

**Government of Pakistan  
Revenue Division  
Federal Board of Revenue  
Inland Revenue**

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C.No. 3(1)ST-L&P/2015

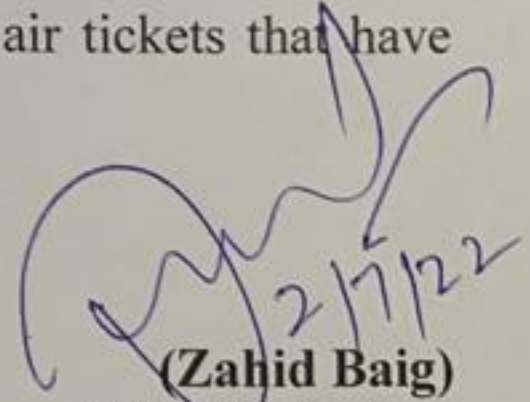
Islamabad, 02<sup>nd</sup> July, 2022

**All Airlines.**

**Subject: Clarification on Rate of Federal Excise Duty on Air Travel.**

I am directed to say that the federal excise duty is chargeable and collectible on Club, Business & First class international air tickets under section 3 read with entry number 3(b)(ii) of Table-II of the First Schedule to the Federal Excise Act, 2005.

02. Sub-rule (8) of rule 41A, of the Federal Excise Rules, 2005 states that federal excise duty shall be charged and collected at the time of issuing of the international air ticket. In the light of the rule 41A, the federal excise duty is chargeable and collectible at the time of issuance of ticket, therefore, it is clarified that the enhanced rate of federal excise duty at Rs. 50,000/- (which was previously Rs. 10,000/-) is not applicable on the Club, Business & First class international air tickets that have already been issued before the first day of July, 2022.

  
2/7/22  
(Zahid Baig)

**Second Secretary (ST&FE-Policy)**

**Copy to:-**

**All Chief Commissioners/ Collectors for information please.**