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 Islamabad, the 13th July, 2015

From:
 Director General
 (Withholding Taxes)
 Federal Board of Revenue
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Subject: - **UPDATED TAX RATES FOR SECTIONS 231B & 234 OF THE INCOME TAX ORDINANCE, 2001 AS PER FINANCE ACT, 2015**

Dear Sir,

I hope this letter finds you in best of health. This is to state that certain amendments have been made in the Income Tax Ordinance, 2001, through the Finance Act 2015. The amendments made in the provisions of Income Tax Ordinance, 2001 and the latest withholding tax rates under various sections are applicable w.e.f 1st July, 2015. Major provisions of withholding tax being dealt by the Excise and Taxation Department are:-

- (i) Section 231B Advance tax on private motor vehicles (i.e withholding tax on registration of vehicles)
- (ii) Section 234 Tax on motor vehicles (i.e withholding tax along with token tax on vehicles).

2. The tax rates for the sections 231B and 234 as per Finance Act, 2015 applicable w.e.f 1st July, 2015 are being given hereunder:-

Section	Provision of the Section	Tax Rate	
		Filers	Non-Filers
231B Advance tax on Purchase, Registration and transfer of Motor vehicles	Engine Capacity Upto 850CC	Rs, 10,000	Rs, 10,000
	851cc to 1000cc	Rs, 20,000	Rs, 25,000
	1001cc to 1300cc	Rs, 30,000	Rs, 40,000
	1301cc to 1600cc	Rs, 50,000	Rs, 10,0000
	1601cc to 1800cc	Rs, 75,000	Rs, 150,000
	1801cc to 2000cc	Rs, 100,000	Rs, 20,0000
	2001cc to 2500cc	Rs, 150,000	Rs, 300,000

	2501cc to 3000cc		Rs, 200,000	Rs, 400,000
	Above 3000cc		Rs, 250,000	Rs, 450,000
	2) The rate of tax under sub-section (2) of section 231B shall be as follows-		Filers	Non Filers
	Upto 850CC		0	Rs 5,000
	851cc to 1000cc		Rs 5,000	Rs 15,000
	1001cc to 1300cc		Rs 7,500	Rs 25,000
	1301c to 1600cc		Rs 12,500	Rs 65,000
	1601cc to 1800cc		Rs 18,750	Rs 100,000
	1801cc to 2000cc		Rs 25,000	Rs 135,000
	2001cc to 2500cc		Rs 37,500	Rs 200,000
	2501cc to 3000cc		Rs 50,000	Rs 270,000
	Above 3000cc		Rs 62,500	Rs 30,0000
234	(1) In the case of goods Transport Vehicles.	Filer	Rs. 2.5 per kg of the laden weight	
Tax on Motor Vehicle		Non filer	Rs. 4 per kg of the laden weight	
	1(A)Transport vehicle with laden weight of 8120 Kg or more after a period ten years from the date of first registration Passenger transport		Rs, 1200 per annum	
	(2) In the case of Passenger Transport Vehicles plying for hire, seating capacity .	Filer	Non Filers	
	(a) 4 or more persons but less than 10 persons.	Rs 50	Rs 100	
	(b) 10 or more persons but less than 20 persons.	Rs 100	Rs 200	
	(c) 20 persons or more.	Rs 300	Rs 500 ; and	
	(3)Other Private Motor Cars With Engine Capacity of :-	Filer	Non Filers	
	Upto 1000cc	Rs 800	Rs 1,200	
	1001cc to 1199cc	Rs 1,500	Rs 4,000	
	1200cc to 1299cc	Rs 1,750	Rs 5,000	
	1300cc to 1499cc	Rs 2,500	Rs 7,500	
	1500cc to 1599cc	Rs 3,750	Rs 12,000	
	1600cc to 1999cc	Rs 4,500	Rs 15,000	
	2000cc & above	Rs 10,000	Rs 30,000	

3. In view thereof, it is requested that all the Field offices may kindly be directed to deduct withholding tax at the revised rates including tax u/s 231B and u/s 234 of the Income Tax Ordinance, 2001.

4. Your kind cooperation in this regard will be highly appreciated.

With profoundest regards.

Yours sincerely


(SHAUKAT MAHMOOD)

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Quetta.
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