

Government of Pakistan
Revenue Division
Federal Board of Revenue

Islamabad, the ^{20th} December, 2013

NOTIFICATION
(Income Tax)

S.R.O. ¹⁰⁶⁵(I)/2013.- In exercise of powers conferred by sub-section (2) of section 53 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Government is pleased to direct that the following further amendments shall be made in the Second Schedule to the said Ordinance, namely:-

In the aforesaid Schedule,-

(a) in Part-II, after clause (29), the following shall be added, namely:-

“(30) The rate of tax as specified in column (3), against serial no. 2 in clause (1), in Division I of the Part I of First Schedule to the Ordinance shall be reduced to 5%, for taxable income declared in a return for tax year 2012, filed under clause (87) or (88) of the Part IV of this Schedule.”; and

(b) in Part-IV, after clause (84), the following shall be added, namely:-

“(85) The provisions of section 114(6)(ba) shall not apply to persons availing the benefit as provided in clause (84) who revise their returns before the due date of filing of return, for tax year 2013.

(86) (a) The provisions of section 111 shall not apply to_

- (i) investment made by an individual in a Greenfield industrial undertaking directly or as an original allottee in the purchase of shares of a company establishing an industrial undertaking or capital contribution in an association of persons establishing an industrial undertaking;
- (ii) investment made by an association of persons in an industrial undertaking; and
- (iii) investment made by a company in an industrial undertaking;

if the said investment is made on or after the 1st day of January, 2014, and commercial production commences on or before the 30th day of June, 2016.

(b) The concessions given in this clause shall also apply to investment made in:-

(1)

- (i) Construction industry in corporate sector.
- (ii) Low cost housing construction in the corporate sector.
- (iii) Livestock development projects in the corporate sector.
- (iv) New captive power plants.
- (v) Mining and quarrying in Thar coal, Balochistan and Khyber Pakhtunkhwa.

(c) The concessions given in sub-clause (a) shall not apply to investment made in:-

- (i) Arms and ammunitions
- (ii) Explosives
- (iii) Fertilizers
- (iv) Sugar
- (v) Cigarettes
- (vi) Aerated beverages
- (vii) Cement
- (viii) Textile spinning units
- (ix) Flour mills
- (x) Vegetable ghee and
- (xi) Cooking oil manufacturing

(d) The term Greenfield industrial undertaking shall include expansion projects for the purposes of this clause.

(e) Immunity under this clause shall not be available to proceeds of crime relating to offences under the following laws:

- (i) Control of Narcotics Substances Act, 1997;
- (ii) Anti Terrorism Act, 1997; and
- (iii) Anti-Money Laundering Act, 2010.

(87) The provisions of sections 182, 205, 177 and 214C shall not apply to an individual, holding an NTN who files a return, as specified in Form "A" below, by twenty eighth day of February, 2014, of the tax years from 2008 to 2012, for which returns have not been filed:

Provided that for each of the tax year, a minimum tax of twenty thousand rupees on the basis of taxable income is paid by the taxpayer:

Provided further that the taxpayer shall not be entitled to claim any adjustment of withholding tax collected or deducted under the Ordinance:

Provided also that the due date of filing of return for tax year 2013, in respect of individuals availing concessions under this clause shall be twenty eighth day of February, 2014.

(88) The provisions of sections 182, 205, 177 and 214C shall not apply to an individual, if the individual files a return or returns, as prescribed for this clause, by twenty eighth day of February, 2014 for any or all of the tax years from 2008 to 2012, and

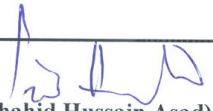
- (i) has not filed any return for the last five years;
- (ii) is not an NTN holder as on 28th day of November, 2013;
- (iii) declares taxable income for the year which exceeds the amount on the basis of which, tax payable is twenty five thousand rupees or more; and
- (iv) has paid the tax on the basis of taxable income declared in the return or returns:

Provided that concession under this clause shall only apply for the tax year or years, for which the returns have been filed and for equal number of succeeding consecutive tax years, if tax paid for the succeeding tax years is at least equal to tax paid for tax year 2012:

Provided further that the taxpayers shall not be entitled to claim any adjustment of withholding tax under the Ordinance, collected or deducted during a tax year, for which a return is filed:

Provided also that the due date of filing of return for tax year 2013, in respect of individuals availing concessions under this clause shall be twenty eighth day of February, 2014.”.

[No. 4(67) ITP/2013]


(Shahid Hussain Asad)
Additional Secretary/
Member (Inland Revenue Policy)