as provided rather than our own independent verification against primary legislative text. It does not constitute tax advice and may not be acceptable to taxation authorities in a particular case. Several entries are flagged above as internally inconsistent or incomplete in the source data itself. Tax laws are subject to change; we accept no responsibility for updating this document or for any loss arising from reliance on it. For advice specific to your situation, please contact us directly.

- **[P]** — Verified against Primary Legislative Text.
- **[I]** — Secondary-sourced / unconfirmed (all sections in this edition).
- **[S]** — Supplementary/Retrospective provision.

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