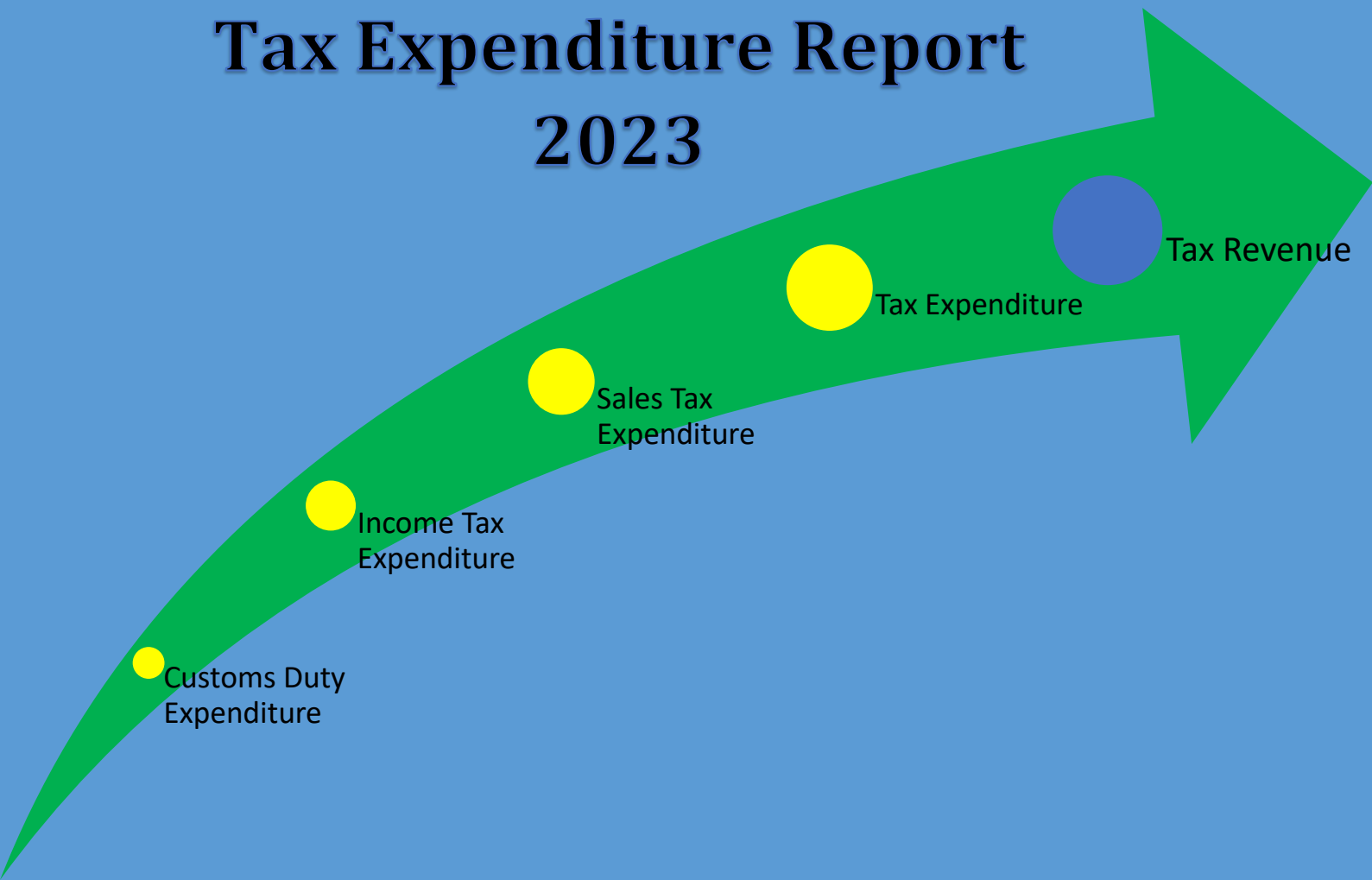


Tax Expenditure Report 2023



Federal Board of Revenue

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Acknowledgement

We acknowledge the cooperation provided by Pakistan Revenue Automation Limited (PRAL) and various other Government, Semi-Government, and private entities/organizations for provision of data and information regarding tax expenditure.

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Disclaimer

This tax expenditure report is intended to be a ready reference for facilitation of readers and stakeholders. The original statutes (Income Tax Ordinance 2001, Sales Tax Act 1990, Customs Act 1969) shall always prevail in case of any contradiction/error herein.

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PREFACE

Tax revenues are the primary source for a state to govern & promote the well-being of its citizens. It is therefore critical that tax policy is carefully and meticulously crafted so as to maximize the tax revenues, without crippling the economic activity, and facilitate growth of different sectors of the economy according to government's overall economic development objectives. Preparation of Tax Expenditure Report is an effort to provide evidence based information for a more informed decision making in tax policy formulation and operational planning. The report determines the magnitude of tax concessions allowed by the government and how these tax concessions are spread across various segments of the economy. This information is helpful in rationalizing the tax burden and enhancing revenue collection efficiency.

I am pleased to present FBR's Tax Expenditure Report, 2023. This report compiles the estimated fiscal cost of federal tax exemptions as per FY2021-22 data. It provides tax expenditures of each tax, including a detailed methodology and sources of data.

Policymaking, research, and decision making at various levels need strong support of statistics and numeric base. Compilation and publication of detailed fiscal data regarding the revenue foregone of Federal Government on account of various exemptions and concessions is not only a step towards improving government budgetary and fiscal transparency, but it is also hoped that it will contribute significantly to the public dialogue on federal tax policies.

In accordance with the international best practices of fiscal governance and international obligations of Pakistan, Tax Expenditure Report 2023 is the fourth tax expenditure report of FBR since 2019. The complete inventory of tax expenditures along with their beneficiaries and cost estimates is also being published separately in the annual budget statement of the Federal Government since FY2019-20. Moreover, it is worth mentioning that the fourth edition of the Tax Expenditure report has been fully prepared by the team of DGRA, FBR without any support of consultants or any other organization.

The hard work done by the Director General (Revenue Analysis) and his DLI Team is highly commendable. The Tax Expenditure report will continue to be updated and improved every year, providing a meaningful and convenient point of reference for information on federal tax expenditures.

(ASIM AHMAD)

Chairman Federal Board of Revenue/
Secretary Revenue Division

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ACRONYMS

ACD	Additional Customs Duty
CD	Customs Duty
CPEC	China-Pakistan Economic Corridor
E&P	Exploration & Production
FATA	Federally Administered Tribal Areas
FBR	Federal Board of Revenue
FTA	Free Trade Agreement
FY	Fiscal Year/Financial Year
GDP	Gross Domestic Product
IMF	International Monetary Fund
ITO	Income Tax Ordinance
OECD	Organization for Economic Cooperation and Development
PCT	Pakistan Customs Tariff
POL	Petroleum, Oil, and Lubricants
POS	Point of Sales
PRAL	Pakistan Revenue Automation Limited
PTA	Preferential Trade Agreements
REIT	Real Estate Investment Trust
RD	Regulatory Duty
SRO	Statutory Regulatory Order
US	United States

EXECUTIVE SUMMARY

Tax expenditure is revenue foregone because of selective provisions in the tax code¹. Tax expenditure reports are prepared worldwide as a future guideline for tax policy formulation. This report uses the standard “Revenue Forgone” methodology to estimate the tax expenditure under the Income Tax, Sales Tax and Customs laws in Pakistan. This approach quantifies the direct ex-post revenue loss associated with the provisions relative to the statutory tax rates. This report is based on data relevant to FY2021-22 with a few exceptions.

Income tax expenditures are calculated using the tax returns data and taking the statutory rates available in First schedule of ITO-2001 as the benchmark rates. The benchmarks for scope of income are taken as defined in Section 9 of ITO-2001 as the various heads of income and the origin-of-income concept for residents and non-residents. Where exact data was not available, reliance is placed on third party data and calendar year data instead of financial year data. Tax expenditure arising from withholding income tax at import stage is also included.

The Sales Tax expenditure is based on returns/imports data and the difference of sales tax paid and the sales tax payable at 17% is calculated as the Sales Tax expenditure. Certain adjustments on gross estimates have been made to allow for input tax adjustments in certain exempt items based on the counterfactual if such items were not exempt.

Customs duty expenditure is calculated based on the legal provisions under the Customs Act 1969, and statutory instruments through which exemptions/concessions are granted to imported goods. Statutory rates of customs duty relevant to FY 2021-22 are taken as the benchmark rates while provisions relating to exemptions from regulatory duty and additional customs duty have been excluded.

The interpretation of estimates in this report is subject to certain caveats. The expenditure amounts are calculated assuming that all other provisions of that tax type remained unchanged. It can by no means be construed that eliminating certain tax expenditure will necessarily increase revenue of the same amount. Actual receipts will depend on enforcement, taxpayer compliance, effective dates of legislation repealing the exemption, exact wording of any legislation, and taxpayers’ behavior. Moreover, the actual amount will also depend on the nature of economic activity, elasticity of goods and services, etc. Hence, the realization of actual revenue, consequent to removal of certain exemptions, may vary. The

¹ IMF, 2019.

impact of FBR tax expenditure on provincial tax systems is not included in this report.

Advanced countries have shown higher estimates of tax expenditures in comparison with the developing and poor countries at the global level during 2019 and 2020. Within the 21 sampled set of countries, the Russian Federation tops the list with an estimated 14.8% of GDP as tax expenditure while India is at the other extreme with only 0.4% of GDP as tax expenditure (Figure 2).

Key Findings

- The total Federal Taxes' expenditure based on the data relating to FY2021-22 is estimated at **Rs. 2,239.63 billion** with a tax-wise breakdown as follows:
 - Income Tax: Rs. 423.89 billion (6.89% of total FBR tax collection, 18.93% of total expenditure and 0.64% of GDP)
 - Sales Tax: Rs. 1,294.04 billion (21.05% of the total FBR tax collection, 57.78% of total expenditure and 1.94% of GDP)
 - Customs Duty: Rs. 521.70 billion (8.49% of total FBR tax collection, 23.29% of total expenditure and 0.78% of GDP)
- The total expenditures are **36.43 %** of total FBR collection in FY 2021-22.
- The tax revenue foregone constitutes approximately **3.36% of total GDP** in **FY2021-22** as against 2.69% in FY2020-21.
- Pakistan's current tax expenditure estimate and the average tax expenditure are far below the average estimates of the world (Figures 2 & 3).

Table 1: Summary of Tax Expenditure Estimates FY2021-22 (Rs. Billion)

Tax Heads	Tax Expenditure			GDP	Tax Expenditure as % of	
	FY 2020-21	FY 2021-22	Increase/Decrease (%)		Total FBR Collection	Total Tax Expenditure
					FY2021-22	
Income Tax	416.51 ²	423.89	1.77	0.64	6.89	18.93
Sales Tax	739.77	1,294.04	74.92	1.94	21.05	57.78
Customs Duty	342.89	521.70	52.15	0.78	8.49	23.29
Total	1,499.17³	2,239.63	49.39	3.36	36.43	100.00

² This estimate was reported at Rs. 399.66 million in PFY2020-21 Report. It is reworked and reported as per the current year's data retrieval methodology.

³ The total tax expenditure was reported as Rs. 1,482.32 million in PFY 2020-21 report. It is reworked for this report due to the reason as explained above in footnote 2.

Table 2: Income Tax Expenditure Summary

Exemption Heads	Tax Expenditure (Rs. Million)		Increase/ Decrease
	FY 2020-21	FY2021-22	(%)
Exemptions and Tax Concessions given in Part VII of Chapter III of ITO, 2001	26,164	26,834	2.56
Deductible Allowances given in Part IX of Chapter III of ITO, 2001	10,625	14,506	36.53
Tax Credits given in Part X of Chapter III of ITO, 2001	65,465	52,133	-20.37
Income Exempt from Tax given in Part I of Second Schedule of ITO, 2001	232,852	232,398	-0.19
Reduction in Tax Rates given in Part II of Second Schedule of ITO, 2001	17,047 ⁴	24,444	43.39
Reduction in Tax Liability given in Part III of Second Schedule of ITO, 2001	3,285	4,738	44.23
Exemption from Specific Provisions given in Part IV of Second Schedule of ITO, 2001	61,076	68,841	12.71
Total Income Tax Expenditure	416,514⁵	423,894	1.77

Table 3: Sales Tax Expenditure Summary

Exemption Heads	Tax Expenditure (Rs. Million)		Increase/ Decrease
	FY2020-21	FY2021-22	(%)
Zero Rating under Fifth Schedule to Sales Tax Act 1990	33,422	139,448	317.23
Exemptions given on POL Products Through Various SROs	-	632,950	100.00
Exemption under Sixth Schedule on (Imports)	327,656	257,537	-21.40
Exemption under Sixth Schedule on Local supplies	139,046	133,178	-4.22
Reduced Rates Under Eighth Schedule	193,722	129,906	-32.94
Sales Tax on cellular Mobile Phones under Ninth Schedule	45,919	1,021	-97.78
Total Sales Tax Expenditure	739,765	1,294,041	74.93

Table 4: Customs Duty Expenditure Summary

Exemption Heads	Tax Expenditure (Rs. Million)		Increase/ Decrease
	FY2020-21	FY2021-22	(%)
Chapter-99 Exemptions	15,963	22,240	39.32
FTA & PTA Exemptions	46,105	102,658	122.66
Fifth Schedule Exemptions & Concessions	168,754	172,978	2.50
General Concessions: Automobile sector, E&Ps, CPEC, etc.	60,987	192,950	216.38
Export Related Exemptions	51,081	30,878	(39.55)
Total Customs Expenditure	342,890	521,703	52.15

Grand Total (Income Tax + Sales Tax + Customs Duty)	1,499.17⁶	2,239.63	49.39
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⁴ Estimate of Reduction in Tax Rates given in Part II of Second Schedule of ITO, 2001, was reported at Rs. 195 million in PFY2020-21 Report. It is reworked and reported as per the current year's data retrieval methodology.

⁵ The total income tax expenditure was reported as Rs. 399.66 million in PFY 2020-21 report. It is reworked for this report due to the reason as explained above in footnote 3.

⁶ The Grand total of Income Tax, Sales Tax & Customs Duty was Rs. 1,482.32 million in PFY2020-21 report. It is reworked for this report due to the reason as explained above in footnote 3.

INTRODUCTION

01

- 1.1. Tax Expenditure**
- 1.2. Methodology and Measurement**
- 1.3. Issues in interpretation**

1.1 Tax Expenditure

The concept of tax expenditure has been defined in various ways, including the following:

- The Organization for Economic Cooperation and Development (OECD) defines tax expenditure as “the estimated costs to the tax revenue of preferential treatment for specific activities.”
- The International Monetary Fund (IMF) defines tax expenditure as revenue foregone “as a result of selective provisions in the tax code.”
- The US Department of the Treasury defines Tax expenditure as “revenue losses attributable to provisions of Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability.”

Tax expenditure is a deviation from a defined “benchmark” tax structure. A benchmark is a reference tax system that defines what ought to be taxed in the normal course, when there are no deviations. Formal definition of “tax expenditure”, therefore, depends on how the benchmark tax system has been specified. The fundamental aspects of the tax system that constitute the “benchmark” are given in more detail in this chapter under heading 1.2. Thus, deviations from this benchmark, whether provided for in the main body of law or its

schedules, are treated as tax expenditures.

Tax expenditures can take different forms. They are usually in the form of allowances (amounts deducted from the tax base before applying the tax rate), credits (amounts deducted from tax liability), exemptions (exclusion from the tax base), or rate relief (reduced tax rates), etc. They are sometimes referred to as tax incentives or tax subsidies. Negative tax expenditures are tax sanctions. A tax sanction means levying tax at a higher rate than the norm. However, negative tax expenditures have not been discussed in this report.

1.2 Methodology and Measurement

The worldwide used “Revenue Forgone”, approach⁷ is used to estimate tax expenditure in income tax, sales tax, and customs duty for this report. This method quantifies the direct ex-post revenue loss associated with the provisions relative to the statutory tax rates (holding other factors constant)⁸. This method calculates the tax liability for the taxpayer and subtracts tax paid from the tax liability. The difference between the two is the tax revenue foregone or tax expenditure. For measuring the tax expenditure in this report, the data used is mainly related to FY2021-22. During the FY2021-22, the total tax collection was Rs. 6,148.5 billion⁹ and GDP was Rs. 66,624 billion¹⁰. The tax expenditures have been reported with references to these parameters as per standard practice. Where the data is not available specifically according to the financial year, the calendar year data has been used.

1.2.1 Measurement of Income Tax Expenditure

Income tax expenditure in this report has been calculated by taking the data of Income Tax Returns for the FY2021-22 and third-party data. Tax rates given in the First Schedule of the ITO-2001 are taken as benchmark rates as modified and updated by Finance Act 2021. These rates are applied to incomes declared to compute the normal tax amount. Any variation or concession in tax rates within the First Schedule is not considered as a deviation from the benchmark.

This report mainly focuses on Part VII of Chapter III of the ITO, 2001 and Parts I, II, III and

⁷ Canada Finance Department (2022), Federal Tax Expenditures - Concepts, Estimates and Evaluations 2022
US Treasury (2022), Australia Treasury (2022)

⁸ Geourjon (2019)

⁹ FBR Year Book 2021-22

¹⁰ Pakistan Economic Survey, 2021-22

IV of the second schedule of the said ordinance. These provisions provide the various items comprising the income tax expenditure including exemptions and concessions to individuals, association of persons, companies etc., who are taxable according to the rates specified in the first schedule.

Rate of minimum tax for loss declaring entities is taken as 1.25% and tax rates for individuals are taken as per the relevant slab given in First Schedule of ITO, 2001. Corporate benchmark rate is taken as 29% as corporate tax rate changed from 30% to 29% for FY 2018-19 onwards. While calculating the reduced rate exemptions, the difference between tax amounts on the basis of statutory tax rate and reduced/exempted rate for each item is taken as tax expenditure.

For several clauses of the second schedule, data was obtained from third party sources to calculate the tax expenditure as such data was either not available in the returns or it could not be retrieved from the database.

1.2.2 Measurement of Sales Tax Expenditure

The standard sales tax rate of 17% is taken as the benchmark rate to calculate the sales tax liability. The FBR sales tax return database is used to estimate the tax expenditure in sales tax for FY2021-22. The concept is that a tax liability at 17% sales tax rate would have been payable if there were no tax concessions. This method quantifies the direct ex-post revenue loss associated with the provisions relative to the standard sales tax rates. The actual sales tax paid has been subtracted from the tax liability at 17% tax. The difference between the two is the sales tax revenue foregone.

Adjustments are made on gross estimates to avoid duplication in the estimations where required. According to the previous years' methodology a 30% adjustment has been considered for items listed as exempt in the Sixth Schedule to the Sales Tax Act, 1990. This is indicative of the input tax adjustment that would have been claimed in the absence of the exemption.

1.2.2.1 Explanatory Notes on Sales Tax Estimates

A. Types of Concessions

In sales tax act, concessions are granted broadly by three ways as follows:

- I. Zero rating
- II. Exemptions

III. Reduced rates

I. Zero rating

Under Section 4 of the Act, goods exported, or the goods specified in the Fifth Schedule; supply of stores and provisions for consumption aboard a conveyance proceeding to a destination outside Pakistan as specified in section 24 of the Customs Act, 1969 (IV of 1969); such other goods, as the Federal Government may specify by notification in the official Gazette, whenever circumstances exist to take immediate action for the purposes of national security, natural disaster, national food security in emergency situations and implementation of bilateral and multilateral agreements are charged to tax at the rate of zero per cent.

II. Exemptions

Under section 13 of the Sales Tax Act 1990, supply of goods or import of goods specified in the Sixth Schedule are exempt subject to conditions as may be specified by the Federal Government. The Federal Government is empowered to issue exemptions whenever circumstances arise to take immediate action for the purposes of national security, natural disaster, national food security in emergency situations and implementation of bilateral and multilateral agreements, by notification in the official Gazette. Exemptions can be allowed to any supplies made or imports, of any goods or class of goods from the whole or any part of the tax chargeable under the Act, subject to the conditions and limitations specified therein.

III. Reduced rates

Under section 3(2)(b) of Sales Tax Act 1990, the Federal Government is empowered to declare that in respect of any taxable goods, the tax shall be charged, collected, and paid in such manner and at such higher or lower rate or rates as may be specified, subject to such conditions and restrictions as it may impose, by notification in the official Gazette.

B. Nature of exemptions and concessions

In sales tax act, concessions are granted broadly by three ways: i.e., zero rating, exemptions, and reduced rates as follows:

I. Product-based Concessions

In some cases, product-based concession is granted under the sales tax act, for example, in

case of food and grocery items, certain products are exempt or have reduced rate of sales tax. Data capture or in some cases its retrieval becomes challenging because these exemptions can have rules within rules. Prepared foods and ready-to-eat food items may be exempted or have reduced rate whereas the same items if sold under brand name may not have the concession.

II. Use-based Concessions

Under the Act certain products that are intended to be used for in-house consumption, for use of a specific organization are given tax concession. Typically, this is where, the end consumers are not liable to be taxed, or intended to be given tax concession.

III. Buyer-based Concessions

Diplomats, diplomatic missions, diplomatic organizations, non-profit organizations, or government agencies often are not required to pay sales tax. This concession in the form of zero rating or exemption is extended to these national and international agencies.

IV. Economic activity-based concessions

Certain tax concessions under the Act are granted for a specific economic activity, such as export promotions or certain activities in export processing zones. A unique case in Pakistan is the case of exemptions in erstwhile Federally Administered Tribal Areas (FATA), where exemptions are granted for mainstreaming of the geographic areas.

1.2.3 Measurement of Tax Expenditure in Customs Duty

Data for estimation of Customs expenditure is also taken from FBR's official database, and estimates were calculated against statutory rates of duties, using revenue foregone approach.

1.2.3.1 Benchmark for Customs Duty Expenditure

- a) Statutory rates of Customs Duty (CD), Regulatory Duty (RD), and Additional Customs Duty (ACD) have been taken as benchmark rates. Customs related exemptions/concessions are generally sector based.
- b) While making calculations, any deviation from statutory rates has been considered as an exemption/concession.
- c) The period of study is July 2021 to June 2022.
- d) Classification of total estimates of customs duty expenditure are based on figures in respect of customs duty exemptions given under chapter-99, FTA/PTAs, Fifth Schedule to Customs Act

1969, General Concessions: exemptions given under other SROs to Automobile sector, E&Ps, CPEC, etc., and export-oriented exemption/concession SROs.

1.3 Issues in interpretation

It is appropriate to acknowledge that the estimates in this report are quantified amounts. The factual tax expenditures may vary depending on a host of factors. Thus, several caveats are applied when we interpret these estimates. These caveats are discussed as follow:

- i. The tax expenditure estimates presented in this report relate to FBR revenues only and do not account for the provincial revenue expenditure. It is pertinent to mention that federal and provincial tax systems interact with each other to varying degrees on practical grounds. As a result, changes in FBR tax expenditure may have consequences for provincial revenues.
- ii. The amounts by which federal tax revenues are reduced due to existence of tax expenditures are estimated independently for each tax expenditure by assuming that all other tax provisions remain unchanged. However, elimination of tax expenditure would not necessarily yield the full amount of revenues shown in this report since there may be interaction of multiple tax expenditure provisions.
- iii. The reduction in tax revenue reported in this report is only due to the actual tax expenditure observed in the database. We assume that all other factors remain unchanged.
- iv. This measurement approach assumes that existence of tax expenditure does not affect taxpayers' behavior. There is a strong probability that if a particular tax expenditure provision is eliminated, it may not result in an exactly proportionate increase in revenue.
- v. This methodology does not consider the potential impact of a particular tax expenditure on the overall level of economic activity and consequently increase or decrease in aggregate tax revenues. For example, eliminating tax expenditure may affect the level of consumption or economic activity, which in turn could cause a further change in the amount of tax revenue collected.
- vi. Revenue forgone provides quantified amounts only; it ignores the potential transitional provisions and consequential government policy changes that may occur due to the elimination of a particular measure.

INTERNATIONAL EVIDENCE ON TAX EXPENDITURE

02

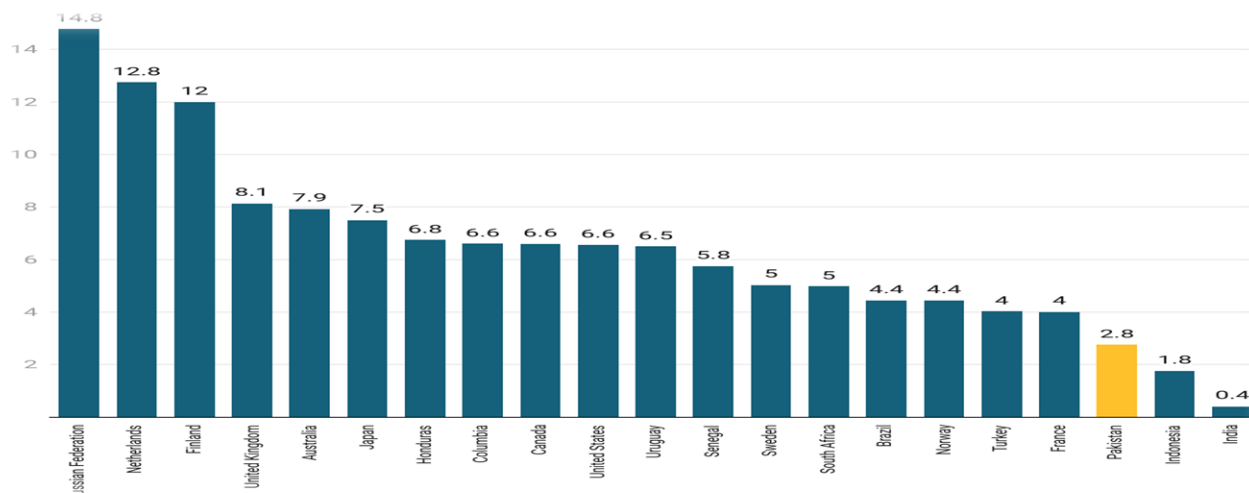
Throughout the World, most of the countries provide concessions, exemptions and tax relief on certain products and segments of society. There is large variation in tax expenditures across countries. Mostly, advanced countries report significantly higher estimates of revenue forgone.

According to the “Global Tax Expenditure” data of 2019 and 2020 (Figure 2). Russian Federation provides a huge size of tax exemptions, that is, 14.8% of their GDP. In U.S., income tax expenditure constitutes 6.6% of GDP.

Similarly, the government tax revenue gets reduced by around 8% of GDP in Australia. Canada, Japan, and UK also allow tax expenditure up to 6.6%, 7.5% and 8.1% of their GDP. The revenue forgone or tax expenditure in European countries is relatively close to the world average of tax expenditure (around 4% of GDP). However, Finland and Netherlands are exceptions, where tax expenditures are 12% and 12.8% of their GDP.

Many small and emerging economies also give tax concessions and exemptions. For instance, the tax expenditure was more than 4% of GDP in Brazil and South Africa while it was close to 7% in Colombia. Pakistan and India appear at lower tail of this distribution. Pakistan had tax expenditure equal to 2.8% of GDP and India had an expenditure of 0.4% of their GDP (Figure 2).

Figure 2: Country wise Revenue Forgone (% of GDP)



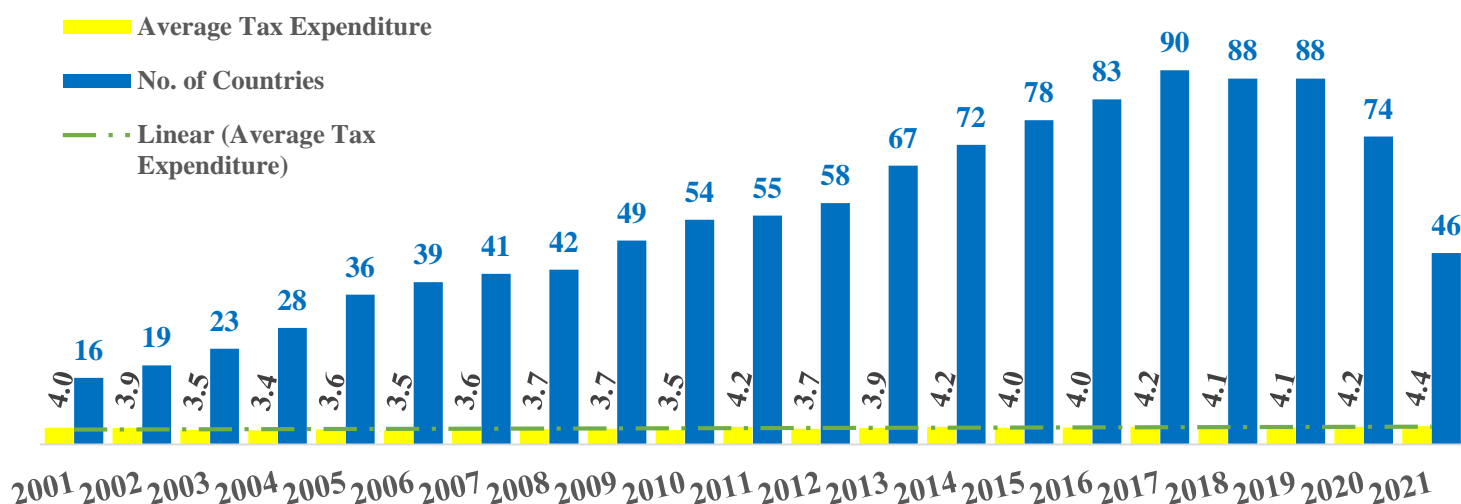
Source: <https://gted.net/> (Global Tax Expenditure Database)

In this figure, the tax expenditure varies between the years 2019 and 2020 across countries.

Global Average Revenue Foregone

Figure 3 shows the global average tax expenditure as percent of GDP for the last 21 years. The average tax expenditure of the world shows a smooth increasing trend starting from an average of 3.6% of GDP in early years of 2000 with an increasing trend, i.e., up to 4% of GDP in 2020. The global average represents the sample number of countries included in the study which ranges from 16-90 with average rate of tax expenditure for the mentioned countries in the given year. The average tax expenditure remains between 3.4% to 4.4% of GDP. Pakistan's tax expenditure i.e., 3.36% for FY2021-22 is well below the global average.

Figure 3: Global Average Tax Expenditure (% of GDP)



Data Source: Global Tax Expenditure, May, 2023

TAX EXPENDITURE ESTIMATES

03

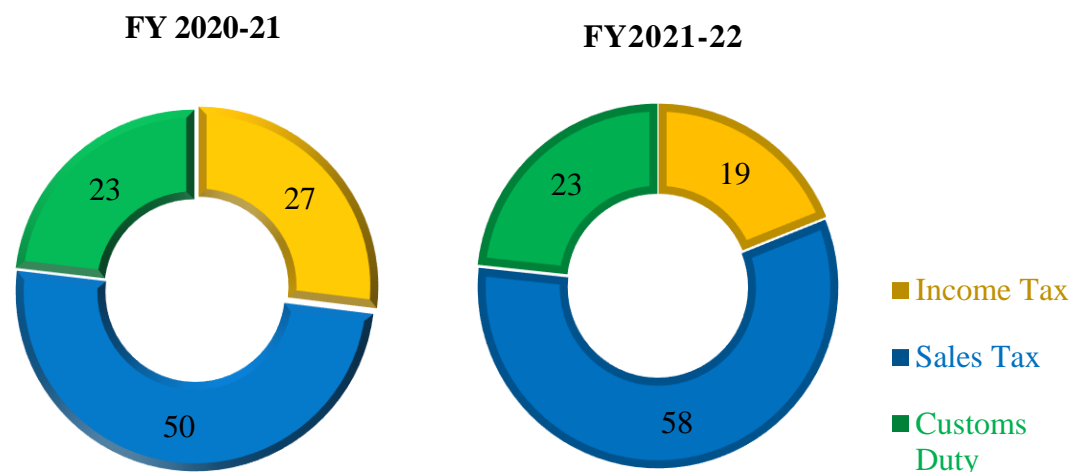
3.1 Income Tax Estimates

3.2 Sales Tax Estimates

3.3 Customs Estimates

Figure 1 shows the percentage share of different taxes in tax expenditure for FY2021-22 in comparison with FY2020-21. A decline is observed in share of income tax expenditure in overall tax expenditures, whereas share of sales tax expenditure has increased significantly while the custom duty expenditure remain stable during FY2021-22 as compared to FY2020-21.

Figure 1: Head-wise Tax Expenditure (% Share of Total Tax Expenditure)



3.1 Income Tax Estimates

Income tax expenditures are classified into various types of measure, i.e., allowances, credits, exemptions, reduced rates, exclusion, etc. Overall income tax expenditure accounted for 18.93% of the total expenditure in FY2021-22. Income tax related tax expenditure are higher by 1.77% during FY2021-22 as compared to FY2020-21. Major chunk of income tax exemptions pertains to incomes exempt from tax given in Part I of Second Schedule (54.82%), followed by specific provisions (16.24%) and tax credits (12.30%). A substantial jump has been noted in tax expenditure on account of reduction of rates mainly because of non-availability of data on certain clauses during PFY and addition of some clauses through Finance Act, 2021 related to reduction in rates on import of sugar.

Table 5 Income Tax Expenditure Summary

Exemption Heads	Tax Expenditure Rs. Million		Increase/ Decrease In FY2022
	FY2020-21	FY2021-22	(%)
Exemptions and Tax Concessions given in Part VII of Chapter III of ITO, 2001	26,164	26,834	2.56
Deductible Allowances given in Part IX of Chapter III of ITO, 2001	10,625	14,506	36.53
Tax Credits given in Part X of Chapter III of ITO, 2001	65,465	52,133	-20.37
Income Exempt from Tax given in Part I of Second Schedule of ITO, 2001	232,852	232,398	-0.19
Reduction in Tax Rates given in Part II of Second Schedule of ITO, 2001	17,047 ¹¹	24,444	43.39
Reduction in Tax Liability given in Part III of Second Schedule of ITO, 2001	3,285	4,738	44.23
Exemption from Specific Provisions given in Part IV of Second Schedule of ITO, 2001	61,076	68,841	12.71
Total Income Tax Expenditure	416,514¹²	423,894	1.77

- The largest share of income tax expenditure was incurred in Part I of Second Schedule of ITO, 2001. However, variation under this item was negligible for FY2021-22 as compared to the previous year.

¹¹ Estimate of Reduction in Tax Rates given in Part II of Second Schedule of ITO, 2001, was reported at Rs. 195 million in PFY2020-21 Report. It is reworked and reported as per the current year's data retrieval methodology.

¹² The total income tax expenditure was reported as Rs. 399.66 million in PFY 2020-21 report. It is reworked for this report due to the reason as explained above in footnote 3.

- The tax expenditure in income tax constitutes approximately 0.64% of GDP in the FY2021-22.
- The income tax expenditure on account of tax credits was reduced by 20.37% in FY2021-22 in comparison with the previous year.
- The total income tax expenditure showed an increase of 1.77% in FY2021-22 as compared with FY2020-21.

3.2 Sales Tax Estimates

Sales tax expenditure has been calculated for sales tax at local and import stage. The tax expenditure in sales tax increased by 74.93% as compared to that in preceding year. The overall tax expenditure is 57.78% of the total expenditure in FY2021-22. The major share (48.91%) of sales tax expenditure goes to exemptions given on POL Products through various SROs followed by exemption under Sixth Schedule on (Imports) (19.90%) of sales tax expenditure, zero rating under Fifth Schedule (10.77%), local supplies under Sixth Schedule (10.29%), reduced rates under Eighth Schedule (10.04%) and sales tax on cellular mobile phones under Ninth Schedule (0.08%).

Table 6 Sales Tax Expenditure Summary

Exemption Heads	Tax Expenditure (Rs. Million)		Increase/ Decrease (%) FY2022
	FY2020-21	FY2021-22	
Zero Rating under Fifth Schedule of the Sales Tax Act 1990	33,422	139,448	317.23
Exemptions given on POL Products Through Various SROs	-	632,950	100.00
Exemption under Sixth Schedule on (Imports)	327,656	257,537	-21.40
Exemption under Sixth Schedule on Local supplies	139,046	133,178	-4.22
Reduced Rates Under Eighth Schedule	193,722	129,906	-32.94
Sales Tax on cellular Mobile Phones under Ninth Schedule	45,919	1,021	-97.78
Total Sales Tax Expenditure	739,765	1,294,041	74.93

- Almost half of the amount of expenditure in sales tax is due to relief provided on POL Products.

- A significant increase is observed in the zero-rated items under Fifth Schedule of sales tax act 1990, which is primarily due to the zero-rating allowed to local sales of drugs and petroleum products.
- The cost of sales tax expenditure constitutes approximately 1.94% of the GDP in FY2021-22.

3.3 Customs Estimates

The customs duty concessions are in the form of reduced rate, zero rate, exemptions to specific sectors/items, which are broadly scattered among items such as plant, machinery and equipment, chemicals, parts, and renewable energy sources equipment. The largest portion of customs duty expenditure (37%) is on account of General Concessions for Automobile sector, E&Ps, CPEC, etc.

Table 7 Customs Duty Expenditure Summary

Exemption Heads	Tax Expenditure (Rs. Million)		Increase/ Decrease (%)
	FY2020-21	FY2021-22	FY2022
Chapter-99 Exemptions	15,963	22,240	39.32
FTA & PTA Exemptions	46,105	102,658	122.66
Fifth Schedule Exemptions & Concessions	168,754	172,978	2.50
General Concessions: Automobile sector, E&Ps, CPEC, etc.	60,987	192,950	216.38
Export Related Exemptions	51,081	30,878	-39.55
Total Customs Expenditure	342,890	521,703	52.15

- General Concessions and fifth schedule exemptions and concessions combined consist of 70% of customs duty expenditure.
- Total customs expenditure is based on figures in respect of customs duty exemptions given under chapter-99 (Rs. 22,240 million). FTA/PTAs (Rs. 102,658 million), Fifth Schedule to Customs Act, 1969 (Rs. 172,978 million), General Concessions: exemptions given under other SROs to Automobile sector, E&Ps, CPEC, etc., (Rs. 192,950 million) and export-oriented exemption/concession SROs (Rs. 30,878 million).
- The customs duty expenditure is 0.78% of the GDP in FY2021-22 and contributed 23.29% in the total tax expenditure in the same fiscal year.

APPENDIX

04

4.1 Appendix A - Details of Tax Expenditure

4.1.1 Details of Income Tax Expenditure

4.1.2 Details of Sales Tax Expenditure

4.1.3 Details of Customs Duty Expenditure

4.2 Appendix B – Details of New Insertions/Omissions in FA 2021

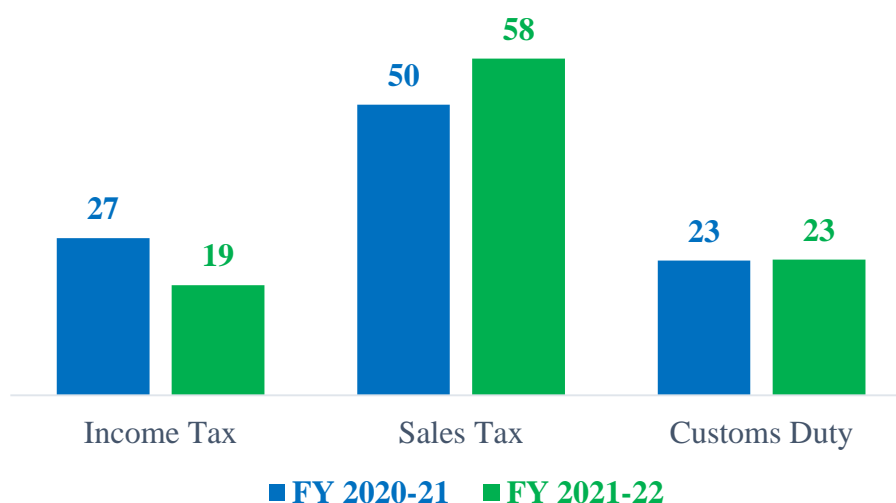
4.2.1 New Insertions

4.2.2 Omissions

4.3 Appendix C – Data Sources

4.1 Appendix A - Details of Tax Expenditure

Figure 3: Distribution of Tax Expenditure of Federal Taxes



4.1.1 Details of Income Tax Expenditure

4.1.1.1 Exemptions and Tax Concessions given in Part VII of Chapter III of ITO, 2001

(Rs. In Million)

S. No	Part / Chapter	Section	Description of Clause	Intended Beneficiary	Tax Expenditure
1	Part-VII of Chapter III	Section 41	Agricultural income	Agriculture sector	Not applicable as agricultural income has been historically exempt from tax under the law
2	Part-VII of Chapter III	Section 42	Diplomatic and United Nations exemptions	Diplomats and members of United Nations	Not applicable under international obligations
3	Part-VII of Chapter III	Section 43	Foreign Officials Government	Foreign Government officials	Not applicable under international obligations
4	Part-VII of Chapter III	Section 44	Exemptions under international agreements	Individuals / entities under international agreements	Not applicable under international obligations
5	Part-VII of Chapter III	Section 45	President's honours	Persons who received President's honours	--
6	Part-VII of Chapter III	Section 46	Profit on debt	Foreigners as Recipients of Profit on Debt who have invested in securities of such entities earning Pakistan source income	--
7	Part-VII of Chapter III	Section 47	Scholarships	Persons who availed scholarships	--

8	Part-VII of Chapter III	Section 48	Support payments under an agreement to live apart	Recipients of support payments under this section	--
			<p>The income of the Federal Government shall be exempt from tax under this Ordinance. The income of a Provincial Government or a Local Government is exempt, other than income chargeable under the head "Income from Business" derived by a Provincial Government or Local Government from a business carried on outside its jurisdictional area.</p> <p>* Exemption under this section is Data Data not available in the case of corporation, company, a regulatory authority, a development authority, other body or institution established by or under a Federal law or a Provincial law or an existing law or a corporation, company, a regulatory authority, a development authority or other body or institution set up, owned and controlled, either directly or indirectly, by the Federal Government or a Provincial Government, regardless of the ultimate destination of such income as laid down in Article 165A of the Constitution of the Islamic Republic of Pakistan</p>		
9	Part-VII of Chapter III	Section 49	Foreign-source income of short-term resident individuals	Government organizations	26,834.26
10	Part-VII of Chapter III	Section 50	Foreign-source income of short-term resident individuals	short-term resident individuals	--

11	Part-VII of Chapter III	Section 51	Foreign-source income of returning expatriates	Returning expatriates	--
12	Part-VII of Chapter III	Section 53	Exemptions and tax concessions in the Second Schedule	Detail of beneficiaries given in detailed report of Second Schedule exemptions	Accounted for in detailed report of Second Schedule exemptions
13	Part-VII of Chapter III	Section 54	Exemptions and tax provisions in other laws	Recipients of such exemptions	--
Total Tax Expenditure from Exemptions and Tax Concessions given in Part VII of Chapter III of ITO, 2001					26,834.26

4.1.1.2 Deductible Allowances given in Part IX of Chapter III of ITO, 2001

(Rs. In Million)

S. No	Part / Chapter	Section	Description of Clause	Intended Beneficiary	Tax Expenditure
1	Part-IX of Chapter III	Section 60	Deductible allowance for Zakat	Persons / entities who paid zakat u/s 60	1,790.48
2	Part-IX of Chapter III	Section 60A	Deductible allowance for Workers' Welfare Fund	Persons / entities who paid Workers' Welfare Fund u/s 60A	4,635.77
3	Part-IX of Chapter III	Section 60B	Deductible allowance for Workers' Participation Fund	Persons / entities who paid Workers' Participation Fund u/s 60B	7,278.27
4	Part-IX of Chapter III	Section 60C	Deductible allowance for profit on debt	Individuals paying profit or share in rent and share in appreciation for value of house on loan by banks etc.	733.6
5	Part-IX of Chapter III	Section 60D	Deductible allowance for education expenses	Individuals having income of less than Rs. 1.5 million paying tuition fee	67.59
Total Tax Expenditure from Deductible Allowances given in Part IX of Chapter III of ITO, 2001					14,505.71

4.1.1.3 Tax Credits given in Part X of Chapter III of ITO, 2001

(Rs. In Million)

S. No	Part / Chapter	Section	Description of Clause	Intended Beneficiary	Tax Expenditure
1	Part-X of Chapter III	Section 61	Tax Credit for Charitable Donations u/s 61	Persons who declared charitable donations u/s 61	5,320.53
2	Part-X of Chapter III	Section 62	Tax Credit for Investment in Shares and Life Insurance Premium u/s 62	Persons (excluding companies) investing in shares, sukus, or life insurance	3,090.39
3	Part-X of Chapter III	Section 62A	Tax Credit for Investment in Health Insurance u/s 62A	Persons (excluding companies) investing in health insurance	32.05
4	Part-X of Chapter III	Section 63	Tax Credit for Contribution to Approved Pension Fund u/s 63	Eligible persons as defined in sub-section (19A) of section 2 of Ordinance	1,510.39
5	Part-X of Chapter III	Section 64B	Tax Credit for Employment Generation by Manufacturers u/s 64B	Corporate manufacturing sector	1.59
6	Part-X of Chapter III	Section 65B	BF Tax Credit for Non-Equity Investment in Plant and Machinery u/s 65B	Corporate manufacturing sector	2,180.31
7	Part-X of Chapter III	Section 65B	BF Tax Credit for Equity Investment in Plant and Machinery u/s 65B	Corporate manufacturing sector	612.98
8	Part-X of Chapter III	Section 65C	Tax Credit for Enlistment in Registered Stock Exchange u/s 65C	Companies who have opted for enlistment in a registered stock exchange	0.00
9	Part-X of Chapter III	Section 65D	Tax Credit for Newly Established Industrial Undertaking u/s 65D	Corporate industrial units (including corporate dairy farming)	5,986.29

10	Part-X of Chapter III	Section 65E	Tax Credit for Investment in Plant and Machinery by Existing Company u/s 65E	Corporate industrial units (including corporate dairy farming)	18,243.41
11	Part-X of Chapter III	Section 100C	Tax Credit for Trust/Welfare Institution/Non-Profit Organization u/s 100C	Non-profit organizations, trusts, welfare institutions	15,155.31
Total Tax Expenditure from Tax Credits given in Part X of Chapter III of ITO, 2001					52,133.25
Grand Total of Chapter III of ITO, 2001					93,473.22

4.1.1.4 Incomes Exempt from Tax given in Part I of Second Schedule of ITO, 2001

(Rs. In Million)

S. No	Part / Schedule	Clause	Description of Clause	Intended Beneficiary	Tax Expenditure
1	Part I of Second Schedule	Clause 3	Any income chargeable under the head "Salary" received by a person who, not being a citizen of Pakistan, is engaged as an expert or technical, professional, scientific advisor or consultant or senior management staff by institutions of the Agha Khan Development Network, (Pakistan) listed in Schedule I of the Accord and Protocol dated, November 13, 1994 executed between the Government of the Islamic Republic of Pakistan and Agha Khan Development Network.	Foreign experts working with Agha Khan Development Network, (Pakistan)	130.00
2	Part I of Second Schedule	Clause 5	Any allowance or perquisite paid or allowed as such outside Pakistan by the Government to a citizen of Pakistan for rendering service outside Pakistan.	Government employees serving abroad	9.84
3	Part I of Second Schedule	Clause 8	Any pension received by a citizen of Pakistan from a former employer, other	Pensioners receiving pension from former employer	1,701.20

			than where the person continues to work for the employer (or an associate of the employer)		
4	Part I of Second Schedule	Clause 9	Pensions received by employees of Federal Government, Provincial Government, or Armed Forces, or their families and dependents	Retired government servants & military personnel	12,238.55
5	Part I of Second Schedule	Clause 12	Any payment in the nature of commutation of pension received from Government or under any pension scheme approved by the Board	Pensioners receiving pension from any pension scheme approved by the Board	3,624.65
6	Part I of Second Schedule	Clause 13	Any income representing any payment received by way of gratuity or commutation of pension by an employee on his retirement or, in the event of his death, by his heirs as does not exceed – (i) in the case of an employee of the Government, ... Provided that nothing in this sub-clause shall apply – (a) to any payment which is not received in Pakistan; ...	Recipients of gratuity payments	900.27
7	Part I of Second Schedule	Clause 16	Income derived by the families and dependents of the "Shaheeds" belonging to the Civil Armed Forces of Pakistan	Families and dependents of the "Shaheeds" belonging to the Civil Armed Forces	2.93
8	Part I of Second Schedule	Clause 19	Any sum representing encashment of leave preparatory to retirement of a member of the Armed Forces of Pakistan or an employee of the Federal Government or a Provincial Government;	Retiring personnel of Armed Forces or Government servant	170.98
9	Part I of Second Schedule	Clause 22	Any payment from a provident fund to which the Provident Funds Act, 1925 (XIX of 1925) applies;	Recipient of payments from provident funds	1,404.59

10	Part I of Second Schedule	Clause 23	The accumulated balance due and becoming payable to an employee participating in a recognized provident fund;	Employees participating in a recognized provident fund	492.82
11	Part I of Second Schedule	Clause 23A	The accumulated balance upto [50]% received from the voluntary pension system offered by a pension fund manager under the Voluntary Pension System Rules, 2005 at the time of eligible person's- (a) retirement; or (b) disability rendering him unable to work; or (c) death by his nominated survivors.	Voluntary participants in pension funds	58.86
12	Part I of Second Schedule	Clause 23B	The amounts received as monthly installment from an income payment plan invested out of the accumulated balance of an individual pension accounts with a pension fund manager or an approved annuity plan or another individual pension account of eligible person or the survivors pension account maintained with any other pension fund manager as specified in the Voluntary Pension System Rules 2005 shall be exempt from tax provided accumulated balance is invested for a period of ten years;	Pensioners who are receiving monthly installment from an income payment plan	27.50
13	Part I of Second Schedule	Clause 23C	Any withdrawal of accumulated balance from approved pension fund that represent the transfer of balance of approved provident fund to the said approved pension fund under the Voluntary	Pensioners who withdraw any amount from their approved pension fund	82.74

			Pension System Rules, 2005		
14	Part I of Second Schedule	Clause 24	Any benevolent grant paid from the Benevolent Fund to the employees or members of their families in accordance with the provisions of the Central Employee Benevolent Fund and Any benevolent grant paid from the Benevolent Fund to the employees or members of their families in accordance with the provisions of the Central Employee Benevolent Fund and Group Insurance Act, 1969;	Recipients of benevolent grants	--
15	Part I of Second Schedule	Clause 25	Any payment from an approved superannuation fund made on the death of a beneficiary or in lieu of or in commutation of any annuity, or by way of refund of contribution on the death of a beneficiary	Families of deceased enrolled in approved superannuation funds	76.28
16	Part I of Second Schedule	Clause 26	Any income of a person representing the sums received by him as a worker from out of the Workers Participation Fund established under the Companies Profits (Workers Participation) Act, 1968 (XII of 1968)	Low-income workers; recipients of payments from WPF	Not applicable
17	Part I of Second Schedule	Clause 39A	Any amount paid as internal security allowance, compensation in lieu of bearer allowance, kit allowance, ration allowance, special messing allowance, SSG allowance, Northern Areas compensatory allowance, special pay for Northern Areas and height allowance to the Armed Forces personnel	Employees receiving payments to meet expenses in the performance of duties	--

18	Part I of Second Schedule	Clause 40	Any income of a newspaper employee representing Local Travelling Allowance paid in accordance with the decision of the Third Wage Board for Newspaper Employees constituted under the Newspaper Employees (Conditions of Service) Act, 1973;	Newspaper employees	--
19	Part I of Second Schedule	Clause 51	The perquisite represented by the right of the President of Pakistan, the Provincial Governors and the Chiefs of Staff, Pakistan Armed Forces to occupy free of rent as a place of residence any premises provided by the Government.	President of Pakistan, the Provincial Governors and the Chiefs of Staff, Pakistan Armed Forces	--
20	Part I of Second Schedule	Clause 52	The perquisite represented by free conveyance provided and the sumptuary (entertainment) allowance granted by Government to the Chiefs of Staff, Pakistan Armed Forces and the Corps Commanders	Armed Forces Personnel	--
21	Part I of Second Schedule	Clause 53A	The following perquisites received by an employee by virtue of his employment, namely: - free or subsidized food provided by hotels and restaurants to its employees during duty hours; - free or subsidized education provided by an educational institution to the children of its employees; - free or subsidized medical treatment ...	Employees receiving employment-related perquisites	173.13

22	Part I of Second Schedule	Clause 55	The perquisites represented by the right of a judge of the Supreme Court of Pakistan or of a judge of High Court to occupy free of rent of residence any premises provided by Federal or Provincial Government, as the case may be, or in case a judge chooses to reside in a house not provided by Government, so income which represents as house rent allowance;	Judiciary of Superior Courts	22.77
23	Part I of Second Schedule	Clause 56	The following perquisites, benefits and allowances received by a Judge of Supreme Court of Pakistan and Judge of High Court, shall be exempt from tax:	Judiciary of Superior Courts	158.92
24	Part I of Second Schedule	Clause 57(1)	Any income from voluntary contributions, house property and investments in securities of the Federal Government derived by the following, namely:- (i) National Investment (Unit) Trust of Pakistan (ii) Mutual Fund set up by the Investment Corporation of Pakistan,	National Investment (Unit) Trust of Pakistan, Mutual Funds set up by Investment Corporation of Pakistan	0.00
25	Part I of Second Schedule	Clause 57(2)	Any income other than capital gain on stock and shares of public company, PTC vouchers, modaraba certificates, or any instrument of redeemable capital and derivative products held for less than 12 months derived by any Mutual Fund, investment company, or a collective investment scheme or a REIT Scheme or Private Equity and Venture Capital Fund or the National Investment	Mutual funds, investment companies, collective investment schemes, REIT schemes, Private Equity & Venture Capital Funds, and National Investment (Unit) Trust of Pakistan	0.00

(Unit) Trust of Pakistan established by the National Investment Trust Limited from any instrument of redeemable capital as defined in the 8[Companies Act, 2017 (XIX of 2017), if not less than ninety per cent of its income of that year is distributed amongst the Unit- holders.

26	Part I of Second Schedule	Clause 57(3)(i)	Any income of a provident fund to which the Provident Funds Act, 1925 applies;	Provident Funds	680.73
27	Part I of Second Schedule	Clause 57(3)(ii)	Any income of trustees on behalf of a recognized provident fund or an approved superannuation fund or an approved gratuity fund;	Trustees of recognized provident funds, approved superannuation funds, and approved gratuity funds	23,164.26
28	Part I of Second Schedule	Clause 57(3)(iii)	Any income of a benevolent fund or group insurance scheme approved by the Board for the purposes of this clause;	Benevolent funds and group insurance schemes	159.03
29	Part I of Second Schedule	Clause 57(3)(iv), (vi), (vii)	Any income of a Service Fund, any Unit, Station or Regimental Institute; and any recognized Regimental Thrift and Savings Fund, the assets of which consist solely of deposits made by members and profits earned by investment thereof;	Service Fund, any Unit, Station or Regimental Institute; and any recognized Regimental Thrift and Savings Fund	--
30	Part I of Second Schedule	Clause 57(3)(v)	Any income of Employees Old Age Benefits Institution established under the Employees Old Age Benefit Act, 1976 (XIV of 1976);	Employees Old Age Benefits Institution	6,437.25
31	Part I of Second Schedule	Clause 57(3)(viii)	Any income of a Pension Fund approved by the SECP;	Approved Pension Funds	160.20

32	Part I of Second Schedule	Clause 57(3)(ix)	Any profit or gain or benefit derived by a pension fund manager from a pension Fund approved under the Voluntary Pension System Rules, 2005, on redemption of the seed capital invested in pension fund as specified in the Voluntary Pension System Rules, 2005;	Pension funds under the Voluntary Pension System Rules 2005	0.00
33	Part I of Second Schedule	Clause 57(3)(xi)	Any income of International Irrigation Management Institute	International Irrigation Management Institute	--
34	Part I of Second Schedule	Clause 57(3)(xii)	Any income of Punjab Pension Fund established under the Punjab Pension Fund Act, 2007 and the trust established thereunder	Punjab Pension Fund	1,549.76
35	Part I of Second Schedule	Clause 57(3)(xiii)	Any income of Sindh Province Pension Fund established under the Sindh Province Pension Fund Ordinance, 2002	Sindh Province Pension Fund	3,205.95
36	Part I of Second Schedule	Clause 57(3)(xiv)	Any income of Punjab General Provident Investment Fund established under the Punjab General Provident Investment Fund Act, 2009 (V of 2009) and the trust established thereunder;	Punjab General Provident Investment Fund	131.88
37	Part I of Second Schedule	Clause 57(3)(xv)	Any income of Khyber Pakhtunkhwa Retirement Benefits and Death Compensation Fund	Khyber Pakhtunkhwa Retirement Benefits and Death Compensation Fund	--
38	Part I of Second Schedule	Clause 57(3)(xvi)	Any income of Khyber Pakhtunkhwa General Provident Investment Fund;	Khyber Pakhtunkhwa General Provident Investment Fund	1,026.86
39	Part I of Second Schedule	Clause 57(3)(xvii)	Any income of Khyber Pakhtunkhwa Pension Fund;	Khyber Pakhtunkhwa Pension Fund	1,331.14

40	Part I of Second Schedule	Clause 65A	Income derived from the Welfare Fund created under section 16 of the Emigration Ordinance, 1979 (except the income generated by the aforesaid Fund through commercial activities.)	Emigrants and their families in Pakistan	--
41	Part I of Second Schedule	Clause 66	Any income derived by certain listed philanthropic organization like hospitals, governmental and non-governmental and international entities	All institution, foundations, societies, boards, trusts and funds mentioned in clause 66 of Part 1 of Second Schedule	22,090.89
42	Part I of Second Schedule	Clause 75	Any profit on debt and capital gains derived by any agency of foreign Government or any non-resident person approved by the Federal Government for the purpose of this clause from debt and debt instruments approved by the Federal Government	Agencies of foreign Governments, foreign nationals or any other non-resident person approved by the Federal Government	30,196.40
43	Part I of Second Schedule	Clause 78	Profit on debt on foreign currency accounts	Foreign currency account holders (Only One bank has submitted its figures until the compilation of this report)	1.45
44	Part I of Second Schedule	Clause 79	Profit on debt derived by non-resident Pakistanis on rupee accounts	Citizens of Pakistan residing abroad and remitting foreign exchange (Only One bank has submitted its figures until the compilation of this report)	40.77
45	Part I of Second Schedule	Clause 99	Any income derived by a Collective Investment Scheme or a REIT Scheme, if not less than ninety per cent of its accounting income of that year, as reduced by capital gains whether realized or unrealized, is distributed amongst the unit or	Collective Investment Schemes and REIT Schemes that are distributing more than 90% of their incomes to certificate holders / shareholders.	20,713.62

certificate holders or shareholders as the case may be

46	Part I of Second Schedule	Clause 99A	Profits and gains accruing to a person on sale of immovable property to a REIT Scheme	Taxpayers selling immovable property to a Developmental REIT Scheme or a rental REIT Scheme	0.00
47	Part I of Second Schedule	Clause 102A	Income of a person as represents a subsidy granted to him by the Federal Government for the purposes of implementation of any orders of the Federal Government in this behalf	Recipients of subsidies granted by Federal Government	17,809.44
48	Part I of Second Schedule	Clause 103A	Any income derived from inter-corporate dividend within the group companies entitled to group taxation under section 59AA 3[4[]] 5[“subject to the condition that return of the group has been filed for the tax year	Persons deriving any income from Inter-corporate dividend	--
49	Part I of Second Schedule	Clause 103D	Dividend income and long term capital gains of any venture capital fund from investments in zone enterprises as defined in clause (p) of section 2 of the Special Technology Zones Authority Ordinance, 2020 for a period of ten years commencing from issuance of license by the Authority to the zone enterprise.	venture capital funds who are deriving dividend from investments in zone enterprises	--
50	Part I of Second Schedule	Clause 105B	Income received by a taxpayer from a corporate agricultural enterprise, distributed as dividend out of its income from agriculture;	Taxpayers receiving dividend income from corporate agricultural enterprises	39.60

51	Part I of Second Schedule	Clause 107	Any income derived by any subsidiary of the Islamic Development Bank wholly owned by it and set up in Pakistan and engaged in owning and leasing of tankers.	Islamic Development Bank	--
52	Part I of Second Schedule	Clause 107A	Any income derived by the Islamic Development Bank from its operations in Pakistan in connection with its social and economic development activities.]	Islamic Development Bank	--
53	Part I of Second Schedule	Clause 114B	Profit and gains accruing to persons mentioned in proviso to sub-section (1) of section 236C in respect of first sale of immovable property acquired from or allotted by the Federal Government or Provincial Government or any authority duly certified by the official allotment authority, and the property acquired or allotted is in recognition of services rendered by the Shaheed or the person who dies in service.	persons / individuals deriving such profits and gains	--
54	Part I of Second Schedule	Clause 126	Income of a public sector university established solely for educational purposes and not for the purposes of profit;	Public sector universities	4,980.64
55	Part I of Second Schedule	Clause 126A	Income derived by China Overseas Ports Holding Company Limited, China Overseas Ports Holding Company Pakistan (Private) Limited, Gwadar International Terminal Limited, Gwadar Marine Services Limited and Gwadar Free Zone Company Limited from Gwadar Port operations;	China Overseas Ports Holding Company Limited, China Overseas Ports Holding Company Pakistan (Private) Limited, Gwadar International Terminal Limited, Gwadar Marine Services Limited and Gwadar Free Zone Company	--

				Limited from Gwadar Port operations	
56	Part I of Second Schedule	Clause 126AA	Profit and gains derived by a taxpayer from businesses set up in the Gwadar Free Zone Area;	All businesses set up in Gwadar Free Zone	--
57	Part I of Second Schedule	Clause 126AB	Profit on debt derived by- (a) any foreign lender; or (b) any local bank having more than 75 per cent shareholding of the Government or the State Bank of Pakistan, under a Financing Agreement with the China Overseas Ports Holding Company Limited;	Foreign lenders or public sector banks/ State bank having financing agreement with China Overseas Ports Holding Company Limited	--
58	Part I of Second Schedule	Clause 126AC	Income derived by contractors and sub- contractors of China Overseas Ports Holding Company Limited, China Overseas Ports Holding Company Pakistan (Private) Limited, Gwadar International Terminal Limited, Gwadar Marine Services Limited and Gwadar Free Zone Company Limited from Gwadar Port operations;	contractors and sub- contractors of China Overseas Ports Holding Company Limited, China Overseas Ports Holding Company Pakistan (Private) Limited, Gwadar International Terminal Limited, Gwadar Marine Services Limited and Gwadar Free Zone Company Limited from Gwadar Port operations	--
59	Part I of Second Schedule	Clause 126AD	Income derived by China Overseas Ports Holding Company Limited being dividend received from China Overseas Ports Holding Company Pakistan (Private) Limited, Gwadar Inter- national Terminal Limited Gwadar Marine Services Limited and Gwadar Free Zone Company Limited;	China Overseas Ports Holding Company Limited being dividend received from China Overseas Ports Holding Company Pakistan (Private) Limited, Gwadar Inter-national Terminal Limited Gwadar Marine Services Limited and Gwadar Free	--

			Zone Company Limited	
60	Part I of Second Schedule	Clause 126B	Profits and gains derived by a refinery— (a) from new deep conversion refinery of at least 100,000 barrels per day for which approval is given by the Federal Government before the 31st day of December, 2021; or (b) for the purpose of up-gradation, modernization or expansion project of ... Oil Refineries of at least 100,000 barrels per day conversion capacity	0.00
61	Part I of Second Schedule	Clause 126D	Profits and gains derived by a taxpayer from an industrial undertakings set up in the Gwadar declared by the Federal Government to be a Zone within the meaning of Export Processing Zone Authority Ordinance, 1980 Industrial undertaking set up in the Gawadar	--
62	Part I of Second Schedule	Clause 126E	Income derived by a zone enterprise as defined in the Special Economic Zones Act, 2012 (XX of 2012) for a period of ten years starting from the date the developer certifies that the zone enterprise has commenced commercial operation and for a period of ten years to a developer of zone starting from the date of signing of the development agreement in the special economic zone as announced by the Federal Government, Provided that ... Zone enterprise as defined in the Special Economic Zones Act, 2012, and developers of zones.	453.57
63	Part I of Second Schedule	Clause 126EA	Profits and gains derived by— (a) zone developer as defined in section 2 of the Special Technology Zones Authority Ordinance, Zone enterprise as defined in the Special Economic Zones Act, 2012, and developers of zones.	--

2020 from development and operations of the zones for a period of ten years starting from the date of signing of the development agreement; (b) profits and gains of Zone Enterprises as defined in section 2 of the Special Technology Zones Authority Ordinance, 2020 for a period of ten years from the date of issuance of license by the Special Technology Zone Authority; and (c) Special Technology Zones Authority established under the Special Technology Zones Ordinance 2020.

64	Part I of Second Schedule	Clause 126M	Profits and gains derived by a taxpayer from a transmission line project set up in Pakistan on or after the 1st day of July, 2015;	Companies deriving income from transmission line projects in Pakistan	0.00
65	Part I of Second Schedule	Clause 132	Profits and gains derived by a taxpayer from an electric power generation project set up in Pakistan on or after the 1st day of July, 1988, subject to following conditions: (a) owned and managed by a company formed for operating the said project and registered under the Companies Ordinance, 1984 (XLVII of 1984), and having its registered office in Pakistan; (b) not formed by the splitting up, or the reconstruction ...	Electric power generation projects	56,025.51
66	Part I of Second Schedule	Clause 132AA	Profits and gains derived from sale of electricity by National Power Parks Management Company (Private) Limited or	National Power Parks Management Company (Private) Limited or demerged entities of National	3,978.53

			demerged entities of National Power Parks Management Company (Private) Limited commencing from the commercial operation dates and continuing after the date of change of ownership as a result of privatization by the Privatization Commission of Pakistan	Power Parks Management Company (Private) Limited	
67	Part I of Second Schedule	Clause 132C	Profits and gains derived by a taxpayer from a bagasse/biomass based cogeneration power project having one or more boilers of not less than 60 bar (kg/CM3) pressure each, commissioned after the first day of January 2013.	Bagasse / Biomass Cogeneration Project Owners	--
68	Part I of Second Schedule	Clause 139	The benefit represented by free provision to the employee of medical treatment or hospitalization or both by an employer or the reimbursement received by the employee of the medical charges or hospital charges or both paid by him	Employees receiving free medical care from employers.	1,666.72
69	Part I of Second Schedule	Clause 140	All payments on account of principal, interest, or fees received by the Overseas Private Investment Corporation (OPIC), from development project undertaken in pursuance to the Investment Incentive Agreement signed between the Government of Pakistan and the Government of the United States of America, dated 18th November, 1997	Overseas Private Investment Corporation (OPIC)	--

70	Part I of Second Schedule	Clause 140A	Any profit on debt received by Japan International Cooperation Agency (JICA), from Islamabad-Burhan Transmission Reinforcement Project (Phase-I) undertaken in pursuance to the loan agreement for Islamabad-Burhan Transmission Reinforcement Project (Phase-I)	Japan International Cooperation Agency (JICA)	0.00
71	Part I of Second Schedule	Clause 143	Income from social security contributions derived by Balochistan Employees' Social Security Institution, Employees' Social Security Institution Khyber Pakhtunkhwa, Punjab Employees' Social Security Institution and Sindh Employees' Social Security Institution;	Balochistan Employees' Social Security Institution, Employees' Social Security Institution Khyber Pakhtunkhwa, Punjab Employees' Social Security Institution and Sindh Employees' Social Security Institution	5,040.50
72	Part I of Second Schedule	Clause 145A	Any income which was not chargeable to tax prior to the commencement of the Constitution (Twenty-fifth Amendment) Act, 2018 (XXXVII of 2018) of any individual domiciled or company and association of persons resident in the Tribal Area forming part of the Provinces of Khyber Pakhtunkhwa and Baluchistan under paragraph (d) of Article 246 of the Constitution with effect from the 1st day of June, 2018 to the 30th day of June, 2023 (both days inclusive).	Individuals domiciled or companies and associations of persons resident in the ex-Tribal Areas	10,237.04
73	Part I of Second Schedule	Clause 147	Any income derived by the Federal Government Employees Housing Authority and Naya Pakistan Housing and	Federal Government Employees Housing Authority and Naya Pakistan Housing and Development	0.00

			Development Authority for the tax year 2020 and the following four tax years	Authority	
74	Part I of Second Schedule	Clause 149	Any sum— (i) remitted to Pakistan through banking channels in foreign currency received by an international buying house from its non-resident principal to meet its expenses in Pakistan; and (ii) chargeable under the head “Salary” received by a person who, not being a citizen or resident of Pakistan, is engaged as an expert by an international buying house. Explanation.—For the purpose of this clause ...	persons engaged as experts by an international buying house	--
Total Tax Expenditure from Incomes Exempt from Tax given in Part I of Second Schedule of ITO, 2001					232,397.77

4.1.1.5 Reduction in Tax Rates given in Part II of Second Schedule of ITO, 2001

(Rs. In Million)

S. No	Part / Schedule	Clause	Description of Clause	Intended Beneficiary	Tax Expenditure
1	Part II of Second Schedule	Clause 5A	The rate of tax to be deducted under sub-section (2) of section 152, in respect of payments 5[from] profit on debt payable to a non-resident person having no permanent establishment in Pakistan, other than those covered under clauses (78) and (79) of Part I of the Second Schedule,] shall be 10% of the gross amount Provided that tax deducted on profit on debt from debt instruments,	Non resident Persons receiving profits and gains on their investments	1,786.11

			Government securities including treasury bills and Pakistan Investment Bonds shall be final tax on profit on debt payable to a non-resident person having no permanent establishment in Pakistan and the investments are exclusively made through a Special Rupee Convertible Account maintained with a Bank in Pakistan.]	
2	Part II of Second Schedule	Clause 5AA	<p>The rate of tax to be deducted under sub-section (2) of section 152, in respect of payments to an individual, on account of profit on debt earned from a debt instrument, whether conventional or shariah compliant, issued by the Federal Government under the Public Debt Act, 1944 and purchased exclusively through a bank account maintained abroad, a non-resident Rupee account repatriable (NRAR) or a foreign currency account maintained with a banking company in Pakistan shall be ten percent of the gross amount paid: Provided that tax deducted on such profit on debt shall be final tax.</p>	<p>Individuals who have invested in debt instrument, whether conventional or shariah compliant, issued by the Federal Government under the Public Debt Act, 1944 and purchased exclusively through a bank account maintained abroad, a non-resident Rupee account repatriable (NRAR) or a foreign currency account maintained with a banking company in Pakistan</p>
3	Part II of Second Schedule	Clause 5AB	<p>The rate of tax to be deducted under section 151 shall be ten percent from the profit on debt from a debt instrument, whether conventional or Shariah compliant, issued by the Federal Government under the Public Debt Act, 1944 (XVIII of 1944) or its</p>	<p>Resident citizens of Pakistan who have invested in debt instruments who have already declared foreign assets to the Board through a Foreign Currency Value Account (FCVA) maintained with</p>

			wholly owned special purpose company, purchased by a resident citizen of Pakistan who has already declared foreign assets to the Board through a Foreign Currency Value Account (FCVA) maintained with authorized banks in Pakistan under the foreign exchange regulation issued by the State Bank of Pakistan: Provided that the tax so deducted shall be the final tax.	authorized banks in Pakistan under the foreign exchange regulation issued by the State Bank of Pakistan	
4	Part II of Second Schedule	Clause 9AA	In respect of import of white sugar from the 25th day of August, 2020 to the 15th day of November, 2020 both days inclusive, tax under section 148 shall be collected at the rate of 0.25% as per quantity, quality, mode and manner prescribed by Ministry of Commerce during the said period.	Sugar Importers	66.75
5	Part II of Second Schedule	Clause 9AB	Tax under section 148 on commercial import of the white sugar shall be collected at the rate of 0.25% from the 26th day of January 2021 till the 30th day of June, 2021.	Sugar Importers	1.70
6	Part II of Second Schedule	Clause 9AC	Subject to quota allotment by Commerce Division, tax under section 148 shall be collected at the rate of 0.25% on import of raw sugar imported by sugar mills from the 26th day of January, 2021 to the 30th day of June, 2021 both days inclusive provided that such imports shall not exceed fifty thousand metric tons per sugar mill and three hundred	Sugar Importers	0.00

thousand metric tons in aggregate by the sugar industry.

7	Part II of Second Schedule	Clause 18C	The rate of tax as specified in Division-III of Part-I of First Schedule shall be reduced to 7.5% in case of dividends declared by a company as are “attributable” to profits and gains derived from a bagasse and biomass based cogeneration power project qualifying for exemption under clause (132C) of Part-I of this Schedule: Provided that the amount of “attributable” dividends shall be computed in accordance with the following formula, namely:- AXB/C , ...	bagasse and biomass based cogeneration power project owners	--
8	Part II of Second Schedule	Clause 24A	The rate of tax, under clause (a) of sub-section (1) of section 153, from distributors of cigarette and pharmaceutical products shall be 1% of the gross amount of payments.	distributors of cigarette and pharmaceutical products	14,694.79
9	Part II of Second Schedule	Clause 24C	(24C) The rate of tax under clause (a) of sub-section (1) of section 153 in the case of distributors, dealers, sub-dealers, wholesalers and retailers of fast moving consumer goods, fertilizer, electronics excluding mobile phones, sugar, cement, and edible oil as recipient of payment shall be 0.25% of gross amount	distributors, dealers, sub-dealers, wholesalers and retailers of fast moving consumer goods, fertilizer, electronics excluding mobile phones, sugar, cement, and edible oil	6,965.21

			of payments subject to the condition specified therein...		
10	Part II of Second Schedule	Clause 24CA	The rate of tax under clause (a) of sub-section (1) of section 153 in case of a person, other than a company, as a recipient of payment for goods supplied to Utility Stores Corporation of Pakistan shall be 1.5% of the gross amount of payment in respect of supply of tea, spices, salt, dry milk, sugar, pulses wheat flour and ghee for the period commencing from the 7th day of April, 2020 and ending on 30th day of September, 2020: Provided that this clause shall not be applicable to supply of tea, spices, salt and dry milk which are sold under a brand name:	persons other than a company, who are recipients of payment for goods supplied to Utility Stores Corporation of Pakistan	917.49
11	Part II of Second Schedule	Clause 27	The tax on payments under the Compulsory Monetization of Transport Facility for Civil Servants in BS-20 to BS-22 (as reduced by deduction of driver's salary) shall be charged at the rate of 5% as a separate block of income	Civil servants of BS-20 and above	12.12
12	Part II of Second Schedule	Clause 28C	The rates of tax shall be five percent in the case of a person running online marketplace as defined in clause (38B) of section 2	E-commerce sector	0.00
13	Part II of Second Schedule	Clause 28E	The rate of minimum tax under section 113 shall be 0.5% in case of a trader of yarn being an individual.]	Traders of yarn being individuals	0.00

14	Part II of Second Schedule	Clause 28F	The rate of tax under clause (b) of sub-section (1) of section 153 in case of oil tanker contractor services shall be 2% of the gross amount of the payments.]	Oil tanker contractors	0.00
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Total Tax Expenditure from Reduction in Tax Rates given in Part II of Second Schedule of ITO, 2001	24,444.17
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4.1.1.6 Reduction in Tax Liability given in Part III of Second Schedule of ITO, 2001

(Rs. In Million)

S. No	Part / Schedule	Clause	Description of Clause	Intended Beneficiary	Tax Expenditure
1	Part III of Second Schedule	Clause 1(1)	Any amount received as flying allowance by flight engineers, navigators of Pakistan Armed Forces, Pakistani Airlines or Civil Aviation Authority, Junior Commissioned Officers or other ranks of Pakistan Armed Forces; and submarine allowance by the officers of the Pakistan Navy, shall be taxed @ 2.5% as a separate block of income	flight engineers, navigators of Pakistan Armed Forces, Pakistani Airlines or Civil Aviation Authority, Junior Commissioned Officers or other ranks of Pakistan Armed Forces; and submarine allowance by the officers of the Pakistan Navy	89.24
2	Part III of Second Schedule	Clause 1(1AA)	Total allowances received by pilots of any Pakistani airlines shall be taxed at a rate of 7.5%, provided that the reduction under this clause shall be available to so much of the allowances as exceeds an amount equal to the basic pay	Pilots of Pakistani Airlines	273.39
3	Part III of Second Schedule	Clause 1(2)	The tax payable by a full time teacher or a researcher, employed in a non-profit education or research institution duly recognized by Higher Education Commission, a Board of Education or a University recognized by the Higher Education Commission, including government research	Full time teacher or a researcher	3,439.81

institution, shall be reduced by an amount equal to 25% of tax payable on his income from salary

4	Part III of Second Schedule	Clause 4	In respect of old and used automotive vehicles, tax under section 148 shall not exceed the amount specified in Notification No. S.R.O. 577(I)/2005, dated the 6th June, 2005	Importers of old and used cars	176.12
5	Part III of Second Schedule	Clause 6	The tax payable under clause (c) of sub-section (1) of section 39, in respect of any amount paid as yield or profit on investment in <i>Bahbood</i> Savings Certificate or Pensioners Benefit Account 4[and <i>Shuhada</i> Family Welfare Account] shall not exceed 10% of such profit	Persons who have invested in <i>Bahbood</i> Savings Certificate or Pensioners Benefit Account and <i>Shuhada</i> Family Welfare Account	0.34
6	Part III of Second Schedule	Clause 9	The tax payable on profits and gains derived by a person from low cost housing projects shall be reduced by fifty percent	Taxpayers deriving income from low cost housing projects	--
7	Part III of Second Schedule	Clause 9A	The amount of tax payable on income chargeable under the head, "Capital Gains" on disposal of immovable property shall be reduced by fifty percent on the first sale of immovable property acquired or allotted to ex-servicemen and serving acquired or allotted to ex-servicemen and serving personal of Armed Forces or ex-employees or serving personnel of Federal and Provincial Governments, being original allottees of the	Ex-servicemen and serving acquired or allotted to ex-servicemen and serving personal of Armed Forces or ex-employees or serving personnel of Federal and Provincial Governments	--

			immovable property, duly certified by the allotment authority Provided that for capital gains arising after completion of three years from the date of acquisition of immovable property the amount of tax payable shall be reduced by seventy-five percent.		
8	Part III of Second Schedule	Clause 9B	The tax payable on the income, profits and gains of projects of 'low cost housing' developed or approved by Naya Pakistan Housing and Development Authority (NAPHDA) or under the Ehsaas Programme shall be reduced by 90%] Provided that exemption under this clause shall continue to remain available to such projects which commence on or before the 30th day of June, 2024.]	Taxpayers deriving income from low cost housing projects	--
9	Part III of Second Schedule	Clause 17	The tax payable by cotton ginners on their income and profits shall not be more than sum of 1% of their turnover from cotton lint, cotton seed, cotton seed oil and cotton seed cake Provided that the tax so payable shall be final tax in respect of their cotton ginning and oil milling activities only	Cotton ginners	--
10	Part III of Second Schedule	Clause 18	The rate of withholding tax on value of offshore supply contract of an Independent Power Producer located wholly or partly in territories of AJ&K shall be 1% provided: (i) PPIB has issued Letter	Independent Power Producers located wholly or partly in territories of AJ&K	--

			<p>of Support for the project;</p> <p>(ii) its EPC Contract has been executed and submitted to NEPRA for EPC stage tariff determination prior to the enactment of Finance Act, 2018;</p> <p>(iii) offshore supply contract arrangement of offshore supply contractor having permanent establishment in Pakistan falls under the purview of cohesive business operation as contemplated under Income Tax Ordinance, 2001; and</p> <p>(iv) such 1% tax shall be full and final liability of the offshore contractor.</p>		
11	Part III of Second Schedule	Clause 19	<p>The tax payable by woman enterprises on profit and gains derived from business chargeable to tax under the head “Income from Business” shall be reduced by 25%.</p>	Women Enterprises	--
12	Part III of Second Schedule	Clause 20	<p>The tax payable by a person other than a banking or insurance company in respect of profit on debt from investment in Federal Government securities shall be fifteen percent of the gross amount of the profit on debt: Provided that tax so payable shall be final tax on the income representing profit on debt from investment in Federal Government securities.]</p>	Persons who have invested in Federal Government securities	759.51
Total Tax Expenditure from Reduction in Tax Liability given in Part III of Second Schedule of ITO, 2001					4,738.41

4.1.1.7 Exemption from Specific Provisions given in Part IV of Second Schedule of ITO, 2001

(Rs. In Million)

S. No	Part / Schedule	Clause	Description of Clause	Intended Beneficiary	Tax Expenditure
1	Part IV of Second Schedule	Clause 1A	The provision of clause (d) of section 46 shall not apply to Sukuk issued by “The Second Pakistan International Sukuk Company Limited” and the Third Pakistan International Sukuk Company Limited	Persons who have invested in The Second Pakistan International Sukuk Company Limited” and the Third Pakistan International Sukuk Company Limited	Procedural
2	Part IV of Second Schedule	Clause 3	The provisions of clause (b) of component C of the formula contained in] sub-section (2) of section 61 shall not apply in case of donations made to Agha Khan Hospital and Medical College, Karachi:	Agha Khan Hospital and Medical College, Karachi	Procedural
3	Part IV of Second Schedule	Clause 4A	No provision of this Ordinance shall apply for recoup of tax credit already allowed to National Power Parks Management Company (Private) Limited for investment in plant and machinery notwithstanding non issuance of share certificates or any restructuring of its ownership pattern or debt to equity ratio prior to privatization as part of the privatization process.	National Power Parks Management Company (Private) Limited	Already accounted for in Tax Credit Section
4	Part IV of Second Schedule	Clause 5	The provisions of section 111 regarding un-explained income or assets shall not apply in respect of foreign exchange deposited in a private Foreign Currency account held ...	Foreign currency account holders	Not applicable

5	Part IV of Second Schedule	Clause 9AA	Provisions of clause (a) of sub-section (1) of section 153, shall not apply to ship breakers as recipient of payment: Provided that this clause shall only apply for ships imported after the 1st July 2014.	Ship breakers	--
6	Part IV of Second Schedule	Clause 11A	Pakistan Red Crescent Society	Pakistan Red Crescent Society	0.00
7	Part IV of Second Schedule	Clause 11A	Corporate and Industrial Restructuring Corporation (CIRC)	Corporate and Industrial Restructuring Corporation (CIRC)	0.00
8	Part IV of Second Schedule	Clause 11A	China Overseas Port Holding Company Limited	China Overseas Port Holding Company Limited	0.05
9	Part IV of Second Schedule	Clause 36C	The provisions of section 151 shall not apply to profit on debt paid on Pakistan Banao Certificate,	Persons who have invested in such securities	107.58
10	Part IV of Second Schedule	Clause 42	The provisions of sub-section 3 of section 153 shall not apply in respect of payments received by a resident person for providing services by way of operation of container or chemical or oil terminal at a sea-port in Pakistan or of an infrastructure project covered by the Government's Investment Policy, 1997.	persons who are providing services by way of operation of container or chemical or oil terminal at a sea-port in Pakistan or of an infrastructure project	0.00
11	Part IV of Second Schedule	Clause 56	The provisions of section 148, regarding withholding tax on imports shall not apply in respect of Certain Individuals / Entities	Persons / entities covering under Chapter 86 & chapter 99 of Pakistan Customs Tariff, POL Products under specified PCT Codes, imports under specified conditions, manufacturing bonds, Federal, Provincial, Local	67,039.08

				Government, goods exported under export facilitation schemes, etc	
12	Part IV of Second Schedule	Clause 59(iv)(b)	The provisions of section 151, regarding withholding tax on profit on debt, shall not apply in the case of any resident individual, no tax shall be deducted from income or profits paid on investment in monthly income Savings Accounts Scheme of Directorate of National Savings, where monthly installment in an account does not exceed one thousand rupees	Resident Individuals receiving profit not exceeding Rs. 1,000/- from Monthly Savings Accounts of Directorate of National Savings	52.2
13	Part IV of Second Schedule	Clause 60A	The provisions of section 148 shall not apply for import of plant, machinery and equipment in the case of:- (a) M/s China State Construction Engineering Corporation Ltd. (M/s CSCEC); and (b) M/s China Communication Construction Company (M/s CCCC);	M/s China State Construction Engineering Corporation Ltd. (M/s CSCEC); and M/s China Communication Construction Company (M/s CCCC).	1.34
14	Part IV of Second Schedule	Clause 60C	The provision of section 148 shall not apply on import of equipment to be furnished or installed for Rail Based Mass Transit Projects in Lahore, Karachi, Peshawar and Quetta under CPEC.	Contractors of Rail Based Mass Transit Projects in Lahore, Karachi, Peshawar and Quetta under CPEC	0.00
15	Part IV of Second Schedule	Clause 60D	The provisions of section 148 shall not apply on import of firefighting equipments by industrial undertakings set up in the special economic zones established by the Federal Government	Industrial undertakings set up in the special economic zones	6.40
16	Part IV of Second Schedule	Clause 69	The provisions of sections 150, 151, 152, 153 and 233 shall not apply in respect of payments made	Asian Development Bank	0.00

			to the Asian Development Bank established under the Asian Development Bank Ordinance, 1971 (IX of 1971).		
17	Part IV of Second Schedule	Clause 71	The provisions of this Ordinance shall not be applicable to the M/s TAISEI Corporation under the agreement with National Highway Authority, GOP	M/s TAISEI Corporation	0.00
18	Part IV of Second Schedule	Clause 77	Provisions of sections 148 and 153 shall not be applicable on import and subsequent supply of items with dedicated use of renewable sources of energy	Importers and suppliers of items with dedicated use of renewable sources of energy	1,254.08
19	Part IV of Second Schedule	Clause 78	(i) The dividend income of the shareholders of “Coal Mining and Coal based Power Generation Projects in Sindh” shall be exempt from provisions of section 150 from the date of commencement of business till 30 years from such date; and (ii) The payments made on account of sale or supply of goods or providing or rendering of services during project construction and operations, shall be exempt from the provisions of section 152(2A) and section 153”; The provisions of clause (b) of sub-section (1) of section 153 shall not apply to payments received by National Telecommunication Corporation against provision of telecommunication services including ancillary services	Shareholders of coal mining and coal based power generation projects in Sindh	0.00
20	Part IV of Second Schedule	Clause 79A		National Telecommunication Corporation (NTC)	242.00

			specified in subsection (3) of section 41 of the Pakistan Telecommunication (Re-organization) Act, 1996 (XVII of 1996)		
21	Part IV of Second Schedule	Clause 91	<p>The provisions of section 148 shall not apply to- (i) Tillage and seed bed preparation equipment (ii) Seeding or planting equipment (iii) Irrigation, drainage and agro-chemical application equipment (iv) Harvesting, threshing and storage equipment (v) Post-harvest handling and processing & miscellaneous machinery;</p>	Importers of specified equipment under farming sector	138.14
22	Part IV of Second Schedule	Clause 98	<p>The provisions of section 148 shall not apply to import of ships and other floating crafts including tugs, survey vessels and other specialized crafts purchased or bare-boat chartered by a Pakistani entity and flying Pakistani flag:</p> <p>Provided that exemption under this clause shall be available up to the year 2 [2030], subject to the condition that the ships and crafts are used for the purpose for which they were procured, and in case such ships and crafts are used for demolition purposes, tax collectible under section 148, applicable to ships and crafts purchased for demolition purposes, shall be chargeable.]</p>	Shipping Companies	0.00
23	Part IV of Second Schedule	Clause 102	The provisions of section 231B (1A) shall not apply to light commercial vehicles leased under the	Beneficiaries of PM's Youth Business Loan Scheme	Not applicable

			Prime Minister's Youth Business Loan Scheme		
24	Part IV of Second Schedule	Clause 103	The provisions of section 7B shall not apply to yield or profit on investment in Bahbood Savings Certificate or Pensioner's Benefit Account, provided that tax on the said yield or profit on debt is paid at the rates specified in Division I of Part I of the First Schedule subject to clause (6) of Part III of Second Schedule	Persons who are beneficiaries of Bahbood Saving Certificate or Pensioner's Benefit Account	--
25	Part IV of Second Schedule	Clause 104	The provisions of section 5A shall not apply to a company where a restriction has been imposed on distribution of dividend on account of an agreement with the Government of Pakistan	All those companies where a restriction has been imposed on distribution of dividend on account of an agreement with the Government of Pakistan	Not applicable
26	Part IV of Second Schedule	Clause 107 of Part 4 of Second Schedule	The provisions of section 111 relating to unexplained income or assets shall not apply in respect of any contribution paid to the Supreme Court of Pakistan – Diamer Bhasha & Mohmand Dams – Fund.	Persons who have donated their unexplained incomes to the Supreme Court of Pakistan – Diamer Bhasha & Mohmand Dams – Fund	--
27	Part IV of Second Schedule	Clause 108 of Part 4 of Second Schedule	The provisions of sections 113 and 151 shall not apply to the Supreme Court of Pakistan – Diamer Bhasha & Mohmand Dams – Fund.	Supreme Court of Pakistan – Diamer Bhasha & Mohmand Dams – Fund	--
28	Part IV of Second Schedule	Clause 111 of Part 4 of Second Schedule	The provisions of section 4B shall not apply to so much of the income of banking company as defined in the said section subject to reduced rate of tax at 20% under rules 7D, 7E and 7F of the Seventh Schedule for tax years 2020 to 2023.	Banking Companies	--

29	Part IV of Second Schedule	Clause 111A of Part 4 of Second Schedule	The provisions of section 100BA and rule 1 of the Tenth Schedule shall not apply to the extent of payment of dividend to non-resident persons.	Non-resident persons as recipients of Dividends	--
30	Part IV of Second Schedule	Clause 111B of Part 4 of Second Schedule	The provisions of section 100BA and rule 1 of the Tenth Schedule shall not apply to non-resident individual holding Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC) maintaining a Foreign Currency Value Account (FCVA) or Non-resident Pakistani Rupee Value Account (NRVA) with authorized banks in Pakistan under the foreign exchange regulations issued by the State Bank of Pakistan.]	non-resident individuals maintaining a Foreign Currency Value Account (FCVA) or Non-resident Pakistani Rupee Value Account (NRVA) with authorized banks in Pakistan	--
31	Part IV of Second Schedule	Clause 113 of Part 4 of Second Schedule	The provision of sub-section (5B) of sections 147 shall not apply in respect of capital gains arising to a non-resident company having no permanent establishment in Pakistan from investment in debt instruments and Government securities including treasury bills and Pakistan investment bonds through special convertible rupee account (SCRA) maintained with a banking company or financial institution in Pakistan.	non-resident company having no permanent establishment in Pakistan from investment in debt instruments and Government securities including treasury bills	--
32	Part IV of Second Schedule	Clause 114 of Part 4 of Second Schedule	The provisions of section “clause (ae) of sub-section (a) of section 114” and 181 shall not apply to a non-resident company	non-resident company having no permanent establishment in Pakistan from	--

			having no permanent establishment in Pakistan solely by reason of capital gain or profit on debt earned from investments in debt securities and Government securities including treasury bills and Pakistan investment bonds through special convertible rupee account maintained with a banking company or financial institution in Pakistan	investment in debt instruments and Government securities including treasury bills	
33	Part IV of Second Schedule	Clause 114A	The provisions of clause (ae) of sub-section (1) of section 114 and section 181 shall not apply to a non-resident individual holding Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC) maintaining a Foreign Currency Value Account (FCVA) or a Nonresident Pakistani Rupee Value Account (NRVA) with authorized banks in Pakistan under the foreign exchange regulations issued by the State Bank of Pakistan:	non-resident individual holding Pakistan Origin Card (POC) or National ID Card for Overseas Pakistanis (NICOP) or Computerized National ID Card (CNIC) maintaining a Foreign Currency Value Account (FCVA) or a Nonresident Pakistani Rupee Value Account (NRVA) with authorized banks in Pakistan	--
34	Part IV of Second Schedule	Clause 116	The provisions of section 151 and 236P shall not apply to The Prime Minister's COVID-19 Pandemic Relief Fund-2020.	Beneficiaries of Prime Minister's COVID-19 Pandemic Relief Fund-2020	--
Total Tax Expenditure from Specific Provisions given in Part IV of Second Schedule of ITO, 2001					68,840.87
Grand Total of Second Schedule of ITO, 2001					330,421.22
Grand Total of Income Tax Expenditure					423,894.44

4.1.2 Details of Sales Tax Expenditure

4.1.2.1 Zero Rating under Fifth Schedule on Local Supplies

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Fifth Schedule	2	Supply to diplomats, diplomatic missions, privileged persons and privileged organizations which are covered under various Acts, Orders, Rules, Regulations and Agreements passed by the Parliament or issued or agreed by the Government of Pakistan.	Diplomats	873.63
2	Fifth Schedule	5	Supplies of raw materials [components and goods for further] manufacture of goods in the Export Processing Zones.]	Manufacturer, General Masses	1,349.45
3	Fifth Schedule	6(A)	Supplies of locally manufactured plant and machinery of the following specifications, to manufacturers in the Export Processing Zone, subject to the conditions, restrictions and procedure given below, namely:- plant and machinery operated by any description as it is used for the manufacture or production...	Manufacturer, Industrial Sector	3.23
4	Fifth Schedule	6(A)(ii)	Apparatus, appliances and equipment specifically meant or adapted for use in conjunction with the machinery specified in clause (i);	Manufacturer, Industrial Sector	0.19
5	Fifth Schedule	7	Supplies made to exporters under the Duty and Tax Remission Rules, 2001 subject to the observance of procedures, restrictions and conditions prescribed therein	Exporters	118.89
6	Fifth Schedule	8	Imports or supplies made to Gwadar Special Economic Zone, excluding vehicles falling under heading 87.02 of the Pakistan Customs Tariff, subject to such conditions, limitations and restrictions as the 3 [Board] may impose.	Gwadar EPZ	28.71
7	Fifth Schedule	9	Goods exempted under section 13, if exported by a manufacturer	Importer, Exporter	25.47

8	Fifth Schedule	12(xvii)	Preparations suitable for infants, put up for retail sale (PCT Heading 1901.1000)	Manufacturer, General Masses	10,404.42
9	Fifth Schedule	12(xix)	Bicycles (PCT heading 87.12).	Manufacturer, General Masses	212.88
10	Fifth Schedule	12(xx)	Colors in sets (PCT heading 3213.1000).	Manufacturer, General Masses	7.95
11	Fifth Schedule	12(xxi)	Writing, drawing and marking inks (PCT heading. 3215.9010 and 3215.9090)	Manufacturer, General Masses	64.80
12	Fifth Schedule	12(xxii)	Erasers (PCT heading 4016.9210 and 4016.9290)	Manufacturer, General Masses	59.64
13	Fifth Schedule	12(xxiii)	Exercise books (PCT heading 4820.2000)	Manufacturer, General Masses	499.90
14	Fifth Schedule	12(xxiv)	Pencil sharpeners (PCT heading 8214.1000)	Manufacturer, General Masses	600.56
15	Fifth Schedule	12(xxv)	Geometry boxes (PCT heading 9017.2000)	Manufacturer, General Masses	41.11
16	Fifth Schedule	12(xxvi)	Pens, ball pens, markers and porous tipped pens (PCT heading 96.08)	Manufacturer, General Masses	793.05
17	Fifth Schedule	12(xxvii)	Pencils including color pencils (PCT heading 96.09)	Manufacturer, General Masses	501.27
18	Fifth Schedule	13	Supplies of raw materials, components and goods for further manufacture of goods in the Gwadar Free Zone and export thereof, provided that in case of supply to tariff area of Pakistan, tax shall be charged on the value assessed on the Goods Declaration for import	Gwadar EPZ	4.62

19	Fifth Schedule	14	Supplies of locally manufactured plant and machinery of the following specifications, to manufacturers in the Gwadar Free Zone, subject to the conditions, restrictions and procedure given below, namely:–	Gwadar EPZ	629.81
20	Fifth Schedule	15	Local supplies of raw materials, components, parts and plant and machinery to registered exporters authorized under Export Facilitation Scheme, 2021 notified by the Board with such conditions, limitations and restrictions	General Masses	1.85
21	Fifth Schedule	16	Milk (PCT heading 04.01)	General Masses	15,312.08
22	Fifth Schedule	17	Fat filled milk excluding that sold in retail packing under a brand name or a trademark (PCT heading 1901.9090)	General Masses	7,971.22
23	Fifth Schedule	18	(i) Supply, repair or maintenance of any ship which is neither; (a) a ship of gross tonnage of less than 15 LDT; nor (b) a ship designed or adapted for use for recreation or pleasure. (ii) Supply of spare parts and equipment for ships falling under (i) above.(iii) Supply of equipment and machinery for salvage or towage services. (iv) Supply of equipment and machinery for other services provided for the handling of ships in a port.]	Shipping Industry Airline	201.64
24	Fifth Schedule	19	Drugs registered under the Drugs Act, 1976 (XXXI of 1976), or medicaments as classified under chapter 30 of the First Schedule to the Customs Act, 1969 (IV of 1969) except PCT heading 3005.000	Health, General Masses	63,145.22
25	Fifth Schedule	20	Petroleum Crude Oil (PCT heading 2709.0000)]	Petroleum Sector	15,949.23
Total of Zero Rating under Fifth Schedule on Local Supplies					118,800.84

4.1.2.1 Zero Rating under Fifth Schedule at Import Stage

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Fifth Schedule	12	(Finished goods)(import of color sets (3213.1000), writing, drawing and marking inks (3215.9010 and 3215.9090), erasers (4016.9210 and 4016.9290), exercise books (4820.2000), pencil sharpener (8214.1000), geometry boxes (9017.2000), pen, ball pens, markers and porous tipped pens (96.08), pencils including color pencils (96.09)	Manufacturer, General Masses	78.14
2	Fifth Schedule	12	(Raw materials etc.)Raw materials, packing materials, sub-components, components, sub-assemblies and assemblies imported or purchased locally for the manufacture of the goods specified at s.no. 12 of 5th schedule to sales tax act, 1990, subject to the conditions, limitations and restrictions as specified in chapter xiv of the sales tax special procedure rules, 2007.	Manufacturer, General Masses	860.30
3	Fifth Schedule	13	Supplies of raw materials, components and goods for further manufacture of goods in the Gwadar free zone and export thereof, provided that in case of supply to tariff area of Pakistan, tax shall be charged on the value assessed on the goods declaration for import	Gwadar EPZ	14.77
4	Fifth Schedule	15	Local supplies of raw materials, components, parts and plant and machinery to registered exporters authorized under export facilitation scheme, 2021 notified by the board with such conditions, limitations and restrictions.	Export Sector	0.04
5	Fifth Schedule	16	Milk (PCT heading 04.01).	General Masses	2.89
6	Fifth Schedule	17	Fat filled milk (PCT heading 1901.9090).	General Masses	824.70

7	Fifth Schedule	19	Drugs registered under the drugs act, 1976 (xxxii of 1976), or medicaments as classified under chapter 30 of the first schedule to the customs act, 1969 (iv of 1969) except PCT heading 3005.0000.	Health/General Masses	18,866.26
Total of Zero Rating under Fifth Schedule at Import Stage					20,647.11
Total of Zero Rating under Fifth Schedule on Local Supplies					118,800.84
Total of Zero Rating under Fifth Schedule at Import Stage					20,647.11
Total Sales Tax Expenditure of Zero Rating under Fifth Schedule					139,447.94

4.1.2.2 Exemption given on POL Products through various SROs

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	SROs		POL Products	General Masses	632,950
Total exemption given on POL Products through various SROs					632,950

4.1.2.3 Exemption under Sixth Schedule Table I on Local Supplies

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Sixth Schedule Table I	1	Live Animals and live poultry	General Masses	2,856.64
2	Sixth Schedule Table I	2	Meat of bovine animals, sheep and goat, excluding poultry and offal, whether or not fresh, frozen or otherwise, preserved [or packed].	General Masses	209.53
3	Sixth Schedule Table I	3	Fish and crustaceans excluding live fish whether or not fresh, frozen or otherwise preserved or packed	General Masses	44.49

4	Sixth Schedule Table I	11	Eggs including eggs for hatching	General Masses	577.59
5	Sixth Schedule Table I	12	Live plants including bulbs, roots and the like.	General Masses	21.53
6	Sixth Schedule Table I	13	Edible vegetables including roots and tubers, except ware potato and onions, whether fresh, frozen or otherwise preserved (e.g. in cold storage) but excluding those bottled or canned.	General Masses	95.17
7	Sixth Schedule Table I	14	Pulses	General Masses	4,580.42
8	Sixth Schedule Table I	15	Edible fruits excluding imported fruits (except fruits imported from Afghanistan) whether fresh, frozen or otherwise preserved but excluding those bottled or canned.	General Masses	214.63
9	Sixth Schedule Table I	16	Red chilies excluding those sold in retail packing bearing brand names and trademarks.	General Masses	105.70
10	Sixth Schedule Table I	17	Ginger excluding those sold in retail packing bearing brand names and trademarks.	General Masses	23.48
11	Sixth Schedule Table I	18	Turmeric excluding those sold in retail packing bearing brand names and trademarks.	General Masses	29.07
12	Sixth Schedule Table I	19	Cereals and products of milling industry excluding the products of milling industry, other than wheat and meslin flour, as sold in retail packing bearing brands name or a trade mark.	General Masses	6,200.53
13	Sixth Schedule Table I	20	Seeds, fruit and spores of a kind used for sowing.	Agriculture	721.90
14	Sixth Schedule Table I	21	Cinchona bark.	Agriculture	1,271.06

15	Sixth Schedule Table I	31	Holy Quran, complete or in parts, with or without translation; Quranic Verses recorded on any analogue or digital media; other Holy books.	General Masses	205.26
16	Sixth Schedule Table I	32	Newsprint, newspapers, journals, periodicals, books but excluding directories	General Masses	946.63
17	Sixth Schedule Table I	33	Currency notes, bank notes, shares, stocks and bonds.	General Masses	3,348.40
18	Sixth Schedule Table I	45	Dextrose and saline infusion giving sets along with empty non-toxic bags for infusion solution, Dextrose and saline infusion giving sets, Artificial parts of the body, Intra-Ocular lenses and Glucose testing equipment	Health, General Masses	1,651.47
19	Sixth Schedule Table I	46	Goods imported by various agencies of the United Nations, diplomats, diplomatic missions, privileged persons and privileged organizations which are covered under various Acts and, Orders, rules and regulations made thereunder; and agreements by the Federal Government provided that such goods are charged to zero-rate of customs duty under Customs Act, 1969 (IV of 1969), and the conditions laid therein	UN Organizations	5.22
20	Sixth Schedule Table I	47	Import of articles of household and personal effects including vehicles and also the goods for donation to projects established in Pakistan imported by any of the rulers of Gulf Sheikhdoms who is in possession of residential accommodation in Pakistan and goods including vehicles	General Masses	0.58

			by the United Arab Emirates dignitaries as are listed in column (2) ...		
21	Sixth Schedule Table I	48	Goods imported or supplied under grants-in-aid for which a specific consent has been obtained from the 1 [Board]; supplies and imports under agreements signed by the Government of Pakistan before the 30th June, 1996, provided the agreements contained the provision for exemption of tax at the time of signing of agreement.	General Masses	2.93
22	Sixth Schedule Table I	50	Articles imported through post as unsolicited gifts, subject to the same conditions as are envisaged for the purposes of applying zero-rate of customs duty under the Customs Act, 1969. (IV of 1969).	General Masses	0.59
23	Sixth Schedule Table I	52	Goods imported by or donated to hospitals run by the Federal Government or a Provincial Government; and non-profit making educational and research institutions subject to the similar restrictions, limitations, conditions and procedures as are envisaged for the purpose of applying zero rate of customs duty on such goods under the Customs Act, 1969, (IV of 1969)	Health, General Masses	322.58
24	Sixth Schedule Table I	52A	Goods excluding electricity and natural gas] supplied to hospitals run by the Federal or Provincial Governments or charitable operating hospitals of fifty beds or more or the teaching hospitals of statutory universities of two hundred or more beds.	Health, General Masses	695.67
25	Sixth Schedule	53	Import of all such gifts as are received, and such	Health, General Masses	29.76

	Table I		equipment for fighting tuberculosis, leprosy, AIDS and cancer and such equipment and apparatus for the rehabilitation of the deaf, the blind, crippled or mentally retarded as are purchased or otherwise secured by a charitable non-profit making institution solely for the purpose of advancing declared objectives of such institution,		
26	Sixth Schedule Table I	59	Artificial kidneys, eye cornea, hemodialysis machines, hemodialyzers, A.V. fistula needles, hemodialysis fluids and powder, blood tubing tines for dialysis and reverse osmosis plants for dialysis, double lumen catheter for dialysis, catheter for renal failure patient and peritoneal dialysis solution, 2 [cochlear implants systems]and angioplasty equipment (balloons, catheters, wires and stents), subject to the similar conditions and procedures as are envisaged for the purpose of applying zero-rate of customs duty on these goods under the Customs Act, 1969 (IV of 1969).	Health, General Masses	143.47
27	Sixth Schedule Table I	60	Contraceptives and accessories thereof.	Health, General Masses	29.56
28	Sixth Schedule Table I	61	Goods produced or manufactured in and exported from Pakistan which are subsequently imported in Pakistan within one year of their exportation, provided conditions of section 22 of the Customs Act, 1969 (IV of 1969)	Manufacturer, Exporters	16.03

29	Sixth Schedule Table I	72	Uncooked poultry Meat 3 [whether or not fresh, frozen or otherwise, preserved or packed]	Poultry/General Masses		1,033.47
30	Sixth Schedule Table I	81	Cotton seed	General Masses		5,489.98
31	Sixth Schedule Table I	84	Preparations suitable for infants, put up for retail sale	Manufacturer, General Masses		604.46
32	Sixth Schedule Table I	86	Colors in sets (Poster colors)	Manufacturer, Masses	General	0.44
33	Sixth Schedule Table I	88	Erasers	Manufacturer, Masses	General	7.10
34	Sixth Schedule Table I	89	Exercise books	Manufacturer, Masses	General	23.02
35	Sixth Schedule Table I	90	Pencil sharpeners	Manufacturer, Masses	General	10.76
36	Sixth Schedule Table I	92	Sewing machines of the household type	Manufacturer, Masses	General	2.79
37	Sixth Schedule Table I	94	Wheelchairs	Manufacturer, Masses	General	7.96
38	Sixth Schedule Table I	96	Other drawing, marking out or mathematical calculating instruments (geometry box)	Manufacturer, Masses	General	10.63
39	Sixth Schedule Table I	97	Pens, ball pens, markers and porous tipped pens	Manufacturer, Masses	General	21.84
40	Sixth Schedule Table I	98	Pencils including color pencils	Manufacturer, Masses	General	294.42
41	Sixth Schedule Table I	99	Compost (non-commercial fertilizer) produced and supplied locally	Fertilizer sector		73.87

42	Sixth Schedule Table I	100	Construction materials to Gwadar Export processing Zone's investors and to Export Processing Zone Gwadar for development of Zone's infrastructure	Gwadar EPZ	873.22
43	Sixth Schedule Table I	100A	Materials and equipment (plant, machinery, equipment, appliances and accessories) for construction and operation of Gwadar Port and development of Free Zone for Gwadar Port as imported by or supplied to China Overseas Ports Holding Company Limited (COPHCL) and its operating companies...	Gwadar EPZ	1.81
44	Sixth Schedule Table I	100A((i))	This exemption shall be admissible only to China Overseas Ports Holding Company Limited (COPHCL) and its operating companies, their contractors and subcontractors which hold the Concession Agreement;	import/export	2.79
45	Sixth Schedule Table I	100B	Supplies made by the businesses to be established in the Gwadar Free Zone for a period of twenty-three years within the Gwadar Free Zone, subject to the condition that the sales and supplies outside the Gwadar Free Zone and into the territory of Pakistan shall be subjected to sales tax.	Gwadar EPZ	3.49
46	Sixth Schedule Table I	100C	Vehicles imported by China Overseas Ports Holding Company Limited (COPHCL) and its operating companies namely (i) China Overseas Ports Holding Company Pakistan (Private) Limited (ii) Gwadar International Terminal	China Overseas Ports Holding Company Limited	0.71

			Limited, (iii) Gwadar Marine Services Limited and (iv) Gwadar Free Zone Company Limited, for a period of twenty-three years for construction, development...		
47	Sixth Schedule Table I	102	Machinery, equipment and materials imported either for exclusive use within the limits of Export Processing Zone or for making exports therefrom, and goods imported for warehousing purpose in Export Processing Zone, subject to the conditions that such machinery, equipment, materials and goods are imported by investors of Export Processing Zones, and all the procedures, limitations and restrictions as are applicable on such goods under the Customs Act, 1969 (IV of 1969) and rules made thereunder shall mutatis mutandis, apply.	Manufacturer, Exporters EPZ	3.34
48	Sixth Schedule Table I	104	Substances registered as drugs under the Drugs Act, 1976 (XXXI of 1976) and medicaments as are classifiable under chapter 30 of the First Schedule to the Customs Act, 1969 (IV of 1969) except the following, even if medicated or medicinal in nature, namely:-	Pharmaceutical Industry	42,640.77
49	Sixth Schedule Table I	105	Raw materials for the basic manufacture of pharmaceutical active ingredients and for manufacture of pharmaceutical products, provided that in case of import, only such raw materials shall be entitled to exemption which are liable to customs duty not exceeding 1 [eleven] per cent	Pharmaceutical Industry	8,056.34

			ad valorem, either under the First Schedule 2 [or Fifth Schedule] to the Customs Act, 1969 (IV of 1969) or under a notification issued under section 19 thereof		
50	Sixth Schedule Table I	107	Import and supply of iodized salt bearing brand names and trademarks whether or not sold in retail packing.	Importer/General Masses	326.80
51	Sixth Schedule Table I	109	Goods imported temporarily with a view to subsequent, exportation as concurred by the Board, including passenger service item, provision and stores of Pakistani Airlines	Importer, Exporter	0.00
52	Sixth Schedule Table I	110	The following items with dedicated use of renewable source of energy like solar and wind, subject to certification by the Alternative Energy Development Board (AEDB), Islamabad 1 [for the period ending on the 30th June, 2023]:	Energy Sector, General Masses	210.83
53	Sixth Schedule Table I	110(a)	Solar PV panels;	Energy Sector, General Masses	203.25
54	Sixth Schedule Table I	110(c)	SMD, LEDs, with or without ballast, with fittings and fixtures;	Energy Sector, General Masses	4.57
55	Sixth Schedule Table I	110(g)	PV modules along with related components, including invertors, charge controllers and batteries.	Energy Sector, General Masses	119.91
56	Sixth Schedule Table I	112	Following cardiology/cardiac surgery, neurovascular, electrophysiology, endosurgery, endoscopy, oncology, urology, gynecology, disposables and other equipment:	Health, General Masses	438.54
57	Sixth Schedule	112A	Angioplasty Products	Health, General Masses	0.05

Table I					
58	Sixth Schedule Table I	112B	Angiography Products	Health, General Masses	0.78
59	Sixth Schedule Table I	112H (viii)	Cardiac Electrophysiology Products Remote Ep Monitoring Device And Accessories	Health, General Masses	0.03
60	Sixth Schedule Table I	112J(x)	Cardiac Surgery Products Minimally Invasive Surgery Equipment & Instruments	Health, General Masses	0.10
61	Sixth Schedule Table I	113	High Efficiency Irrigation Equipment (If used for agriculture sector)	Agriculture	43.79
62	Sixth Schedule Table I	113(i)	Submersible pumps (up to 75 LBS and head 150 meters)	Agriculture	2.89
63	Sixth Schedule Table I	114	Green House Framing and Other Green House Equipment (If used for Agriculture Sector)	Agriculture	37.02
64	Sixth Schedule Table I	114(i)	Tunnel farming equipment [consisting of plastic covering and mulch film, anti-insect net and shade net]	Agriculture	46.03
65	Sixth Schedule Table I	116	Plant, machinery and equipment imported for setting up industries in FATA upto 30th June 2019 subject to the same conditions and procedure as are applicable for import of such plant, machinery and equipment under the Customs Act, 1969 (IV of 1969).	Industrial Undertakings	1.71
66	Sixth Schedule Table I	120	Diagnostic kits or equipment	Health, General Masses	904.64
67	Sixth Schedule Table I	121	Blood Bag CPDA-1 with blood transfusion set pack in aluminum foil with set.	Health, General Masses	467.56
68	Sixth Schedule Table I	122	Urine drainage bags	Health, General Masses	0.72
69	Sixth Schedule Table I	127	Operational tools, machinery, equipment and furniture and fixtures on one-	Airlines	10.64

			time basis for setting up Greenfield airports by a company authorized by Aviation Division.		
70	Sixth Schedule Table I	130	Sodium Iron (Na Fe EDTA), and other premixes of vitamins, minerals and micro-nutrients (food grade) and subject to conditions imposed for importation under the Customs Act, 1969]	Health, General Masses	1.69
71	Sixth Schedule Table I	131	Laptop computers, notebooks whether or not incorporating multimedia kit	General Masses	203.14
72	Sixth Schedule Table I	132	Personal computers	General Masses	22.69
73	Sixth Schedule Table I	133	Pesticides and their active ingredients registered by the Department of Plant Protection under the Agricultural Pesticides Ordinance, 1971(II of 1971), stabilizers, emulsifiers and solvents specified therein...	Agriculture	16,286.45
74	Sixth Schedule Table I	135	Sunflower and canola hybrid seeds meant for sowing	Agriculture	124.34
75	Sixth Schedule Table I	136	Combined harvesters upto five years old	Agriculture	8.19
76	Sixth Schedule Table I	137	Paper weighing 60 g/m ² 2 [, art paper and printing paper] for printing of Holy Quran imported by Federal or Provincial Governments and Nashiran-e-Quran as per quota determined by IOCO	General Masses	4.18
77	Sixth Schedule Table I	138	Fish Feed	General Masses	73.88
78	Sixth Schedule Table I	139	Fans for dairy farms	Dairy Sector, General Masses	1.38
79	Sixth Schedule Table I	140	Bovine semen	Dairy Sector, General Masses	29.93
80	Sixth Schedule	141	Preparations for making animal feed	Dairy Sector, General Masses	550.47

Table I

81	Sixth Schedule Table I	142	Promotional and advertising material including technical literature, pamphlets, brochures and other giveaways of no commercial value, distributed free of cost by the exhibitors	General Masses	0.14
82	Sixth Schedule Table I	143(i)(c)	Hearing aids (all types and kinds), ABR.	General Masses	0.01
83	Sixth Schedule Table I	144	Liquefied Natural Gas imported by fertilizer manufacturers for use as feed stock	Fertilizer sector	0.92
84	Sixth Schedule Table I	145	Plant, machinery, equipment including dumpers and special purpose motor vehicles, if not manufactured locally, imported by M/s China State Construction Engineering Corporation Limited (M/s CSCECL) for the construction of Karachi – Peshawar Motorway (Sukkur – Multan Section) and M/s China Communication Construction Company (M/s CCCC) for the construction of Karakorum Highway (KKH) Phase-II - (Thakot - Havellian Section) subject to the conditions mentioned therein ...	China State Construction Engineering Corporation Limited	4.39
85	Sixth Schedule Table I	147	Goods supplied to German Development Agency (Deutsche Gesellschaft für International Zusammenarbeit) GIZ	German Development Agency (GIZ)	0.67
86	Sixth Schedule Table I	148	Imported construction materials and goods imported by M/s China State Construction Engineering Corporation Limited (M/s CSCECL), whether or not locally manufactured, for construction of Karachi-Peshawar Motorway (Sukkur-Multan Section) subject to fulfilment of same	China State Construction Engineering Corporation Limited	6.57

conditions, limitations and restrictions as are specified under S. No. 145 of this table, provided that total incidence of exemptions of all duties and taxes in respect of construction materials and goods imported for the project shall not exceed ten thousand eight hundred

87	Sixth Schedule Table I	150	Plant and machinery excluding consumer durable goods and office equipment as imported by greenfield industries, intending to manufacture taxable goods, during their construction and installation period subject to conditions noted below and issuance of exemption certificate by the Commissioner Inland Revenue having jurisdiction:—	Greenfield Industries	6.97
88	Sixth Schedule Table I	150(a)	The importer is registered under the Act on or after the first day of July, 2019;	Greenfield Industries	125.65
89	Sixth Schedule Table I	150(b)	The industry is not established by splitting up or reconstruction or reconstitution of an undertaking already in existence or by transfer of machinery or plant from another industrial undertaking in Pakistan	Greenfield Industries	1.15
90	Sixth Schedule Table I	151(a)	Supplies	Manufacturer, General Masses	20,704.87
91	Sixth Schedule Table I	151(b)	Imports of plant, machinery, equipment for installation in tribal areas and of industrial inputs by the industries	Manufacturer, General Masses	1,779.06

			located in the tribal areas, as defined in the Constitution of Islamic Republic of Pakistan,— as made till 30th June, 2023, to which the provisions of the Act or the notifications issued thereunder, would have not applied had Article 247 of the Constitution not been omitted under the Constitution (Twenty fifth Amendment) Act, 2018 (XXXVII of 2018)		
92	Sixth Schedule Table I	152	Supplies of electricity, as made from the day of assent to the Constitution (Twenty-fifth Amendment) Act, 2018, till 30th June, 2023, to all residential and commercial consumers in tribal areas, and to such industries in the tribal areas which were set and started their industrial production before 31st May, 2018, but excluding steel and ghee or cooking oil industries	Residential and commercial consumers of electricity in tribal areas except steel and ghee/cooking oil industries	17.73
93	Sixth Schedule Table I	155	Oil cake and other solid residues, whether or not ground or in the form of pellets	General Masses	3,941.04
94	Sixth Schedule Table I	156	Import of CKD kits by local manufacturers of following Electric Vehicles: – (i) Road Tractors for semi-trailers (Electric Prime Movers) (ii) Electric Buses (iii) Three Wheeler Electric Rickshaw (iv) Three Wheeler Electric Loader (v) Electric Trucks (vi) Electric Motorcycle	Local manufacturers of Electric Vehicles, General Masses	5.67
Sub-total of Exemption under Sixth Schedule Table I on Local Supplies					130,234.14

4.1.2.4 Exemption under Sixth Schedule Table II on Local Supplies

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Sixth Schedule Table II	1	Supply of cottonseed exclusively meant for sowing purposes, subject to such conditions as the Board may specify.	Cotton Growers, Agriculture Sector	281.71
2	Sixth Schedule Table II	2	Supply of locally produced crude vegetable oil obtained from the locally produced seeds [other than cotton seed], except cooking oil, without having undergone any process except the process of washing.	Milling Industry	1,581.29
3	Sixth Schedule Table II	3	Supplies made by cottage industry.	General Masses	51.54
4	Sixth Schedule Table II	4	Raw material and intermediary goods manufactured or produced, and services provided or rendered, by a registered person, consumed in-house for the manufacture of goods subject to sales tax.	Manufacturers	4.06
5	Sixth Schedule Table II	6	Supply of fixed assets against which input tax adjustment is not available under a notification issued in terms of clause (b) of subsection (1) of section 8 of the Sales Tax Act, 1990.	General Masses	69.49
6	Sixth Schedule Table II	7	Breads prepared in tandoors and bakeries, vermicillies, nans, chapattis, sheer mal, bun, rusk	General Masses	4,997.93
7	Sixth Schedule Table II	8	Foodstuff cooked or prepared in-house and served in messes run on the basis of mutuality and industrial canteens for workers.	General Masses	3.37
8	Sixth Schedule	9	Foodstuff and other eatables prepared in the flight kitchens and	General Masses	0.25

	Table II		supplied for consumption on-board in local flights.		
9	Sixth Schedule Table II	10	Agricultural produce of Pakistan, not subjected to any further process of manufacture.	Agriculture/General Masses	1,584.63
10	Sixth Schedule Table II	11	Supply of ware potato and [Supply of ware potato and onions	General Masses	115.53
11	Sixth Schedule Table II	15(a)	Sprinkler Equipment	Agriculture	16.68
12	Sixth Schedule Table II	15(b)	Drip Equipment	Agriculture	0.05
13	Sixth Schedule Table II	15(c.)	Spray Pumps and nozzles	Agriculture	0.58
14	Sixth Schedule Table II	21	Poultry feed, cattle feed, sunflower seed meal, rape seed meal and canola seed meal	Poultry/General Masses	41,064.58
15	Sixth Schedule Table II	22	Single cylinder agriculture diesel engines (compression ignition internal combustion piston engines) of 3 to 36 HP.	Agriculture	301.39
16	Sixth Schedule Table II	23	Match boxes	General Masses	795.35
17	Sixth Schedule Table II	30	Milk and cream, concentrated or containing added sugar or other sweetening matter, excluding that sold in retail packing under a brand name	General Masses	1,385.17
18	Sixth Schedule Table II	33	Whey	General Masses	11.78
19	Sixth Schedule Table II	34	Butter	General Masses	53.59
20	Sixth Schedule Table II	35	Desi Ghee	General Masses	15.71
21	Sixth Schedule Table II	36	Cheese	General Masses	403.34
22	Sixth Schedule Table II	40	Live Animals And Live Poultry	Agriculture	1,933.58

23	Sixth Schedule Table II	41	Meat of bovine animals, sheep, goat and uncooked poultry meat excluding those sold in retail packing under a brand name	General Masses	2,142.89
24	Sixth Schedule Table II	42	Fish and crustaceans excluding those sold in retail packaging under a brand name	General Masses	2.95
25	Sixth Schedule Table II	43	Live plants including bulbs, roots and the like	General Masses	2.67
26	Sixth Schedule Table II	44	Cereals other than rice, wheat, wheat and meslin flour	General Masses	1,300.56
27	Sixth Schedule Table II	45	wheat and meslin flour Respective headings 45 Edible vegetables including roots and tubers, except ware potato and onions, whether fresh, frozen or otherwise preserved (e.g. in cold storage) but excluding those bottled or canned.	General Masses	13.68
28	Sixth Schedule Table II	46	Edible fruits	General Masses	19.13
29	Sixth Schedule Table II	47	Sugar cane	General Masses	101.40
30	Sixth Schedule Table II	48	Eggs including eggs for hatching	General Masses	221.31
31	Sixth Schedule Table II	49	Compost (non-commercial fertilizer)	Agriculture sector	83.98
32	Sixth Schedule Table II	50	Locally manufactured laptops, computers, notebooks whether or not incorporating multimedia kit and personal computers	Information Technology/General Masses	1.51
33	Sixth Schedule Table II	51	Newspaper	General Masses	0.92
Sub-total of Exemption under Sixth Schedule Table II on Local Supplies					58,562.59

4.1.2.5 Exemption under Sixth Schedule Table III on Local Supplies

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Sixth Schedule Table III	1	Machinery and equipment for initial installation, balancing, modernization, replacement or expansion of desalination plants, coal firing system, gas processing plants and oil and gas field prospecting.	Petroleum Sector	70.27
2	Sixth Schedule Table III	2A(iv)	Emergency Operating Lights.	General Masses	1.79
3	Sixth Schedule Table III	2B(iii)	Intravenous cannula catheter.	General Masses	2.44
4	Sixth Schedule Table III	2C	Disposable Medical Devices	General Masses	3.38
5	Sixth Schedule Table III	3(i)	Machinery, equipment, materials, capital goods, specialized vehicles (4x4 non-luxury) i.e. single or double cabin pickups, accessories, spares, chemicals and consumables meant for mine construction phase or extraction phase.	Industrial Undertakings	0.54
6	Sixth Schedule Table III	5(i)	Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through oil, gas, coal, wind and wave energy including under construction projects, which entered into an implementation agreement with the Government of Pakistan.	Energy Sector/General Masses	0.34

7	Sixth Schedule Table III	6(i)	Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through gas, coal, hydel, and oil including under construction projects.	Industrial Sector	0.06
8	Sixth Schedule Table III	6(ii)	Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project.	Industrial Sector	0.51
9	Sixth Schedule Table III	7(i)	Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through nuclear and renewable energy sources like solar, wind, micro-hydel bio-energy, ocean, waste-to-energy and hydrogen cell. 1 [This exemption in relation to renewable energy shall remain in force up to the 30th June, 2023.]	Industrial Sector	57.65
10	Sixth Schedule Table III	7(ii)	Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project	Industrial Sector	0.16
11	Sixth Schedule Table III	8	Machinery and equipment meant for power transmission and grid stations including under construction projects. Explanation.- For the purpose of this serial number, “machinery and equipment” shall mean,--	Energy Sector, General Masses	47.22

12	Sixth Schedule Table III	8(i)(b)	apparatus, appliances, metering and testing apparatus, mechanical and electrical control, transmission gear and transmission tower, power transmission and distribution cables and conductors, insulators, damper spacer and hardware and parts thereof adapted to be used in conjunction with the machinery and equipment as specified in clause (a) above;	Energy Sector/General Masses	13.99
13	Sixth Schedule Table III	9	Following machinery, equipment and other education and research related items imported by technical, training institutes, research institutes, schools, colleges and universities:-	Education/General Masses	0.02
14	Sixth Schedule Table III	9(i)	Quartz reactor tubes and holders designed for insertion into diffusion and oxidation furnaces for production of semiconductor wafers.	Education/General Masses	0.01
15	Sixth Schedule Table III	11(i)	Polishing cream or material	Industrial Sector	47.18
16	Sixth Schedule Table III	11(ii)	Fiber glass mesh	Industrial Sector	0.02
17	Sixth Schedule Table III	11(iii)	Chain saw/diamond wire saw in all sizes and dimensions and spares thereof, diamond wire joints all types and dimensions, chain for chain saw and diamond wires for wire saw and spare widia.	Industrial Sector	3.78
18	Sixth Schedule Table III	11(iv)	Gin saw blades	Industrial Sector	1.60

19	Sixth Schedule Table III	12	Machinery, equipment and other project related items including capital goods, for setting up of hotels, power generation plants, water treatment plants and other infrastructure related projects located in an area of 30 km around the zero point in Gwadar	Gwader Port Development	47.29
20	Sixth Schedule Table III	13	Effluent treatment plants	General Masses	0.15
21	Sixth Schedule Table III	14	Items for use with solar energy:- Solar Power Systems	Energy Sector/General Masses	249.93
22	Sixth Schedule Table III	14(1)	Off-grid/On-grid solar power system (with or without provision for USB/charging port) comprising of :	Energy Sector/General Masses	42.68
23	Sixth Schedule Table III	14(1)(i)	PV Module.	Energy Sector/General Masses	244.46
24	Sixth Schedule Table III	14(1)(ii)	Charge controller	Energy Sector/General Masses	0.18
25	Sixth Schedule Table III	14(1)(v)	Inverters (off-grid/ on-grid/ hybrid with provision for direct connection/ input renewable energy source and with Maximum Power Point Tracking (MPPT).	Energy Sector/General Masses	0.19
26	Sixth Schedule Table III	14A	Following systems and items for dedicated use with renewable source of energy like solar, wind, geothermal 1 [as imported on or before the 30th June, 2023.]	Energy Sector/General Masses	20.93
27	Sixth Schedule Table III	14A(9)	Pyranometers and accessories for solar data collection	Energy Sector	142.92
28	Sixth Schedule Table III	14A(10)	Solar chargers for charging electronic devices	Energy Sector/General Masses	0.05

29	Sixth Schedule Table III	14A(12)	Wind Turbines.	Energy Sector/General Masses	7.11
30	Sixth Schedule Table III	14A(3b)(i) i)	Cooling towers.	Energy Sector/General Masses	0.30
31	Sixth Schedule Table III	14A(6a)	Solar Water Heaters with accessories.	Energy Sector/General Masses	4.25
32	Sixth Schedule Table III	14A(6c)(i))	Electronic controller	Energy Sector/General Masses	0.04
33	Sixth Schedule Table III	14A(6c)(i) i)	Assistant/ Feeding tank	Energy Sector/General Masses	3.48
34	Sixth Schedule Table III	14A(6c)(i) ii)	Circulation Pump	Energy Sector/General Masses	3.57
35	Sixth Schedule Table III	14A(7a)	PV Modules.	Energy Sector/General Masses	13.59
36	Sixth Schedule Table III	15(i)	SMD/LED/LVD lights with or without ballast, fittings and fixtures.	Energy Sector/General Masses	87.71
37	Sixth Schedule Table III	15(ii)	SMD/LED/LVD lights, with or without ballast, PV module, fitting and fixtures	Energy Sector/General Masses	8.65
38	Sixth Schedule Table III	15(iii)	Tubular Day lighting Device	Energy Sector/General Masses	27.87
39	Sixth Schedule Table III	15(ix)	PV module, with or without, the related components including invertors (off- grid/on grid/ hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT), charge controllers and solar batteries.	Energy Sector/General Masses	249.26
40	Sixth Schedule Table III	15(vii)	Energy saver lamps of varying voltages	Energy Sector/General Masses	0.00

41	Sixth Schedule Table III	15(viii)	Energy Saving Tube Lights.	Energy Sector/General Masses	1.73
42	Sixth Schedule Table III	15(xi)	Water pumps operating on solar energy along with solar pump controllers	Energy Sector/General Masses	1.67
43	Sixth Schedule Table III	15(xv)	Invertors (off-grid/on grid/hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT).	Energy Sector/General Masses	1.84
44	Sixth Schedule Table III	15(xvi)	Charge controller/ Current controller.	Energy Sector/General Masses	0.21
45	Sixth Schedule Table III	15A(i)	Housing /shell. Shell cover and base cap for all kinds of LED lights and bulbs	Energy Sector/General Masses	2.54
46	Sixth Schedule Table III	15A(ii)	Bare and stuffed Metal Clad Printed Circuit Boards (MCPCB) for LED	Energy Sector/General Masses	30.12
47	Sixth Schedule Table III	15A(iii)	Constant Current Power Supply for of LED Lights and Bulbs (1-300W)	Energy Sector/General Masses	10.80
48	Sixth Schedule Table III	16	Plant, machinery, equipment and specific items used in production of bio-diesel.	Energy Sector	0.03
49	Sixth Schedule Table III	18(xiv)	Power supply	General Masses	0.10
50	Sixth Schedule Table III	19	Plant and machinery, except the items listed under Chapter 87 of the Pakistan Customs Tariff, imported for setting up of a Special Economic Zone (SEZ) by zone developers and for installation in that zone by zone enterprises, on one time	Special Economic Zone (SEZ)	2.71

basis as prescribed in the SEZ Act, 2012 and rules thereunder subject to such condition, limitations and restriction as a Federal Board of Revenue may impose from time to time

51	Sixth Schedule Table III	20	Plant and machinery for the assembly/ manufacturing of electric vehicles	General Masses	0.66
Sub-total of Exemption under Sixth Schedule Table III on Local Supplies					1,457.99
Total of Exemption under Sixth Schedule on Local Supplies					190,254.71
Less 30% adjustment on account of value addition of Local Supplies					57,076.41
Total of Exemption under Sixth Schedule on Local Supplies after Adjustment					133,178.30

4.1.2.6 Exemption under Sixth Schedule Table I at Import Stage

(Rs. In Million)

S. No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Sixth Schedule Table I	1	Live animals and live poultry	General Masses	714.87
2	Sixth Schedule Table I	2	Meat of bovine animals, sheep and goat, excluding poultry and offal, whether or not fresh, frozen or otherwise, preserved or packed	General Masses	30.61
3	Sixth Schedule Table I	3	Fish and crustaceans excluding live fish whether or not fresh, frozen or otherwise preserved or packed	General Masses	13.75
4	Sixth Schedule Table I	11	Eggs including eggs for hatching	General Masses	22.17
5	Sixth Schedule Table I	12	Live plants including bulbs, roots and the like.	General Masses	21.17

6	Sixth Schedule Table I	13	Edible vegetables imported from Afghanistan including roots and tubers, except ware potato and onions, whether fresh, frozen or otherwise preserved (e.g. in cold storage) but excluding those bottled or canned.	General Masses	3,695.90
7	Sixth Schedule Table I	14	Pulses.	General Masses	17,820.97
8	Sixth Schedule Table I	15	Edible fruits imported from Afghanistan (excluding fresh apples 0808.1000) whether fresh, frozen or otherwise preserved but excluding those bottled or canned.	General Masses	2,965.13
9	Sixth Schedule Table I	16	Red chilies excluding those sold in retail packing bearing brand names and trademarks.	General Masses	52.55
10	Sixth Schedule Table I	17	Ginger excluding those sold in retail packing bearing brand names and trademarks.	General Masses	1,978.51
11	Sixth Schedule Table I	18	Turmeric excluding those sold in retail packing bearing brand names and trademarks.	General Masses	11.03
12	Sixth Schedule Table I	19	Rice, wheat, wheat and muslin flour (respective headings)	General Masses	19,425.80
13	Sixth Schedule Table I	20	Seeds, fruit and spores of a kind used for sowing.	Agriculture Sector	1,939.17
14	Sixth Schedule Table I	21	Cinchona bark.	Agriculture Sector	0.06
15	Sixth Schedule Table I	24	Edible oils and vegetable ghee, including cooking oil, on which federal excise duty is charged, levied and collected by a registered manufacturer or importer as if it were a tax payable under section 3 of the act. Explanation.– exemption of this entry shall not be available on local supply made by importers, distributors, wholesalers or retailers.	General Masses	403.24

16	Sixth Schedule Table I	31	Holy Quran, complete or in parts, with or without translation; Quranic verses recorded on any analogue or digital media; other holy books.	General Masses	27.88
17	Sixth Schedule Table I	32	Newsprint and books but excluding brochures, leaflets and directories (respective headings)	General Masses	1,289.00
18	Sixth Schedule Table I	45	Dextrose and saline infusion giving sets along with empty non-toxic bags for infusion solution, dextrose and saline infusion giving sets, artificial parts of the body, intra-ocular lenses and glucose testing equipment.	Health/General Masses	1,209.47
19	Sixth Schedule Table I	46	Goods imported by various agencies of the united nations, diplomats, diplomatic missions, privileged persons and privileged organizations which are covered under various acts and orders, rules and regulations made there under by the federal government provided that said goods are charged at zero rate of custom duty under custom act 1969(iv of 1969) and the condition laid therein.	UN Organizations	114.17
20	Sixth Schedule Table I	47	Import of articles of household and personal effects including vehicles and also the goods for donation to projects established in Pakistan imported by any of the rulers of gulf sheikhdoms who is in possession of residential accommodation in Pakistan and goods including vehicles by the united Arab Emirates dignitaries as are listed in column (2) against heading no. 99.05 in column (1) of the first schedule to the customs act, 1969 (iv of 1969) for their personal use and for donation to welfare projects established in Pakistan subject to the similar conditions as are envisaged for the purposes of applying zero-rate of customs duty on such goods under the said act. (pct 99.05)	Gulf Dignitaries	0.01

21	Sixth Schedule Table I	48	Goods imported or supplied under grants-in-aid for which a specific consent has been obtained from the board; supplies and imports under agreements signed by the government of Pakistan before the 30th June, 1996, provided the agreements contained the provision for exemption of tax at the time of signing of agreement. (PCT 99.03)	International Aid	1,172.35
22	Sixth Schedule Table I	52	Goods imported by or donated to hospitals run by the federal or provincial government; and non-profit making educational and research institutions, limitations, conditions and procedures as are envisaged for the purpose of applying zero-rate of customs duty on such goods under the customs act, 1969 (iv of 1969)	Health/General Masses	33.38
23	Sixth Schedule Table I	59	Artificial kidneys, eye cornea, hemodialysis machine hemodialyzers, a.v. fistula needles, hemodialysis fluids and powder, blood tubing tines for dialysis and reverse osmosis plants for dialysis, double lumen catheter for dialysis, catheter for renal failure patient and peritoneal dialysis solution, cochlear implants systems] and angioplasty equipment (balloons, catheters, wires and stents), subject to the similar conditions and procedures as are envisaged for the purpose of applying zero-rate of customs duty on these goods under the customs act, 1969 (iv of 1969) (PCT 99.24, 99.25, 99.37 and 99.38)	Health/General Masses	383.22
24	Sixth Schedule Table I	60	Contraceptives and accessories thereof.	Health/General Masses	229.81
25	Sixth Schedule Table I	61	Goods produced or manufactured in and exported from Pakistan which are subsequently imported in Pakistan within one year of their exportation.	Manufacturing/E xporters	1,880.39
26	Sixth Schedule Table I	72	Uncooked poultry meat whether or not fresh, frozen or otherwise, preserved or packed	Poultry/General Masses	2.52

27	Sixth Schedule Table I	84	Preparations suitable for infants, put up for retail sale	Manufacturer/General Masses	1,816.83
28	Sixth Schedule Table I	86	Colors in sets (poster colors)	Manufacturer/General Masses	28.05
29	Sixth Schedule Table I	87	Writing, drawing and marking inks	Manufacturer/General Masses	50.54
30	Sixth Schedule Table I	88	Erasers	Manufacturer/General Masses	96.27
31	Sixth Schedule Table I	89	Exercise books	Manufacturer/General Masses	6.40
32	Sixth Schedule Table I	90	Pencil sharpeners	Manufacturer/General Masses	7.81
33	Sixth Schedule Table I	92	Sewing machines of the household type	Manufacturer/General Masses	8.10
34	Sixth Schedule Table I	94	Wheelchairs	Manufacturer/General Masses	199.73
35	Sixth Schedule Table I	96	Other drawing, marking out or mathematical calculating instruments (geometry box)	Manufacturer/General Masses	9.15
36	Sixth Schedule Table I	97	Pens, ball pens, markers and porous tipped pen	Manufacturer/General Masses	143.65
37	Sixth Schedule Table I	98	Pencils including color pencils	Manufacturer/General Masses	513.41
38	Sixth Schedule Table I	99	Compost (non-chemical fertilizer) produced and supplied locally	Fertilizer Sector	0.06
39	Sixth Schedule Table I	100	Construction materials to Gwadar export processing zone's investors and to export processing zone Gwadar for development of zone's infrastructure	Gwadar EPZ	131.37

40	Sixth Schedule Table I	100A	Materials and equipment (plant, machinery, equipment, appliances and accessories) for construction and operation of Gwadar port and development of free zone for Gwadar port as imported by or supplied to china overseas ports holding company limited (COPHCL) and its operating companies namely (i) china overseas ports holding company Pakistan (private) limited (ii) Gwadar international terminal limited, (iii) Gwadar marine services limited and (iv) Gwadar free zone company limited, their contractors and sub-contractors; and ship bunker oils bought and sold to the ships calling on/visiting Gwadar port, by the aforesaid operating companies having concession agreement with the Gwadar port authority, for a period of forty year, subject to conditions and procedures ...	(i) China overseas ports holding company Pakistan (private) limited (ii) Gwadar international terminal limited (iii) Gwadar marine services limited (iv) Gwadar free zone company limited,	5.67
41	Sixth Schedule Table I	100C	Vehicles imported by china overseas ports holding company limited (COPHCL) and its operating companies namely (i) china overseas ports holding company Pakistan (private) limited (ii) Gwadar international terminal limited, (iii) Gwadar marine services limited and (iv) Gwadar free zone company limited, for a period of twenty-three years for construction, development and operations of Gwadar port and free zone area subject to limitations, conditions prescribed ...	(i) china overseas ports holding company Pakistan (private) limited (ii) Gwadar international terminal limited (iii) Gwadar marine services limited (iv) Gwadar free zone company limited,	4.56
42	Sixth Schedule Table I	100D	Machinery, equipment, materials and goods imported either for exclusive use within the limits of Gwadar free zone, or for making exports therefrom, subject to the conditions that such machinery, equipment, materials and goods, are imported by investors of Gwadar free zone, and all the procedures, limitations and restrictions as are	Gwadar EPZ	3.03

			applicable on such goods under the customs act, 1969 (act iv of 1969) and rules made thereunder shall, mutatis mutandis, apply. Provided also that if any of such goods is taken out of the zone for purpose other than the export, the tax on the same shall be paid by the importer. This sr has been added through presidential ordinance named tax law (amendment) ordinance 2019		
43	Sixth Schedule Table I	102	Machinery, equipment and materials imported either for exclusive use within the limits of export processing zone or for making exports therefrom, and goods imported for warehousing purpose in export processing zone, subject to the conditions that such mac	Manufacturer/Exporters EPZ	329.70
44	Sixth Schedule Table I	104	Substances registered as drugs under the drugs act, 1976 (xxxi of 1976) and medicaments as are classifiable under chapter 30 of the first schedule to the customs act, 1969 (iv of 1969) except the following, even if medicated or medicinal in nature, namely	Pharmaceutical Industries	73,747.19
45	Sixth Schedule Table I	105	Raw materials for the basic manufacture of pharmaceutical active ingredients and for manufacture of pharmaceutical products, provided that in case of import, only such raw materials shall be entitled to exemption which are liable to customs duty not exceeding 11% advalorem, either under the first or fifth schedule to the customs act, 1969 (iv of 1969) or under a notification issued under section 19 thereof.	Pharmaceutical Industries	15,350.53
46	Sixth Schedule Table I	110	The following items with dedicated use of renewable source of energy like solar and wind, subject to certification by the alternative energy development board (AEDB), Islamabad:- as listed at sub-serial number (a) to (j).	Energy Sector/General Masses	21.99

47	Sixth Schedule Table I	112	Cardiology/cardiac surgery, neurovascular, electrophysiology, endosurgery, endoscopy, oncology, urology, gynaecology, disposables and other equipment as stated in serial 112 of table i of 6th schedule.	Health/General Masses	1,052.79
48	Sixth Schedule Table I	113	High efficiency irrigation equipment. (if used for agriculture sector) 1 submersible pumps (up to 75 lbs and head 150 meters) 2) sprinklers including high and low pressure (center pivotal) system, conventional sprinkler equipment, water reel travel. Hs code 8424.8200 inserted in the light of clarification issued vide c.no.4/24-stb/2017 /86031-r dated 14.07.2017	Agriculture Sector	115.17
49	Sixth Schedule Table I	114	Green house farming and other greenhouse equipment consisting of plastic covering and mulch film, anit-insect net and shade net (if used for agriculture sector) 1) tunnel farming equipment. 2) greenhouses (prefabricated).	Agriculture Sector	37.84
50	Sixth Schedule Table I	120	Diagnostic kits or equipment specified therein ...	Health/General Masses	3,845.73
51	Sixth Schedule Table I	121	Blood bag cpda-1 with blood transfusion set pack in ammonium foil with set	Health/General Masses	170.54
52	Sixth Schedule Table I	122	Urine drainage bags	Health/General Masses	46.47
53	Sixth Schedule Table I	126	Machinery, equipment and tools for setting up maintenance, repair and overhaul (MRO) workshop by MRO company recognized by aviation division	Industrial Undertakings	0.01
54	Sixth Schedule Table I	127	Operational tools, machinery, equipment and furniture and fixtures on one-time basis for setting up greenfield airports by a company authorized by aviation division	Airlines	0.25
55	Sixth Schedule Table I	129	Import of plant, machinery and production line equipment used for the manufacturing of mobile phones	Manufacturer/Ge neral Masses	98.73

			by the local manufacturers of mobile phones duly certified by Pakistan telecommunication authority		
56	Sixth Schedule Table I	130	Sodium iron (na fe edta), and other premixes of vitamins, minerals and micro-nutrients (food grade) and subject to conditions imposed for importation under the customs act, 1969	Health/General Masses	105.47
57	Sixth Schedule Table I	131	Laptop computers, notebooks whether or not incorporating multimedia kit	General Masses	2,878.07
58	Sixth Schedule Table I	132	Personal computers	General Masses	2,599.18
59	Sixth Schedule Table I	133	Pesticides and their active ingredients registered by the department of plant protection under the agricultural pesticides ordinance, 1971 (ii of 1971), stabilizers, emulsifiers and solvents specified therein ...	Agriculture Sector	14,049.79
60	Sixth Schedule Table I	134	Goods received as gift or donation from a foreign government or organization by the federal or provincial governments or any public sector organization subject to recommendations of the cabinet division and concurrence by the federal board of revenue	General Masses	223.63
61	Sixth Schedule Table I	135	Sunflower and canola hybrid seeds meant for sowing	Agriculture Sector	96.38
62	Sixth Schedule Table I	136	Combined harvesters up to five years old	Agriculture Sector	31.26
63	Sixth Schedule Table I	137	Paper weighing 60 g/m2, art paper, printing paper and art card for printing of holy Quran imported by federal or provincial governments and Nashiran-e-Quran as per quota determined by IOCO	General Masses	74.94

64	Sixth Schedule Table I	138	Fish feed	General Masses	1.90
65	Sixth Schedule Table I	139	Fans for dairy farms	Dairy Sector/General Masses	9.86
66	Sixth Schedule Table I	140	Bovine semen	Dairy Sector/General Masses	54.33
67	Sixth Schedule Table I	141	Preparation for making animal feed	Dairy Sector/General Masses	1,457.40
68	Sixth Schedule Table I	142	Promotional and advertising material including technical literature, pamphlets, brochures and other giveaways of no commercial value, distributed free of cost by the exhibitors	General Masses	1.65
69	Sixth Schedule Table I	143	Hearing aids (all types and kinds) hearing assessment equipment; (a) audiometers (b) tympanometer (c) ABR (d) OTO acoustic omission	Health/General Masses	205.94
70	Sixth Schedule Table I	150	Plant and machinery excluding consumer durable goods and office equipment as imported by greenfield industries, intending to manufacture taxable goods, during their construction and installation period subject to conditions noted below and issuance of exemption certificate by the commissioner inland revenue having jurisdiction:- conditions: (a) the importer is registered under the act on or after the first day of July, 2019; and (b) the industry is not established by splitting up or reconstruction or reconstitution of an undertaking already in existence or by transfer of machinery or plant from another industrial undertaking in Pakistan	Agriculture Sector	314.57
71	Sixth Schedule Table I	151(I)	Supplies and imports of plant, machinery, equipment for installation in tribal areas and of industrial inputs by the industries located in the tribal areas, as defined in the constitution of Islamic	Manufacturing Sector/General Masses	15,307.22

Republic of Pakistan subject to furnishing of security					
72	Sixth Schedule Table I	151(II)	Imports of plant, machinery, equipment for installation in tribal areas and of industrial inputs by the industries located in the tribal areas, as defined in the constitution of Islamic Republic of Pakistan subject to furnishing of security with reference to STGO 14 of 2022 dated 16-04-2022.	Manufacturing Sector/General Masses	1,384.96
73	Sixth Schedule Table I	154	Dietetic foods intended for consumption by children suffering from inherent metabolic disorder subject to the conditions that the importer shall acquire approval and quota from ministry of national health services, regulations and coordination.	Health/General Masses	20.04
74	Sixth Schedule Table I	156(II)	Electric buses (respective heading)	General Masses	3.81
75	Sixth Schedule Table I	156(III)	Three wheeler electric rickshaw (respective heading)	General Masses	4.41
76	Sixth Schedule Table I	156(IV)	Three wheeler electric loader (respective heading)	General Masses	11.82
77	Sixth Schedule Table I	156(VI)	Electric motorcycle(respective heading)	General Masses	18.32
78	Sixth Schedule Table I	157	Import of CKD kits for the following electric vehicles (4 wheelers) by local manufacturers till the 30th day of June, 2026:– (a) small cars and SUVs with 50 kwh battery or below; and (b) light commercial vehicles (LCVS) with 150 kwh battery or below.	General Masses	1.92
79	Sixth Schedule Table I	158	Goods temporarily imported into Pakistan by international athletes or sportsmen which would be subsequently taken back by them within 120 days of temporary import	International Athletes	3.72

80	Sixth Schedule Table I	159	Import of auto disable syringes till 30th June, 2021 (i) with needles (9018.3110) (ii) without needles (9018.3120)	Health/General Masses	1.54
81	Sixth Schedule Table I	160	Import of following raw materials for the manufacturers of auto disable syringes till 30th June, 2021 (i) tubular metal needles (9018.3200) (ii) rubber gaskets (4016.9310)	Manufacturer/General Masses	5.85
82	Sixth Schedule Table I	160	Import of following raw materials for the manufacturers of auto disable syringes till 31st December 2021 (i) tubular metal needles (ii) rubber gaskets	Health/General Masses	8.64
83	Sixth Schedule Table I	161	Import of plant, machinery, equipment and raw materials for consumption of these items within special technology zone by the special technology zone authority, zone developers and zone enterprises.	Special Technology Zones	38.95
84	Sixth Schedule Table I	162	Import of raw materials, components, parts and plant and machinery by registered persons authorized under export facilitation scheme, 2021 notified by the board with such conditions, limitations and restrictions.	Export Sector	9.82
Sub-total of Exemption under Sixth Schedule Table I at Import Stage					192,204.16

4.1.2.7 Exemption under Sixth Schedule Table III at Import Stage

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Sixth Schedule Table III	1	Exemption of sales tax on machinery and equipment for initial installation, balancing, modernization, replacement or expansion of desalination plants, cola-firing system, gas processing plants and oil and gas field prospecting. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Petroleum Sector	14.55

2	Sixth Schedule Table III	2	Exemption of sales tax @ 0% on machinery, equipment, apparatus, and medical, surgical, dental and veterinary furniture, materials, fixture and fittings imported by hospitals and medical or diagnostic institutes - subject to condition given at s.no. 2 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Health/General Masses	1.41
3	Sixth Schedule Table III	2.A5	Exemption of sales tax @ 0% on 5) hospital beds with mechanical fittings. -medical equipment-machinery, equipment, apparatus, and medical, surgical, dental and veterinary furniture, materials, fixtures and fittings imported by hospitals and medical or diagnostic institutes-subject to conditions. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Health/General Masses	0.66
4	Sixth Schedule Table III	2.A9	Exemption of sales tax @ 0% on 9) contrast media injections (for use in angiography & MRI etc). - medical equipment- machinery, equipment, apparatus, and medical, surgical, dental and veterinary furniture, materials, fixtures and fittings imported by hospitals and medical or diagnostic institutes-subject to conditions. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Health/General Masses	0.02
5	Sixth Schedule Table III	2.C1	Exemption of sales tax @ 0% on self-disabling safety sterile syringes. -disposable medical devices imported by hospitals and medical or diagnostic institutes--subject to conditions. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act,	Health/General Masses	1.26

1990.

6	Sixth Schedule Table III	2.D2	Exemption of sales tax @ 0% on fixtures & fittings for hospitals. - other related equipment's imported by hospitals and medical or diagnostic institutes-subject to conditions. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Health/General Masses	0.04
7	Sixth Schedule Table III	3.1	Exemption of sales tax @ 5% on machinery, equipment, materials, capital goods, specialized vehicles (4x4 non luxury) i.e single or double cabin pickups, accessories, spares, chemicals and consumables meant for mine construction phase or extraction phase subject to condition given at s.no. 3 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Industrial Undertakings	178.43
8	Sixth Schedule Table III	4	Exemption of sales tax @ 0% on coal mining machinery, equipment, spares including vehicles for site use i.e single or double cabin pick-ups and dump trucks imported for thar coal field - subject to condition given at s.no. 4 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Mining Sector	1,849.89
9	Sixth Schedule Table III	5.1	Exemption of sales tax @ 0% on machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through oil, gas, coal, wind and	Industrial Sector	10,639.94

			<p>wave energy including under construction projects, which entered into an implementation agreement with the Government of Pakistan. -subject to condition given at s.no. 5 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.</p>		
10	Sixth Schedule Table III	5.2	Exemption of sales tax @ 0% on construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project. -subject to condition given at s.no. 5 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Industrial Sector	10.93
11	Sixth Schedule Table III	6.1	Exemption of sales tax @ 0% on machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through gas, coal, hydel, and oil including under construction projects. -subject to condition given at s.no. 6 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Industrial Sector	21,276.25
12	Sixth Schedule Table III	6.2	Exemption of sales tax @ 0% on construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project. -subject to condition given at s.no. 6 of annexure of table-iii of 6th schedule to the sales tax act,	Industrial Sector	89.87

1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.

13	Sixth Schedule Table III	7.1	Exemption of sales tax @ 0% on machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through nuclear and renewable energy sources like solar, wind, micro-hydel bio-energy, ocean, waste-to-energy and hydrogen cell etc. -subject to condition given at s.no. 7 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Industrial Sector	14,557.87
14	Sixth Schedule Table III	7.2	Exemption of sales tax @ 0% on construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project. -the expression “projects for power generation” means any project for generation of electricity whether small, medium or large and whether for supply to the national grid or to any other user or for in house consumption. - subject to condition given at s.no. 7 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Industrial Sector	185.74
15	Sixth Schedule Table III	8.1	Exemption of sales tax @ 0% on machinery and equipment meant for power transmission and grid stations including under construction projects. Subject to condition given at s.no. 8 of annexure of table-iii of 6th	Energy Sector/General Masses	4,189.34

			schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.		
16	Sixth Schedule Table III	9.13	Exemption of sales tax @ 0% on 13) networking equipment's like routers, land bridges, hubs excluding switches and repeaters.- machinery, equipment and other education and research related items imported by technical, training institutes, research institutes, schools, colleges and universities-subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Education/General Masses	0.04
17	Sixth Schedule Table III	9.14	Exemption of sales tax @ 0% on 14) other furnaces and ovens.- machinery, equipment and other education and research related items imported by technical, training institutes, research institutes, schools, colleges and universities-subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Education/General Masses	0.04
18	Sixth Schedule Table III	9.23	Exemption of sales tax @ 0% on 23) spares, accessories and reagents for scientific equipment's.- machinery, equipment and other education and research related items imported by technical, training institutes, research institutes, schools, colleges and universities- subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Education/General Masses	0.00

19	Sixth Schedule Table III	9.5	Exemption of sales tax @ 0% on 5) personal weighing machines, including baby scales; household scales.- machinery, equipment and other education and research related items imported by technical, training institutes, research institutes, schools, colleges and universities-subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Education/General Masses	0.02
20	Sixth Schedule Table III	11.2	Exemption of sales tax @ 0% on 2) fiber glass mesh-machinery and equipment for marble, granite and gem stone extraction and processing industries. - subject to condition given at s.no. 11 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Industrial Sector	0.22
21	Sixth Schedule Table III	11.5	Exemption of sales tax @ 0% on 5) gang saw blades/ diamond saw blades/ multiple blades or all types and dimensions. - machinery and equipment for marble, granite and gem stone extraction and processing industries. - subject to condition given at s.no. 11 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Industrial Sector	1.15
22	Sixth Schedule Table III	11.7	Exemption of sales tax @ 0% on 7) machine and tool for stone work; sand blasting machines; tungsten carbide tools; diamond tools & segments (all type & dimensions), hydraulic jacking machines, hydraulic manual press machines, air/hydro pillows, compressed air rubber pipes, hydraulic drilling machines, manual and power	Industrial Sector	23.29

			drilling machines, steel drill rods and spring (all sizes and dimensions), whole finding system with accessories, manual portable rock drills, cross cutter and bridge cutters.-machinery and equipment for marble, granite and gem stone extraction and processing industries. Subject to condition given at s.no. 11 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.		
23	Sixth Schedule Table III	12	Exemption of sales tax @ 0% on machinery, equipment and other project related items including capital goods, for setting up of hotels, power generation plants, water treatment plants and other infrastructure related projects located in an area of 30 km around the zero point in Gwadar. Subject to condition given at s.no. 12 of annexure of table-iii of 6th schedule to the sales tax act, 1990. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Gwadar Port Development	43.79
24	Sixth Schedule Table III	13	Exemption of sales tax @ 0% on effluent treatment plants- subject to conditions. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	General Masses	29.65
25	Sixth Schedule Table III	14	Following items for use with solar energy, solar power systems	Energy Sector/General Masses	666.06
26	Sixth Schedule Table III	14.1.I	Off-grid/on-grid solar power system (with or without provision for usb/charging port) comprising of : i. PV module.	Energy Sector/General Masses	827.15

27	Sixth Schedule Table III	14.1.II	Charge controller.	Energy Sector/General Masses	2.07
28	Sixth Schedule Table III	14.1.III	Batteries for specific utilization with the system (not exceeding 50 ah in case of portable system).	Energy Sector/General Masses	0.73
29	Sixth Schedule Table III	14.1.IV	Essential connecting wires (with or without switches).	Energy Sector/General Masses	0.40
30	Sixth Schedule Table III	14.1.V	Inverters (off-grid/ on-grid/ hybrid with provision for direct connection/ input renewable energy source and with maximum power point tracking (MPPT)).	Energy Sector/General Masses	695.53
31	Sixth Schedule Table III	14A.1.A	Following systems and items for dedicated use with renewable source of energy like solar, wind, geothermal etc. 1. (a) solar parabolic trough power plants.	Energy Sector/General Masses	8.62
32	Sixth Schedule Table III	14A.1.B.V	Sun tracking control system.	Energy Sector/General Masses	0.34
33	Sixth Schedule Table III	14A.1.B.VI	Control panel with other accessories.	Energy Sector/General Masses	0.97
34	Sixth Schedule Table III	14A.2.B.I	Parts for solar dish sterling engine. (i). Solar concentrating dish.	Energy Sector/General Masses	4.55
35	Sixth Schedule Table III	14A.3.B.II	Cooling towers.	Energy Sector/General Masses	0.92
36	Sixth Schedule Table III	14A.3.B.VI	Charging & testing equipment.	Energy Sector/General Masses	0.44
37	Sixth Schedule Table III	14A.4.B.I	Parts for solar desalination system, (i). Solar photo voltaic panels.	Energy Sector/General Masses	569.40
38	Sixth Schedule Table III	14A.4.B.IV	Charge controllers.	Energy Sector/General Masses	4.15

39	Sixth Schedule Table III	14A.4.B.V	Inverters (off grid/on grid/hybrid) with provision for direct connection/input from renewable energy source and with maximum power point tracking (MPPT)	Energy Sector/General Masses	57.19
40	Sixth Schedule Table III	14A.5	Solar thermal power plants with accessories.	Energy Sector/General Masses	10.87
41	Sixth Schedule Table III	14A.6.B.IV	Copper and aluminum tubes	Energy Sector/General Masses	14.12
42	Sixth Schedule Table III	14A.6.C.I	Accessories: (i). Electronic controller	Energy Sector/General Masses	1.27
43	Sixth Schedule Table III	14A.6.C.II	Assistant/ feeding tank	Energy Sector/General Masses	0.00
44	Sixth Schedule Table III	14A.6.C.III	Circulation pump	Energy Sector/General Masses	12.49
45	Sixth Schedule Table III	14A.6.C.IV	Electric heater/ immersion rod (one piece with one solar water heater)	Energy Sector/General Masses	3.94
46	Sixth Schedule Table III	14A.6.C.V	Solenoid valve (one piece with one solar water heater)	Energy Sector/General Masses	0.02
47	Sixth Schedule Table III	14A.6.C.VI	Selective coating for absorber plates	Energy Sector/General Masses	0.32
48	Sixth Schedule Table III	14A.7.A	PV modules.	Energy Sector/General Masses	5,513.84
49	Sixth Schedule Table III	14A.7.B.I	Parts for PV modules, (i). Solar cells.	Energy Sector/General Masses	199.73
50	Sixth Schedule Table III	14A.7.B.II	Tempered glass.	Energy Sector/General Masses	15.92
51	Sixth Schedule Table III	14A.7.B.III	Aluminum frames.	Energy Sector/General Masses	3.46

52	Sixth Schedule Table III	14A.7.B.IV	O-ring.	Energy Sector/General Masses	0.01
53	Sixth Schedule Table III	14A.7.B.V	Flux.	Energy Sector/General Masses	0.25
54	Sixth Schedule Table III	14A.7.B.VI I	Junction box & cover.	Energy Sector/General Masses	0.57
55	Sixth Schedule Table III	14A.7.B.VI II	Sheet mixture of paper and plastic	Energy Sector/General Masses	0.91
56	Sixth Schedule Table III	14A.7.B.IX	Ribbon for PV modules (made of silver & lead).	Energy Sector/General Masses	4.35
57	Sixth Schedule Table III	14A.7.B.XI	Eva (ethyl vinyl acetate) sheet (chemical).	Energy Sector/General Masses	2.17
58	Sixth Schedule Table III	14A.8.VIII	Aluminum and silver paste.	Energy Sector/General Masses	0.01
59	Sixth Schedule Table III	14A.9	Pyrometers and accessories for solar data collection.	Energy Sector/General Masses	0.68
60	Sixth Schedule Table III	14A.12.B.I	Turbine with generator/ alternator.	Energy Sector/General Masses	14.48
61	Sixth Schedule Table III	14A.12.B.II I	Blades.	Energy Sector/General Masses	0.37
62	Sixth Schedule Table III	14A.12.B.I V	Pole/ tower.	Energy Sector/General Masses	0.11
63	Sixth Schedule Table III	14A.12.B. V	Inverter for use with wind turbine.	Energy Sector/General Masses	1.72
64	Sixth Schedule Table III	14A.15	Any other item approved by the alternative energy development board (AEDB) and concurred to by the FBR.	Energy Sector/General Masses	23.89

65	Sixth Schedule Table III	15.I	Following items for promotion of renewable energy technologies or for conservation of energy: - (i). SMD/LED/LVD lights with or without ballast, fittings and fixtures.	Energy Sector/General Masses	1.63
66	Sixth Schedule Table III	15.II	SMD/LED/LVD lights, with or without ballast, pv module, fitting and fixtures	Energy Sector/General Masses	1.08
67	Sixth Schedule Table III	15.V	Solar torches.	Energy Sector/General Masses	4.03
68	Sixth Schedule Table III	15.VI	Lanterns and related instruments.	Energy Sector/General Masses	4.53
69	Sixth Schedule Table III	15.VIII	Led bulb/tube lights.	Energy Sector/General Masses	6.67
70	Sixth Schedule Table III	15.IX	PV module, with or without, the related components including invertors (off-grid/on grid/ hybrid) with provision for direct connection/input from renewable energy source and with maximum power point tracking (MPPT), charge controllers and solar batt	Energy Sector/General Masses	817.76
71	Sixth Schedule Table III	15.X	Light emitting diodes (light emitting in different colors).	Energy Sector/General Masses	1.02
72	Sixth Schedule Table III	15.XI	Water pumps operating on solar energy along with solar pump controllers	Energy Sector/General Masses	16.49
73	Sixth Schedule Table III	15.XII	Energy saver lamps of varying voltages	Energy Sector/General Masses	6.09

74	Sixth Schedule Table III	15.XIII	Energy saving tube lights.	Energy Sector/General Masses	9.81
75	Sixth Schedule Table III	15.XV	Invertors (off-grid/on grid/hybrid) with provision for direct connection/input from renewable energy source and with maximum power point tracking (MPPT).	Energy Sector/General Masses	325.91
76	Sixth Schedule Table III	15.XVI	Charge controller/ current controller. Provided that exemption under this serial shall be available with effect from 01.07.2016. (xvi). Charge controller/ current controller. Provided that exemption under this serial shall be available with effect	Energy Sector/General Masses	0.32
77	Sixth Schedule Table III	15A.I	Parts and components for manufacturing led lights: - (i). Housing /shell. Shell cover and base cap for all kinds of led lights and bulbs if imported by led light manufacturers registered under the sales tax act, 1990 subject to annual quota determination by the input output co-efficient organization (IOCO)	Energy Sector/General Masses	721.20
78	Sixth Schedule Table III	15A.II	Bare and stuffed metal clad printed circuit boards (MCPCB) for led if imported by led light manufacturers registered under the sales tax act, 1990 subject to annual quota determination by the input output co-efficient organization (IOCO)	Energy Sector/General Masses	77.98
79	Sixth Schedule Table III	15A.III	Constant current power supply for of led lights and bulbs (1-300w) if imported by led light	Energy Sector/General Masses	335.89

			manufacturers registered under the sales tax act, 1990 subject to annual quota determination by the input output co-efficient organization (IOCO)		
80	Sixth Schedule Table III	15A.IV	Lenses for led lights and bulbs if imported by led light manufacturers registered under the sales tax act, 1990 subject to annual quota determination by the input output co-efficient organization (IOCO)”	Energy Sector/General Masses	187.02
81	Sixth Schedule Table III	15B	CKD kits for single cylinder agriculture diesel engines (compression-ignition internal combustion piston engines) of 3 to 36 hp.	Energy Sector/General Masses	183.23
82	Sixth Schedule Table III	15.2	Exemption of sales tax @ 0% on 2. SMD, LEDS with or without ballast with fittings and fixtures. -items for promotion of renewable energy technologies. Subject to conditions. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Energy Sector/General Masses	5.65
83	Sixth Schedule Table III	15.4	Exemption of sales tax @ 0% on 4. Solar torches. -items for promotion of renewable energy technologies. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.	Energy Sector/General Masses	0.01
84	Sixth Schedule Table III	15.6	Exemption of sales tax @ 0% on 6. Pv module, with or without, the related components including invertors, charge controllers and batteries-items for promotion of renewable energy technologies subject to certification by alternative energy development board (AEDB), Islamabad that the inverters, charge controllers and batteries being imported are in quantities which	Energy Sector/General Masses	49.52

			commensurate with the pv modules being imported. - subject to conditions. Subject to conditions given in the preamble of table-3 of 6th schedule to the sales tax act, 1990.		
85	Sixth Schedule Table III	17	Machinery, equipment, raw materials, components and other capital goods for use in building, fittings, repairing or refitting of ships, boats or floating structures imported by Karachi shipyard and engineering works limited.	Industrial Undertakings	17.46
86	Sixth Schedule Table III	18	The following parts for assembling and manufacturing of personal computers and laptops: (i) bare PCBS (ii) power amplifier (iii) microprocessor/ controllers (iv) equipment for SMT manufacturing (v) laptop batteries (vi) adopters (vii) cooling fans (viii)	General Masses	1.01
87	Sixth Schedule Table III	19	Plant and machinery, except the items listed under chapter 87 of the Pakistan customs tariff, imported for setting up of a Special Economic Zone (SEZ) by zone developers and for installation in that zone by zone enterprises, on one time basis as prescribe	Special Economic Zones	654.66
88	Sixth Schedule Table III	20	Plant and machinery for the assembly/ manufacturing of electric vehicles the exemption shall be admissible on one time basis for setting up the new assembly and/or manufacturing facility of the vehicles and expansion in the existing units to the extent of electric vehicles specific plant and machinery, duly approved/ certified and determined by the engineering development board (EDB)	General Masses	40.20

89	Sixth Schedule Table III	21	Import of pos machines including credit/debit cards terminals and retailer cash register	General Masses	105.68
Sub-total of Exemption under Sixth Schedule Table III at Import Stage					65,333.30
Total of Exemption under Sixth Schedule at Import Stage					257,537.45

Total of Exemption under Sixth Schedule on Local Supplies					133,178.30
Total of Exemption under Sixth Schedule at Import Stage					257,537.45
Total Sales Tax Expenditure of Sixth Schedule					390,715.75

4.1.2.8 Reduced Rates under Eighth Schedule Table I on Local Supplies

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Eighth Schedule Table I	2	Oil cake and other solid residues, whether or not ground or in the form of pellets	Agriculture sector	9.49
2	Eighth Schedule Table I	4	Oilseeds meant for sowing.	Agriculture sector	1.03
3	Eighth Schedule Table I	6	Plant and machinery not manufactured locally and having no compatible local substitutes	Manufacturing Inputs	28.02
4	Eighth Schedule Table I	7	Flavored milk	Food Items/General Masses	313.66
5	Eighth Schedule Table I	8	Yogurt	Food Items/General Masses	139.70

6	Eighth Schedule Table I	9	Cheese	Food Items/General Masses	109.85
7	Eighth Schedule Table I	10	Butter	Food Items/General Masses	50.37
8	Eighth Schedule Table I	11	Cream	Food Items/General Masses	303.40
9	Eighth Schedule Table I	12	Desi ghee	Food Items/General Masses	34.15
10	Eighth Schedule Table I	13	Whey	Food Items/General Masses	0.71
11	Eighth Schedule Table I	14	Milk and cream, concentrated or containing added sugar or other sweetening matter	Food Items/General Masses	91.06
12	Eighth Schedule Table I	15	Ingredients of poultry feed, cattle feed, except soya bean meal of PCT heading 2304.0000 and oilcake of cotton-seed falling under PCT heading 2306.1000	Agriculture sector	435.19
13	Eighth Schedule Table I	16	Incinerators of disposal of waste management, motorized sweepers and snow ploughs	Agriculture sector	2.58
14	Eighth Schedule Table I	23	Secondhand and worn clothing or footwear	Agriculture sector	129.15
15	Eighth Schedule Table I	25	Agricultural tractors	Agriculture sector	5,054.30
16	Eighth Schedule Table I	26(i)	Rotavator	Agriculture sector	19.70
17	Eighth Schedule Table I	26(ii)	Cultivator	Agriculture sector	4.86
18	Eighth Schedule Table I	26(iii)	Ridger	Agriculture sector	0.67

19	Eighth Schedule Table I	26(iv)	Sub soiler	Agriculture sector	0.16
20	Eighth Schedule Table I	26(v)	Rotary slasher	Agriculture sector	0.86
21	Eighth Schedule Table I	26(vi)	Chisel plow	Agriculture sector	0.62
22	Eighth Schedule Table I	26(vii)	Ditcher	Agriculture sector	0.02
23	Eighth Schedule Table I	26(viii)	Border disc	Agriculture sector	4.68
24	Eighth Schedule Table I	26(ix)	Disc harrow	Agriculture sector	0.32
25	Eighth Schedule Table I	26(x)	Bar harrow	Agriculture sector	0.85
26	Eighth Schedule Table I	26(xi)	Mould board plow	Agriculture sector	0.06
27	Eighth Schedule Table I	26(xii)	Tractor rear or front blade	Agriculture sector	0.90
28	Eighth Schedule Table I	26(xiii)	Land leveller or land planer	Agriculture sector	2.32
29	Eighth Schedule Table I	26(xiv)	Rotary tiller	Agriculture sector	0.29
30	Eighth Schedule Table I	26(xv)	Disc plow	Agriculture sector	0.01
31	Eighth Schedule Table I	26(xvi)	Soil-scraper	Agriculture sector	4.34
32	Eighth Schedule Table I	26(xix)	Land leveller	Agriculture sector	5.96

33	Eighth Schedule Table I	27(i)	Seed-cum-fertilizer drill (wheat, rice barley, etc.)	Agriculture sector	6.89
34	Eighth Schedule Table I	27(ii)	Cotton or maize planter with fertilizer attachment	Agriculture sector	0.98
35	Eighth Schedule Table I	27(iii)	Potato planter	Agriculture sector	0.02
36	Eighth Schedule Table I	27(v)	Rice transplanter	Agriculture sector	7.01
37	Eighth Schedule Table I	27(vii)	Sugarcane planter	Agriculture sector	0.01
38	Eighth Schedule Table I	28(i)	Tubewells filters or strainers	Agriculture sector	0.07
39	Eighth Schedule Table I	28(ii)	Knapsack sprayers	Agriculture sector	4.18
40	Eighth Schedule Table I	29(i)	Harvesting, threshing and storage equipment:	Agriculture sector	4.64
41	Eighth Schedule Table I	29(ii)	Wheat thresher	Agriculture sector	4.17
42	Eighth Schedule Table I	29(vi)	Potato digger or harvester	Agriculture sector	0.17
43	Eighth Schedule Table I	29(viii)	Post hole digger	Agriculture sector	0.09
44	Eighth Schedule Table I	29(ix)	Straw balers	Agriculture sector	27.95
45	Eighth Schedule Table I	29(xi)	Wheat or rice reaper	Agriculture sector	6.29
46	Eighth Schedule Table I	29(xiv)	Onion or garlic harvester	Agriculture sector	1.57

47	Eighth Schedule Table I	29(xvi)	Onion or garlic harvester	Agriculture sector	3.60
48	Eighth Schedule Table I	29(xvii)	Reaping machines	Agriculture sector	0.09
49	Eighth Schedule Table I	30(ii)	Fodder and feed cube maker equipment	Agriculture sector	2.15
50	Eighth Schedule Table I	43	Natural gas	Agriculture sector	9,111.62
51	Eighth Schedule Table I	44	Phosphoric acid	Chemical Industry	0.14
52	Eighth Schedule Table I	45(i)	Machinery for preparing feeding stuff	Poultry/General Masses	1.45
53	Eighth Schedule Table I	45(iv)	Poultry sheds	Poultry/General Masses	0.49
54	Eighth Schedule Table I	45(v)	Evaporative air cooling system	Poultry/General Masses	1.49
55	Eighth Schedule Table I	45(vi)	Evaporative cooling pad	Poultry/General Masses	0.75
56	Eighth Schedule Table I	47	Locally produced coal	General Masses	-33.17
57	Eighth Schedule Table I	52	Fertilizers (all types)	Agriculture	38,382.19
58	Eighth Schedule Table I	53(i)	Projector	Media/General masses	0.00
59	Eighth Schedule Table I	53(vi)	3D Glasses	Media/General masses	0.11
60	Eighth Schedule Table I	54	lithium iron phosphate battery (Li-Fe-PO4)	Energy Sector/General Masses	1,391.97

61	Eighth Schedule Table I	57	Rock Phosphate	Manufacturing (Industrial Inputs)	6.23
62	Eighth Schedule Table I	58	LPG	Energy sector	723.19
63	Eighth Schedule Table I	59	Products of milling industry except wheat and meslin flour	Agriculture	38.69
64	Eighth Schedule Table I	60	Fat filled milk	Food Items/General Masses	750.88
65	Eighth Schedule Table I	61	Silver, in unworked condition	General Masses	24.35
66	Eighth Schedule Table I	62	Gold, in unworked condition	General Masses	2.29
67	Eighth Schedule Table I	63	Articles of jewelry, or parts thereof, of precious metal or of metal clad with precious metal.	General Masses	10.44
68	Eighth Schedule Table I	64	Prepared Food, foodstuff and sweetmeats supplied by restaurants, bakeries, caterers and sweetmeat shops	Food Sector/General Masses	165.94
69	Eighth Schedule Table I	66	Supplies as made from retail outlets as are integrated with Board's computerized system for real-time reporting of sales	General Masses	134.96
70	Eighth Schedule Table I	68	Frozen prepared or preserved sausages and similar products of poultry meat or meat offal	Food Sector/General Masses	119.14
71	Eighth Schedule Table I	69	Meat and similar products of prepared frozen or preserved meat or meat offal of all types including poultry, meat and fish	Food Sector/General Masses	459.55
72	Eighth Schedule Table I	70	Following locally manufactured electric vehicles	Manufacturing Inputs/General Masses	30.43

73	Eighth Schedule Table I	70(i)	Road Local supplies only] Tractors for semitrailers (Electric Prime Movers)	Agriculture sector	13.08
74	Eighth Schedule Table I	70(vi)	Electric Motorcycle	General Masses	25.90
75	Eighth Schedule Table I	74	Goods supplied from tax-exempt areas of erstwhile FATA/PATA to the taxable areas	FATA/PATA	0.11
76	Eighth Schedule Table I	75	Import of electric vehicle in CBU conditions	General Masses	2,544.75
77	Eighth Schedule Table I	77	Personal computers and Laptops	General Masses	130.24
Sub-total of Reduced Rates under Eighth Schedule Table I on Local Supplies					60,856.39

4.1.2.9 Reduced Rates under Eighth Schedule Table II on Local Supplies

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Eighth Schedule Table II	1	Machinery and equipment for development of grain handling and storage facilities including silos.	Agriculture	0.72
2	Eighth Schedule Table II	2	Cool chain machinery and equipment	Agriculture	33.00
3	Eighth Schedule Table II	4(1)	Machinery, equipment, materials, capital goods, specialized vehicles (4x4 non luxury) i.e. single or double cabin pickups, accessories, spares, chemicals and consumables meant for mineral exploration phase.	General Masses	0.03

4	Eighth Schedule Table II	5	Complete plants for relocated industries.	Manufacturing Inputs	0.80
5	Eighth Schedule Table II	6	Machinery, equipment and other capital goods meant for initial installation, balancing, modernization, replacement or expansion of oil refining (mineral oil, hydro- cracking and other value added petroleum	Industrial Sector	2.41
6	Eighth Schedule Table II	9	Capital goods otherwise not exempted, for Transmission Line Projects.	Energy Sector/General Masses	2,026.42
Sub-total of Reduced Rates under Eighth Schedule Table II on Local Supplies					2,063.38
Total of Reduced Rates under Eighth Schedule on Local Supplies					62,919.77

4.1.2.10 Reduced Rates under Eighth Schedule Table I at Import Stage

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Eighth Schedule Table I	6	Sales tax @ 10% on the import of plant, machinery not manufactured locally & having no compatible local substitutes, subject to conditions given in s.no. 6 of table i of 8th schedule to sales tax act, 1990.	Manufacturing Inputs	8,329.25
2	Eighth Schedule Table I	8	Yogurt, sold in retail packing under a brand name	Food Items/General Masses	0.67
3	Eighth Schedule Table I	9	Cheese, sold in retail packing under a brand name	Food Items/General Masses	11.52
4	Eighth Schedule Table I	10	Butter, sold in retail packing under a brand name	Food Items/General Masses	4.63

5	Eighth Schedule Table I	11	Cream, sold in retail packing under a brand name	Food Items/General Masses	1.59
6	Eighth Schedule Table I	15	Ingredients of poultry feed, cattle feed, except soya bean meal of PCT heading 2304.0000 and oil-cake of cotton seed falling under PCT heading 2306.1000. Besides, benefit of this s.no. Will also be available to specified therein ...	Agriculture Sector	922.56
7	Eighth Schedule Table I	16	Incinerators of disposal of waste management, motorized sweepers and snow ploughs	Agriculture Sector	7.23
8	Eighth Schedule Table I	17	Re-importation of foreign origin goods which were temporarily exported out of Pakistan subject to similar conditions as are envisaged for the purposes of customs duty under the customs act, 1969, and taxable value shall be the value determined under PCT heading 99.18 of the said act increased by customs duty payable	Exporters	14.72
9	Eighth Schedule Table I	20	Plant. Machinery and equipment used in production of bio-diesel subject to conditions mentioned against s.no. 20 of table i of 8th schedule to the sales tax act, 1990	Agriculture Sector	2.71
10	Eighth Schedule Table I	23	Second hand and worn clothing or footwear	Agriculture Sector	5,081.52
11	Eighth Schedule Table I	25	Agricultural tractors Hs code 8701.9220 & 8701.9320 are added in the system in pursuance of letter c.no. 4/24-stb/2017 dated 21.07.2017	Agriculture Sector	489.87
12	Eighth Schedule Table I	26(I)	Rotavator	Agriculture Sector	0.12
13	Eighth Schedule Table I	26(II)	Cultivator	Agriculture Sector	0.15
14	Eighth Schedule Table I	26(V)	Rotary slasher	Agriculture Sector	0.25
15	Eighth Schedule Table I	26(XIV)	Rotary tiller	Agriculture Sector	22.91

16	Eighth Schedule Table I	26(XX)	Laser land leveler comprising of laser transmitter, laser receiver, control box, rigid mast pack, with or without scrapper under respective heading	Agriculture Sector	17.68
17	Eighth Schedule Table I	27(II)	Seeding or planting equipment: cotton or maize planter with fertilizer attachment	Agriculture Sector	1.21
18	Eighth Schedule Table I	27(IV)	Seeding or planting equipment: fertilizer or manure spreader or broadcaster	Agriculture Sector	0.15
19	Eighth Schedule Table I	27(V)	Seeding or planting equipment: rice transplanted	Agriculture Sector	10.00
20	Eighth Schedule Table I	27(VI)	Seeding or planting equipment: canola or sunflower drill	Agriculture Sector	3.37
21	Eighth Schedule Table I	27(VII)	Seeding or planting equipment: sugarcane planter	Agriculture Sector	1.35
22	Eighth Schedule Table I	28(I)	Irrigation drainage and agrochemical application equipment: tube wells filters or strainers	Agriculture Sector	1.79
23	Eighth Schedule Table I	28(II)	Irrigation drainage and agrochemical application equipment: knapsack sprayers	Agriculture Sector	49.65
24	Eighth Schedule Table I	28(IV)	Irrigation drainage and agrochemical application equipment: boom or field sprayers	Agriculture Sector	1.84
25	Eighth Schedule Table I	28(VI)	Irrigation drainage and agrochemical application equipment: orchard sprayer	Agriculture Sector	10.88
26	Eighth Schedule Table I	29(III)	Harvesting threshing and storage equipment: maize or groundnut thresher or Sheller	Agriculture Sector	0.07
27	Eighth Schedule Table I	29(IV)	Harvesting threshing and storage equipment: groundnut digger	Agriculture Sector	4.68
28	Eighth Schedule Table I	29(IX)	Harvesting threshing and storage equipment: fodder rake	Agriculture Sector	1.83

29	Eighth Schedule Table I	29(V)	Harvesting threshing and storage equipment: potato digger or harvester	Agriculture Sector	0.40
30	Eighth Schedule Table I	29(VII)	Harvesting threshing and storage equipment: post hole digger	Agriculture Sector	0.53
31	Eighth Schedule Table I	29(VIII)	Harvesting threshing and storage equipment: straw balers	Agriculture Sector	10.64
32	Eighth Schedule Table I	29(X)	Harvesting threshing and storage equipment: wheat or rice reaper	Agriculture Sector	6.35
33	Eighth Schedule Table I	29(XI)	Harvesting threshing and storage equipment: chaff or fodder cutter	Agriculture Sector	20.56
34	Eighth Schedule Table I	29(XV)	Harvesting threshing and storage equipment: tractor trolley or forage wagon	Agriculture Sector	0.54
35	Eighth Schedule Table I	29(XVI)	Harvesting threshing and storage equipment: reaping machines	Agriculture Sector	3.63
36	Eighth Schedule Table I	29(XVII)	Harvesting threshing and storage equipment: combined harvesters	Agriculture Sector	203.76
37	Eighth Schedule Table I	29(XVIII)	Harvesting threshing and storage equipment: pruner/shears	Agriculture Sector	0.01
38	Eighth Schedule Table I	30(I)	Postharvest handling and processing & miscellaneous machinery: vegetables and fruits cleaning and sorting or grading equipment	Agriculture Sector	7.77
39	Eighth Schedule Table I	30(II)	Postharvest handling and processing & miscellaneous machinery: fodder and feed cube maker equipment	Agriculture Sector	0.47
40	Eighth Schedule Table I	44	Sales tax @ 5% of phosphoric acid if imported by fertilizer company for manufacturing of dap	Chemical Industries	10,692.88
41	Eighth Schedule Table I	45(I)	Machinery for preparing feeding stuff @ 7%	Poultry/General Masses	30.09

42	Eighth Schedule Table I	45(II)	Incubators, brooders and other poultry equipment @ 7%	Poultry/General Masses	129.69
43	Eighth Schedule Table I	45(III)	Insulated sand wish panels @ 7%	Poultry/General Masses	81.32
44	Eighth Schedule Table I	45(IV)	Poultry sheds @ 7%	Poultry/General Masses	3.91
45	Eighth Schedule Table I	45(V)	Evaporative air cooling system	Poultry/General Masses	26.69
46	Eighth Schedule Table I	45(VI)	Evaporative cooling pad @ 7%	Poultry/General Masses	5.72
47	Eighth Schedule Table I	46	Multimedia projectors @ 10%	Media/General Masses	20.49
48	Eighth Schedule Table I	52	Fertilizers (all types)	Agriculture Sector	22,239.97
49	Eighth Schedule Table I	55	Fish babies / seedlings	Agriculture Sector	0.01
50	Eighth Schedule Table I	56	Potassium chlorate (kclo3) -- (respective headings) rate: 17% along with rupees 60 per kilogram condition: import and supply thereof. Provided that rate of rupees 60 per kilogram shall not apply on imports made by and supplies made to organizations under the control of ministry of defense production.	Chemical Industries	0.00
51	Eighth Schedule Table I	57	Rock phosphate if imported by fertilizer manufacturers for use in the manufacturing of fertilizers	Manufacturing Sector (industrial inputs)	880.81
52	Eighth Schedule Table I	58	Reduced rate of 10% on import of lpg	Energy Sector/General Masses	8,090.74
53	Eighth Schedule Table I	60	Fat filled milk if sold in retail packing under a brand name or trademark	Food Items/General Masses	10.00
54	Eighth Schedule Table I	66B	Import of remittable scrap (respective PCT headings) @ 14% if imported by steel milters."	Steel sector	3,601.65
55	Eighth Schedule Table I	68	Frozen prepared or preserved sausages and similar products of poultry meat or meat offal, if sold in retail packing under a brand name or trademark	Food Sector/General Masses	1.10

56	Eighth Schedule Table I	69	Meat and similar products of prepared frozen or preserved meat or meat offal of all types including poultry, meat and fish, if sold in retail packing under a brand name or trademark	Food Sector/General Masses	1.18
57	Eighth Schedule Table I	73 (A)	Hybrid electric vehicles (87.03): (a) up to 1800 cc	General Masses	215.91
58	Eighth Schedule Table I	73 (B)	Hybrid electric vehicles (87.03): (b) from 1801 cc to 2500 cc	General Masses	160.61
59	Eighth Schedule Table I	75	Sales tax @ 12.5% on import of electric vehicle in CBU condition (8703.8090)	General Masses	686.82
60	Eighth Schedule Table I	77	Personal computers and laptop computers, notebooks whether or not incorporating multimedia kit if imported in CBU condition	General Masses	3,170.80

Sub-total of Reduced Rates under Eighth Schedule Table I at Import Stage **65,299.25**

4.1.2.11 Reduced Rates under Eighth Schedule Table II at Import Stage

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Eighth Schedule Table II	1	Machinery and equipment for development of grain handling and storage facilities including silos.	Agriculture	767.34
2	Eighth Schedule Table II	2	Cool chain machinery and equipment. - subject to conditions. Subject to conditions given in preamble of table-2 of 8th schedule to the sales tax act, 1990.	Agriculture Sector	46.21
3	Eighth Schedule Table II	4.1	Machinery, equipment, materials, capital goods, specialized vehicles (4x4 non luxury) i.e. single or double cabin pickups, accessories, spares, chemicals and consumables meant for mineral exploration phase. - subject to conditions given against s.no. 4 of annexure of table-ii of 8th schedule to the sales tax act, 1990. Subject to	Agriculture Sector	7.53

			conditions given in preamble of table-2 of 8th schedule to the sales tax act, 1990.		
4	Eighth Schedule Table II	4.2	Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the exploration phase. - subject to conditions given against s.no. 4 of annexure of table-ii of 8th schedule to the sales tax act, 1990. Subject to conditions given in preamble of table-2 of 8th schedule to the sales tax act, 1990.	Agriculture Sector	7.37
5	Eighth Schedule Table II	5	Complete plants for relocated industries. - subject to condition. Subject to conditions given in preamble of table-2 of 8th schedule to the sales tax act, 1990.	Manufacturing Inputs	26.94
6	Eighth Schedule Table II	6	Machinery, equipment and other capital goods meant for initial installation, balancing, modernization, replacement or expansion of oil refining (mineral oil, hydro-cracking and other value added petroleum products), petrochemical and petrochemical downstream products including fibers and heavy chemical industry, cryogenic facility for ethylene storage and handling. - subject to conditions. Subject to conditions given in preamble of table-2 of 8th schedule to the sales tax act, 1990.	Industrial Sector	797.51
7	Eighth Schedule Table II	8	(Chapter 84 and 85) if imported by registered manufacturer who is member of Pakistan dairy association	General Masses	34.58
Sub-total of Reduced Rates under Eighth Schedule Table II at Import Stage					1,687.48
Total of Reduced Rates under Eighth Schedule at Import Stage					66,986.73
Total of Reduced Rates under Eighth Schedule on Local Supplies					62,919.77
Total of Reduced Rates under Eighth Schedule at Import Stage					66,986.73
Total Sales Tax Expenditure of Reduced Rates under Eighth Schedule					129,906.49

4.1.2.12 Sales Tax on Cellular Mobile Phones under Ninth Schedule on Local Supplies

(Rs. In Million)

S.No.	Schedule	Serial	Description	Intended Beneficiary	Tax Expenditure
1	Ninth Schedule Table II	1C	Cellular mobile phones or satellite phones to be charged on the basis of import value per set, or equivalent value in rupees in case of supply by the manufacturer, at the rate exceeding US\$ 30 but not exceeding US\$100	Manufacturer / Importers of mobile phones / General Masses	2.41
2	Ninth Schedule Table II	1D	Cellular mobile phones or satellite phones to be charged on the basis of import value per set, or equivalent value in rupees in case of supply by the manufacturer, at the rate exceeding US\$ 100 but not exceeding US\$200	Manufacturer / Importers of mobile phones / General Masses	0.24
3	Ninth Schedule Table II	Column 5 of item 1	Sales tax on supply of locally manufactured mobile phones in CBU condition in addition to tax applied on imports in CKD/SKD condition	Manufacturer / Importers of mobile phones / General Masses	1,018.24
Total of Sales Tax on Cellular Mobile Phones under Ninth Schedule on Local Supplies					1,020.88
Sales Tax Expenditure on Local Supplies					948,869.78
Sales Tax Expenditure at Import Stage					345,171.29
Total Sales Tax Expenditure					1,294,041.07

4.1.3 Details of Customs Duty Expenditure

4.1.3.1 Chapter - 99 Exemptions

(Rs. In Million)

S. No.	Exemption Order	Statutory (Benchmark) Rate of CD/RD/ACD	Description	Intended Beneficiary	Tax Expenditure
1	9901.0000	Statutory tariff rates under Chapter 1-97	Chapter-99 Exemptions: Goods imported by various agencies of the United Nations	Agencies under the United Nations	955.42
2	9902.0000	Statutory tariff rates under Chapter 1-97	Chapter-99 Exemptions: Goods imported by Diplomats/Embassies /Consulates	Diplomats/Embassies /Consulates under the Diplomatic and Consular Privileges Act, 1972	1,215.07
3	9903.0000	Statutory tariff rates under Chapter 1-97	Chapter-99 Exemptions: Goods imported by privileged personnel or by organizations or by any person authorized by the contracting parties, under grant-in-aid agreements	Privileged personnel or by organizations or by any person authorized by the contracting parties, under grant-in-aid agreements (including those agreements which cover off budget foreign contributions or funds brought by registered INGO's without any financial liabilities to the Government of Pakistan).	2,735.44
4	9904.0000	Statutory tariff rates under Chapter 1-97	Chapter-99 Exemptions: Vehicles in CKD condition, imported by recognized local manufacturer for supply to diplomat, diplomatic mission, and privileged person.	Vehicles in CKD condition, imports by recognized local manufacturer for supply to diplomat, diplomatic mission, privileged person	13.84
5	9905.0000	Statutory tariff rates under Chapter 1-97	Chapter-99 Exemptions: import by Dignitaries of UAE, Qatar and Bahrain	Dignitaries of UAE, Qatar and Bahrain	0.00
6	9906.0000	Statutory tariff rates under Chapter 1-97	Chapter-99 Exemptions: Goods imported under the President/Prime Minister/Governors/Salary,	The President and the Prime Minister of Pakistan. The Governors and the	6.40

				Allowances and Privileges Act, 1975.	Acting Governors of the Provinces.	
7	9908.0000	Statutory rates under Chapter 1-97	tariff under	Goods received as gift by Pakistani organizations from Church World Services or the Catholic Relief Services as are certified by the Ministry of National Health Services Regulation and Coordination (NHSRC), that these imports are made under agreements signed by the Government of Pakistan with the Church World Service and with the Catholic Relief Service	Goods received as gift by Pakistani organizations	778.66
8	9909.0000	Statutory rates under Chapter 1-97	tariff under	Articles, value of which does not exceed Rs.20,000/- per parcel, if imported through post or courier service as unsolicited gift parcel	Articles, value of which does not exceed Rs.20,000/- per parcel, if imported through post or courier service as unsolicited gift parcel	74.97
9	9910.0000	Statutory rates under Chapter 1-97	tariff under	Samples of no commercial value imported by manufacturers	Samples of no commercial value imported by manufacturers	6.30
10	9911.0000	Statutory rates under Chapter 1-97	tariff under	Relief goods donated for free distribution among the victims of natural disaster or other catastrophe, as are certified by the authorized officer of Federal/Provincial Government, Plant, machinery and equipment imported by way of donation for installation in the earthquake hit districts	(i) Relief goods donated for free distribution among the victims of natural disaster or other catastrophe, as are certified by the authorized officer of Federal/Provincial Government. (ii) Plant, machinery and equipment imported by way of donation for installation in the earthquake hit districts as certified by ERR/ National Disaster Management Authority.	4,013.10

11	9912.0000	Statutory rates under Chapter 1-97	tariff	Imports by Edhi Foundation	Imports by Edhi Foundation	0.02
12	9913.0000	Statutory rates under Chapter 1-97	tariff	Gifts or donations received by a charitable non-profit making hospital or institution	Gifts or donations received by a charitable non-profit making hospital or institution	7,220.87
13	9914.0000	Statutory rates under Chapter 1-97	tariff	Imports by Charitable Institutions and Hospitals	Imports by Charitable Institutions and Hospitals	1,697.76
14	9915.0000	Statutory rates under Chapter 1-97	tariff	Goods imported by or donated to non -profit making educational and research institutions	Goods imported by or donated to non -profit making educational and research institutions	268.02
15	9916.0000	Statutory rates under Chapter 1-97	tariff	Goods supplied free of cost as replacement of identical goods previously imported	Goods supplied free of cost as replacement of identical goods previously imported	184.01
16	9922.0000	Statutory rates under Chapter 1-97	tariff	Ship spares, stores and equipment imported for use in ships registered in Pakistan	Ship spares, stores and equipment imported for use in ships registered in Pakistan	8.61
17	9924.0000	Statutory rates under Chapter 1-97	tariff	Eye cornea	Eye cornea	0.23
18	9925.0000	Statutory rates under Chapter 1-97	tariff	Artificial kidneys, hemodialysis machines, hemodialyzers, A.V. fistula needles, hemodialysis fluids and powder, blood tubing tines for dialysis, reverse osmosis plants for dialysis, double lumen catheter for dialysis, catheters for renal failure patients, peritoneal dialysis solution and cardiac catheters.	Artificial kidneys, hemodialysis machines, hemodialyzers, A.V. fistula needles, hemodialysis fluids and powder, blood tubing tines for dialysis, reverse osmosis plants for dialysis, double lumen catheter for dialysis, catheters for renal failure patients, peritoneal dialysis solution and cardiac catheters.	619.12
19	9927.0000	Statutory rates under Chapter 1-97	tariff	Pharmaceutical raw materials if imported for manufacture of	Pharmaceutical raw materials if imported for manufacture of	113.84

				contraceptives in accordance with the input output ratios determined by the Directorate of Input Output Co-efficient Organization. Contraceptives and accessories thereof	contraceptives in accordance with the input output ratios determined by the Directorate of Input Output Co-efficient Organization. Contraceptives and accessories thereof	
20	9930.0000	Statutory tariff rates under Chapter 1-97		Any goods, including vehicles, specified in the First schedule to the Customs Act, 1969 (IV of 1969) imported by Federal/Provincial/ Local Government Departments, Municipal bodies and Development authorities subject to the condition that the goods are donated to the importers for use in an approved foreign grant funded project under a proper grant relating to Capital Aid-Technical Assistant Agreement signed between the Government of Pakistan and a foreign government or agency subject to concurrence of the Federal Board of Revenue	Any goods, including vehicles, specified in the First schedule to the Customs Act, 1969 (IV of 1969) imported by Federal/Provincial/ Local Government Departments, Municipal bodies and Development authorities subject to the condition that the goods are donated to the importers for use in an approved foreign grant funded project	707.58
21	9931.0000	Statutory tariff rates under Chapter 1-97		Ground handling equipment, service and operation vehicles, catering equipment and fuel trucks not manufactured locally, imported by domestic airlines or by any other service company to which a license has been issued by the Civil Aviation Authority for such purposes.	Ground handling equipment imported by airlines	30.81
22	9937.0000	Statutory tariff rates under Chapter 1-97		Items relating to disabled persons like Wheel chairs, Artificial human parts. Items used for rehabilitation of blind persons etc.	Certain items imported by the Disabled persons	170.36
23	9938.0000	Statutory tariff rates under		Disposables, as are not manufactured locally, for	Certain disposables, as are not	647.37

		Chapter 1-97	Cardiology/cardiac surgery, Neurovascular, Electrophysiology, Endo-surgery, Endoscopy, Oncology, Urology, Gynecology; and following equipment:-	manufactured locally, for Cardiology/cardiac surgery, Neurovascular, Electrophysiology, Endo-surgery, Endoscopy, Oncology, Urology, Gynecology; and following equipment:-	
24	9939.0000	Statutory rates under Chapter 1-97	tariff under	Diagnostic kits for HIV and Hepatitis	763.78
25	9941.0000	Statutory rates under Chapter 1-97	tariff under	goods imported by or donated to municipal authorities including development authorities, Federal Government, Provincial Government, Government of Azad Jammu and Kashmir, Government of Gilgit-Baltistan, National Disaster Management Authority (NDMA), Provincial Disaster Management Authority (PDMA) and Government Emergency/Rescue services,	8.52
Total of Chapter-99 Exemptions					22,240.14

4.1.3.2 FTA & PTA Exemption Bilateral arrangements with different Government /Regional commitments

(Rs. In Million)

S. No.	Exemption Order	Statutory (Benchmark) Rate of CD/RD/ACD	Description	Intended Beneficiary	Tax Expenditure
1	558(I)/2004 Table II	CD 3%, 11%, 16%, 20% and Rs.10200/Mton	section 19	FTA: General exemption on import from ECO	18.55
2	558(I)/2004 Table II	CD 3%, 11%, 16%, 20% and Rs. 9050/MT and	section 19	FTA: General concession on import from SAARC	-

			Rs.10800/Mton				
3	1296(I)/2005 Table I	CD 3%, 16% and 20%	section 19	FTA: China Early Harvest Program (prescribes FTA CD rate)	2.78		
4	1296(I)/2005 Table II	CD 3%, 16% and 20%	section 19	FTA: China Early Harvest Program (prescribes FTA CD rate)	-		
5	1274(I)/2006 Table-I	CD 3%, 11%, 16% and 20%	section 19	FTA General exemption on import from SAARC countries under SAFTA Agreement	257.21		
6	1274(I)/2006 Table-II	CD 3%, 11%, 16% and 20%	section 19	FTA General exemption on import from SAARC countries under SAFTA Agreement	-		
7	659(I)/2007 Table I	CD 3%, 11%, 16%, 20% and 30%	section 19	FAT: General exemption on import from China under Pak-China FTA	5.92		
8	1640(I)/2019	CD 3%, 11%, 16%, 20% and 30%	section 19	FAT: General exemption on import from China under Pak-China FTA	91,472.99		
9	659(I)/2007 Table II	CD 3%, 11%, 16% and 20%	section 19	FAT: General exemption on import from China under Pak-China FTA	-		
10	1151(I)/2007 Table	CD 3%, 11% and 20%	section 19	FTA; General exemption on import from Mauritius under PTA	-		
11	1261(I)/2007 Table I	CD 11%, 20% Rs.10800/MT, and Rs. 9050(I)/MT	section 19	FTA; General exemption on import from Malaysia under PTA	3,923.07		
12	1261(I)/2007 Table II	CD 11%, 20% Rs.10800/MT, and Rs. 9050(I)/MT	section 19	FTA; General exemption on import from Malaysia under PTA	-		
13	741(I)/2013 Table	CD 3%, 11%, 16%, Rs.10800/MT, and Rs.9050/MT	section 19	PTA: General exemption on import from Indonesia under Pak-Indonesia PTA	4,096.47		
14	280(I)/2014 d	CD 3%, 11%, 16% and Rs.600/Kg	section 19	FTA: General exemption on import from Sri Lanka under	2,886.46		

15	280(I)/2014 I				section 19	Pak-Srilanka FTA FTA: General exemption on import from Sri Lanka under Pak-Srilanka FTA	-
16	280(I)/2014 Table I	CD 3%, 11%, 16% and R.600/Kg			section 19	FTA; General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	-
17	280(I)/2014 Table III	CD 3%, 11%, 16% and R.600/Kg			section 19	FTA; General exemption on import from Sri Lanka under Pak-Sri Lanka FTA	-
Total FTA & PTA Exemption Bilateral arrangements with different Government /Regional commitments							102,657.54

4.1.3.3 Fifth Schedule Exemptions and Concessions

(Rs. In Million)

S. No.	Exemption Order	Statutory (Benchmark) Rate of CD/RD/ACD	Description	Intended Beneficiary	Tax Expenditure
1	Fifth Schedule (Customs Duty) Part I	CD 3%, 11%, 16% and 35%	Exemption under the Customs Act, 1969	Import of Plant, Machinery, equipment and apparatus, including Capital Goods for various industries/sectors	37,736.03
2	Fifth Schedule (Customs Duty) Part II Table-A	CD 3% and 11%	Exemption under the Customs Act, 1969	Import of Active pharmaceutical Ingredients by pharma sector	6,093.16
3	Fifth Schedule (Customs Duty) Part II Table B	CD 16%, 20% and Fixed Rs.10200/MT	Exemption under the Customs Act, 1969	Excipients/Chemicals by pharmaceutical sector	698.55
4	Fifth Schedule (Customs Duty) Part II Table C	CD 11% and 20%	Exemption under the Customs Act, 1969	Drugs (mostly lifesaving) by pharmaceutical sector	6,941.85
5	Fifth Schedule (Customs Duty) Part II Table D	CD 16% and 20%	Exemption under the Customs Act, 1969	Packing Materials/Raw materials for packing	1,592.24

	Duty) Part II Table-D				by pharmaceutical sector	
6	Fifth Schedule (Customs Duty) Part II Table E	CD 20%	Exemption under Customs Act, 1969	the	Diagnostic Kits/Equipment by pharmaceutical sector	4,555.21
7	Fifth Schedule (Customs Duty) Part III	CD 3%, 11%, 16% and 20%	Exemption under Customs Act, 1969	the	Poultry and Textile sectors	65,767.12
8	Fifth Schedule (Customs Duty) Part IV	CD 3%	Exemption under Customs Act, 1969	the	Machinery and equipment for Textile Sector	369.27
9	Fifth Schedule (Customs Duty) Part V	CD 11%, 16%, 20% and 30%	Exemption under Customs Act, 1969	the	Automotive manufacturing sector (Auto Policy)	2,189.38
10	Fifth Schedule (Customs Duty) Part V(A)	CD 11%, 16%, 20% and 30%	Exemption under Customs Act, 1969	the	Electric vehicles	4,592.73
11	Fifth Schedule (Customs Duty) Part V(B)	CD 11%, 16%, 20% and 30%	Exemption under Customs Act, 1969	the	For CKD & EV specific parts	6.37
12	Fifth Schedule (Customs Duty) Part VI	CD 3%	Exemption under Customs Act, 1969	the	Aviation Sector (Aviation Policy)	309.71
13	Fifth Schedule (Customs Duty) Part VII	CD 11%, 16% and 20%	Exemption under Customs Act, 1969	the	Essential edible items like pulses, potato etc. Oil and Oil products, Inputs of export sectors etc.	42,126.40
14	Fifth Schedule (Customs Duty) Part VIII	Cd 3%, 11% , 16% and 20%	Exemption under Customs Act, 1969	the	Miscellaneous	
Total Fifth Schedule Exemptions and Concessions						172,978.02

4.1.3.4 General Concessions: Automobile sector, E&Ps, CPEC etc.

(Rs. In Million)

S. No.	Exemption Order	Statutory (Benchmark) Rate of CD/RD/ACD	Description	Intended Beneficiary	Tax Expenditure
1	268(I)/2015	CD 3%, 30% and 60%	Section 19	Mining equipment & machinery imported by Thar Coal Field	679.87
2	565(I)/2006	CD 3%, 11%, 16%, 20% and Rs.9050/MT	Section 19	Raw material of survey based local industries: Stationary /Electrical Capacitor/ Pesticides/ Distilled Fatty Acids/CRC & GI Coils/ Fans/ Transformers/ Electric Motors manufacturers	2,323.23
3	499(I)/2013	CD 60% and 100%	Section 19	Auto Sector: General concession for import of Hybrid Electric Vehicles	3,011.83
4	678(I)/2014	CD 3%, 11%, 16%, 20%, 30%, 35%, 50%, 60% and 100%	Section 19	Exploration and Production companies	7,120.80
5	107(I)/2019 and 48(I)/2018	CD 3%	Section 19	Textile Sector (Local Yarn Producers) Import of Cotton	-
6	642(I)/2016	All tariff rates	Section 19	Imports by M/s. CSCCEL for Karachi-Peshawar Motorway	20.89
7	644(I)/2018	CD 50%	Section 19	General: Concession of CD on import of electric motor vehicles	9.15
8	40(I)/2017	CD 3%, 11%, 16% and 20%	Section 19	Lahore Orange Metro Train Project	-

9	655(I)/2006	CD 3%, 11%, 16%, 20%, 30%, 35%, 50%, 55%, 60%, 75% and 100%	Section 19	Vendors of automotive sector	66,315.69
10	656(I)/2006	CD 3%, 11%, 16%, 20%, 30%, 35%, 50%, 55%, 60%, 75% and 100%	Section 19	OEMs of automotive sector	113,468.48
Total of General Concessions: Automobile sector, E&Ps, CPEC etc.					192,949.94

4.1.3.5 Export Related Exemptions

(Rs. In Million)

S. No.	Exemption Order	Statutory (Benchmark) Rate of CD/RD/ACD	Description	Intended Beneficiary	Tax Expenditure
1	450(I)/2001	CD 3%, 11%, 16% and 20%	Section 19	DTRE/Temporary Imports/IOCO/Manufacturing Bonds	19,420.00
2	41(I)/2009	CD 3%, 11%, 16% and 20%	Section 19	Special Industrial and Economic Zones	434.25
3	30(I)/2017 Table	CD 3% and 20%	Section 19	Textile Sector (under PM package)	-
4	9919	All tariff rates	Chapter 99 Exemptions	Temporary Import	1,974.96
5	9920	All tariff rates	Chapter 99 Exemptions	Temporary Import	17.65
6	9917	All tariff rates	Chapter 99 Exemptions	EPZ and SEZs	9,003.10
7	9918	All tariff rates	Chapter 99 Exemptions	Re-importation	27.80
Total of Export Related Exemptions					30,877.76

Total of Customs Duty Expenditure					521,703.40
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4.2 Appendix B – List of New Insertions/Omissions in FA 2021 and Supplementary FA 2022

4.2.1 List of Insertions in Income Tax

S. No.	Clause No. / Schedule / Part	Description of Clause
1	Clause 132AA of Part I of Second Schedule	Profits and gains derived from sale of electricity by National Power Parks Management Company (Private) Limited or demerged entities of National Power Parks Management Company (Private) Limited commencing from the commercial operation dates and continuing after the date of change of ownership as a result of privatization by the Privatization Commission of Pakistan
2	Clause 9AA of Part II of Second Schedule	In respect of import of white sugar from the 25th day of August, 2020 to the 15th day of November, 2020 both days inclusive, tax under section 148 shall be collected at the rate of 0.25% as per quantity, quality, mode and manner prescribed by Ministry of Commerce during the said period.
3	Clause 9AB of Part II of Second Schedule	Tax under section 148 on commercial import of the white sugar shall be collected at the rate of 0.25% from the 26th day of January 2021 till the 30th day of June, 2021.
4	Clause 9AC of Part II of Second Schedule	Subject to quota allotment by Commerce Division, tax under section 148 shall be collected at the rate of 0.25% on import of raw sugar imported by sugar mills from the 26th day of January, 2021 to the 30th day of June, 2021 both days inclusive provided that such imports shall not exceed fifty thousand metric tons per sugar mill and three hundred thousand metric tons in aggregate by the sugar industry.
5	Clause 18C of Part II of Second Schedule	The rate of tax as specified in Division-III of Part-I of First Schedule shall be reduced to 7.5% in case of dividends declared by a company as are “attributable” to profits and gains derived from a bagasse and biomass based cogeneration power project qualifying for exemption under clause (132C) of Part-I of this Schedule: Provided that the amount of “attributable” dividends shall be computed in accordance with the following formula, namely:- AXB/C Where- A is the total amount of dividend for the year; B is the accounting profit for the year attributable to the bagasse and biomass based cogeneration power project qualifying for exemption under clause (132C) of Part-I of this Schedule; and C is the total accounting profit before tax for the year.
6	Clause 20 of Part III of Second Schedule	The tax payable by a person other than a banking or insurance company in respect of profit on debt from investment in Federal Government securities shall be fifteen percent of the gross amount of the profit on debt: Provided that tax so payable shall be final tax on the income representing profit on debt from investment in Federal Government securities.]
7	Clause 79A of Part IV of Second Schedule	The provisions of clause (b) of sub-section (1) of section 153 shall not apply to payments received by National Telecommunication Corporation against provision of telecommunication services including ancillary services specified in subsection (3) of section 41 of the Pakistan Telecommunication (Re-organization) Act, 1996 (XVII of 1996)

4.2.2 List of Omissions in Income Tax

S. No.	Clause No. / Schedule / Part	Description of Clause
1	Clause 4 of Part I of Second Schedule	Any income chargeable under the head “Salary” received by- (a) a Pakistani seafarer, working on Pakistan flag vessels for one hundred and eighty three days or more during a tax year; or (b) a Pakistani seafarer working on a foreign vessel provided that such income is remitted to Pakistan, not later than two months of the relevant 3[tax year], through normal banking channels.
2	Clause 39 of Part I of Second Schedule	Any special allowance or benefit (not being entertainment or conveyance allowance) or other perquisite within the meaning of section 12 specially granted to meet expenses wholly and necessarily incurred in the performance of the duties of an office or employment of profit;
3	Clause 61 of Part I of Second Schedule	Any amount paid as donation to certain institutions, foundations, societies, boards, trusts and funds
4	Clause 64A of Part I of Second Schedule	Any amount donated to the Prime Minister’s Special Fund for victims of terrorism
5	Clause 64B of Part I of Second Schedule	Any amount donated to the Chief Minister’s (Punjab) Relief Fund for Internally Displaced Persons (IDPs) of NWFP
6	Clause 64C of Part I of Second Schedule	Prime Minister’s Flood Relief Fund 2010 and Provincial Chief Ministers’ Relief Funds, for victims of flood 2010
7	Clause 72A of Part I of Second Schedule	Any income derived by Sukuk holder in relation to Sukuk issued by “The Second Pakistan International Sukuk Company Limited” and the Third Pakistan International Sukuk Company Limited, including any gain on disposal of such Sukuk.
8	Clause 74 of Part I of Second Schedule	Profit on debt derived by Hub Power Company Limited on or after the first day of July,1991
9	Clause 80 of Part I of Second Schedule	Income derived from a private foreign currency account held with an authorized bank in Pakistan, or certificate of investment issued by investment banks, by a resident individual who is a citizen of Pakistan: (This exemption is not available in respect of any incremental deposits made in the said accounts on or after the 16th day of December, 1999)
10	Clause 90 of Part I of Second Schedule	Profit on debt payable by an industrial undertaking in Pakistan — (i) on moneys borrowed by it under a loan agreement with a financial institution in a foreign country (ii) on moneys borrowed or debts incurred by it in a foreign country in respect of the purchase of capital plant and machinery;
11	Clause 90A of Part I of Second Schedule	Any profit on debt derived by any person on bonds issued by Pakistan Mortgage Refinance Company to refinance the residential housing mortgage market

12	Clause 91 of Part I of Second Schedule	Any income of a text-book board of a Province
13	Clause 98 of Part I of Second Schedule	Any income derived by any Board or other organization established by Government in Pakistan for the purposes of controlling, regulating or encouraging major games and sports recognized by Government, except Pakistan Cricket Board;
14	Clause 100 of Part I of Second Schedule	Income, except income from manufacturing or trading activity, of a registered modaraba, provided not less than ninety per cent of its total profits are distributed amongst the shareholders;
15	Clause 101 of Part I of Second Schedule	Venture capital companies and venture capital funds registered under Venture Capital Companies and Funds Management Rules, 2000 and a Private Equity and Venture Capital Funds
16	Clause 103 of Part I of Second Schedule	Any distribution received by a taxpayer from a collective investment scheme out of the capital gains of the said scheme. This exemption is available to only such mutual funds, collective investment schemes that are debt or money market funds and these do not invest in shares;
17	Clause 104 of Part I of Second Schedule	Income derived by the Libyan Arab Foreign Investment Company being dividend of the Pak-Libya Holding Company;
18	Clause 105 of Part I of Second Schedule	Income derived by the Government of Kingdom of Saudi Arabia being dividend of the Saudi-Pak Industrial and Agricultural Investment Company Limited;
19	Clause 105A of Part I of Second Schedule	Income derived by Kuwait Foreign Trading Contracting and Investment Company or Kuwait Investment Authority being dividend of the Pak Kuwait Investment Company in Pakistan;
20	Clause 110B of Part I of Second Schedule	Gain on transfer of a capital asset, being a membership right held by a member of an existing stock exchange, for acquisition of shares and trading or clearing rights acquired by such member in new corporatized stock exchange in the course of corporatization of an existing stock exchange;
21	Clause 110C of Part I of Second Schedule	Any gain by a person on transfer of a capital asset, being a bond issued by Pakistan Mortgage Refinance Company to refinance the residential housing mortgage market
22	Clause 114 of Part I of Second Schedule	Income under the head "capital gains" derived by industrial undertakings set up in a "Zone" within the meaning of the Export Processing Zones Authority Ordinance, 1980;
23	Clause 126BA of Part I of Second Schedule	<p>Profits and gains derived by a refinery set up between the 1st day of July, 2018 and the 30th day of June, 2023 with minimum 100,000 barrels per day production capacity. Exemption under this clause is also available to existing refineries, if—</p> <p>(a) existing production capacity is enhanced by at least 100,000 barrels per day;</p> <p>(b) the refinery maintains separate accounts for income arising from aforesaid additional production capacity; and</p> <p>(c) the refinery is a deep conversion refinery;</p>

24	Clause 126C of Part I of Second Schedule	Profits and gains derived by a taxpayer from an industrial undertaking set up in Larkano Industrial Estate from 2008 to 2013;
25	Clause 126G of Part I of Second Schedule	Profits and gains derived by the following companies from the projects mentioned against each that have been declared 'Pioneer Industry' by Economic Coordination Committee of the Cabinet:- 1. Income of Astro Plastics (Pvt) Limited derived from their project Biaxially Oriented Polyethylene Terephthalate (BOP ET) Project; and 2. Income of Novatex Limited derived from their project Biaxially Oriented Polyethylene Terephthalate (BOPET) Project;
26	Clause 126H of Part I of Second Schedule	Income from fruit processing or preservation units set up in Baluchistan Province, Malakand Division, Gilgit Baltistan and FATA between the first day of July, 2014 to the thirtieth day of June, 2017;
27	Clause 126I of Part I of Second Schedule	Industrial undertakings set up by 31st day of December, 2016 and engaged in the manufacture of plant, machinery, equipment and items with dedicated use for generation of renewable energy;
28	Clause 126J of Part I of Second Schedule	Profits and gains derived by a taxpayer, from an industrial undertaking set up between 1st day of July, 2015 and 30th day of June, 2016 engaged in operating warehousing or cold chain facilities for storage of agriculture produce
29	Clause 126K of Part I of Second Schedule	Profits and gains derived by a taxpayer, from an industrial undertaking set up between the first day of July, 2015 and the 30th day of June, 2017 for establishing and operating a halal meat production unit
30	Clause 126L of Part I of Second Schedule	Industrial undertakings set up in the Provinces of Khyber Pakhtunkhwa and Baluchistan between 1st day of July, 2015 and 30th day of June, 2018;
31	Clause 126N of Part I of Second Schedule	Profits and gains derived by a taxpayer from an industrial undertaking, duly certified by the Pakistan Telecommunication Authority, engaged in the manufacturing of cellular mobile phones setup and commercial production has commenced between the first day of July, 2015 and the thirtieth day of June, 2017;
32	Clause 126O of Part I of Second Schedule	Profits and gains of a company from a green field industrial undertaking incorporated on or after the first day of July, 2019;
33	Clause 131 of Part I of Second Schedule	Royalty, commission or fees earned from a foreign enterprise in consideration for the use outside Pakistan of any patent, invention, model, design, secret process or formula or similar property right or information concerning industrial, commercial or scientific knowledge, experience or skill made available or provided to such enterprise by the company or in the consideration of technical services rendered outside Pakistan to such enterprise by the company under an agreement in this behalf;
34	Clause 132A of Part I of Second Schedule	Profit and gains derived by Bosicor Oil Pakistan Limited
35	Clause 132B of Part I of Second Schedule	Profits and gains derived by a taxpayer from Coal mining projects in Sindh, supplying coal exclusively to power generation projects
36	Clause 133 of Part I of Second Schedule	Income from exports of computer software or IT services or IT enabled services. Provided that eighty per cent of the export proceeds is brought into Pakistan in foreign exchange remitted from outside Pakistan through normal banking channels

37	Clause 135A of Part I of Second Schedule	Income derived by non-residents from investment in OGDCL exchangeable bonds issued by the Federal Government
38	Clause 136 of Part I of Second Schedule	Income of a special purpose vehicle as defined in the Asset Backed Securitization Rules, 1999;
39	Clause 141 of Part I of Second Schedule	Profit and gains derived by LNG Terminal Operators and Terminal Owners;
40	Clause 143 of Part I of Second Schedule	Profit and gains derived by a start-up as defined in clause (62A) of section 2;
41	Clause 3B of Part II of Second Schedule	The income of Pakistan Cricket Board derived from sources outside Pakistan shall be taxed at a rate of four per cent of the gross receipts from such sources
42	Clause 18 of Part II of Second Schedule	In the case of a modaraba the rate of income tax shall be 25% of total income excluding such part of total income to which Division III of Part I of the First Schedule or section 153 or section 154 applies
43	Clause 18A of Part II of Second Schedule	The rate of tax shall be reduced to 20% for a company setting up an industrial undertaking between the first day of July, 2014 to the thirtieth day of June, 2017, for a period of five years beginning from the month in which the industrial undertaking is set up or commercial production is commenced whichever is later. Provided that fifty percent of the cost of the project including working capital is through owner equity foreign direct investment;
44	Clause 18B of Part II of Second Schedule	The rate of tax shall be reduced by 2% in case of a company whose shares are traded on stock exchange if it fulfills prescribed shari'ah compliant criteria approved by State Bank of Pakistan, Securities and Exchange Commission of Pakistan and the Board, and derives income from manufacturing activities only
45	Clause 28A of Part II of Second Schedule	The rate of tax under section 148 on import of hybrid cars shall be reduced as below:— Upto 1200 cc - 100% 1201 to 1800 cc - 50% 1801 to 2500 cc - 25%;
46	Clause 7 of Part III of Second Schedule	The amount of tax payable by foreign film-makers from making films in Pakistan shall be reduced by fifty percent on income from film-making in Pakistan
47	Clause 8 of Part III of Second Schedule	The amount of tax payable by resident companies deriving income from film-making shall be reduced by seventy percent on income from film-making

4.2.3 List of Insertions in Sales Tax

S.No.	Schedule	Serial	Description
1	Fifth Schedule	15	Local supplies of raw materials, components, parts and plant and machinery to registered exporters authorized under Export Facilitation Scheme, 2021 notified by the Board with such conditions, limitations and restrictions
2	Fifth Schedule	16	Milk (PCT heading 04.01)

3	Fifth Schedule	17	Fat filled milk excluding that sold in retail packing under a brand name or a trademark (PCT heading 1901.9090)
4	Fifth Schedule	18	(i) Supply, repair or maintenance of any ship which is neither; (a) a ship of gross tonnage of less than 15 LDT; nor (b) a ship designed or adapted for use for recreation or pleasure. (ii) Supply of spare parts and equipment for ships falling under (i) above. (iii) Supply of equipment and machinery for salvage or towage services. (iv) Supply of equipment and machinery for other services provided for the handling of ships in a port.
5	Fifth Schedule	19	Drugs registered under the Drugs Act, 1976 (XXXI of 1976), or medicaments as classified under chapter 30 of the First Schedule to the Customs Act, 1969 (IV of 1969) except PCT heading 3005.000
6	Fifth Schedule	20	Petroleum Crude Oil (PCT heading 2709.0000)
7	Sixth Schedule Table I	15	Edible fruits excluding imported fruits (except fruits imported from Afghanistan) whether fresh, frozen or otherwise preserved but excluding those bottled or canned.
8	Sixth Schedule Table I	19	Rice, wheat, wheat and muslin flour
9	Sixth Schedule Table I	32	Newsprint, newspapers, journals, periodicals, books but excluding directories
10	Sixth Schedule Table I	156	Import of CKD kits by local manufacturers of following Electric Vehicles:– (i) Road Tractors for semi-trailers (Electric Prime Movers) (ii) Electric Buses (iii) Three Wheeler Electric Rickshaw (iv) Three Wheeler Electric Loader (v) Electric Trucks (vi) Electric Motorcycle
11	Sixth Schedule Table I	157	Import of CKD kits for the following electric vehicles (4 wheelers) by local manufacturers till the 30th day of June, 2026:– (a) Small cars and SUVs with 50 kwh battery or below; and (b) Light commercial vehicles (LCVS) with 150 kwh battery or below.
12	Sixth Schedule Table I	158	Goods temporarily imported into Pakistan by international athletes or sportsmen which would be subsequently taken back by them within 120 days of temporary import
13	Sixth Schedule Table I	159	Import of auto disable syringes till 30th June, 2021 (i) with needles (9018.3110) (ii) without needles (9018.3120)

14	Sixth Schedule Table I	160	Import of following raw materials for the manufacturers of auto disable syringes till 31st December 2021 (i) tubular metal needles (ii) rubber gaskets
15	Sixth Schedule Table I	161	Import of plant, machinery, equipment and raw materials for consumption of these items within special technology zone by the special technology zone authority, zone developers and zone enterprises.
16	Sixth Schedule Table I	162	Import of raw materials, components, parts and plant and machinery by registered persons authorized under export facilitation scheme, 2021 notified by the board with such conditions, limitations and restrictions.
17	Sixth Schedule Table II	30	Milk and cream, concentrated or containing added sugar or other sweetening matter, excluding that sold in retail packing under a brand name
18	Sixth Schedule Table II	33	Whey
19	Sixth Schedule Table II	34	Butter
20	Sixth Schedule Table II	35	Desi Ghee
21	Sixth Schedule Table II	36	Cheese
22	Sixth Schedule Table II	40	Live Animals And Live Poultry
23	Sixth Schedule Table II	41	Meat of bovine animals, sheep, goat and uncooked poultry meat excluding those sold in retail packing under a brand name
24	Sixth Schedule Table II	42	Fish and crustaceans excluding those sold in retail packaging under a brand name
25	Sixth Schedule Table II	43	Live plants including bulbs, roots and the like
26	Sixth Schedule Table II	44	Cereals other than rice, wheat, wheat and muslin flour
27	Sixth Schedule Table II	45	wheat and muslin flour Respective headings 45 Edible vegetables including roots and tubers, except ware potato and onions, whether fresh, frozen or otherwise preserved (e.g. in cold storage) but excluding those bottled or canned.
28	Sixth Schedule Table II	46	Edible fruits
29	Sixth Schedule	47	Sugar cane

	Table II		
30	Sixth Schedule Table II	48	Eggs including eggs for hatching
31	Sixth Schedule Table II	49	Compost (non-commercial fertilizer
32	Sixth Schedule Table II	50	Locally manufactured laptops, computers, notebooks whether or not incorporating multimedia kit and personal computers
33	Sixth Schedule Table II	51	Newspaper
34	Sixth Schedule Table III	21	Import of POS machines including credit/debit cards terminals and retailer cash register
35	Eighth Schedule Table I	74	Goods supplied from tax-exempt areas of erstwhile FATA/PATA to the taxable areas
36	Eighth Schedule Table I	75	Import of electric vehicle in CBU conditions
37	Eighth Schedule Table I	77	Personal computers and laptops

4.2.4 List of Omissions in Sales Tax by Finance Act 2021

S.No.	Schedule	Serial	Description
1	Fifth Schedule	1	(i) Supply, repair or maintenance of any ship which is neither; (a) a ship of gross tonnage of less than 15 LDT; nor (b) a ship designed or adapted for use for recreation or pleasure. (ii) Supply, repair or maintenance of any aircraft which is neither; (a) an aircraft of weight-less than 8000 kilograms; nor (b) an aircraft designed or adapted for use for recreation or pleasure. (iii) Supply of spare parts and equipment for ships and aircraft falling under (i) and (ii) above. (iv) Supply of equipment and machinery for pilot age, salvage or towage services. (v) Supply of equipment and machinery for air navigation services. (vi) Supply of equipment and machinery for other services provided for the handling of ships or aircraft in a port or Customs Airport.
2	Fifth Schedule	6	Supplies of such locally manufactured plant and machinery to petroleum and gas sector Exploration and Production companies, their contractors and sub-contractors as may be specified by the Federal Government, by notification in the official Gazette, subject to such conditions and restrictions as may be specified in such notification.
3	Fifth Schedule	10	Petroleum Crude Oil (PCT heading 2709.0000).

4	Fifth Schedule	11	Raw materials, components, sub-components and parts, if imported or purchased locally for use in the manufacturing of such plants and machinery as is chargeable to sales tax at the rate of zero percent, subject to the condition that the importer or purchaser of such goods holds a valid sales tax registration showing his registration category as “manufacturer”; and in case of import , all the conditions, restrictions, limitations and procedures as are imposed by notification under section 19 of the Customs Act,1969(IV of 1969), shall apply.
5	Sixth Schedule Table I	22	Sugar beet.
6	Sixth Schedule Table I	24	Edible oils and vegetable ghee, including cooking oil, on which Federal Excise Duty is charged, levied and collected by a registered manufacturer or importer as if it were a tax payable under section 3 of the Act.
7	Sixth Schedule Table I	26	Fruit juices, whether fresh, frozen or otherwise preserved but excluding those bottled, canned or packaged.
8	Sixth Schedule Table I	27	Ice and waters excluding those for sale under brand names or trademarks
9	Sixth Schedule Table I	29	Table salt including iodized salt excluding salt sold in retail packing bearing brand names and trademarks
10	Sixth Schedule Table I	29C	Glass bangles
11	Sixth Schedule Table I	73	Milk
12	Sixth Schedule Table I	73A	Milk and cream, concentrated or containing added sugar or other sweetening matter, excluding that sold in retail packing under a brand name
13	Sixth Schedule Table I	74	Flavored milk, excluding that sold in retail packing under a brand name
14	Sixth Schedule Table I	75	Yogurt, excluding that sold in retail packing under a brand name
15	Sixth Schedule Table I	76	Whey, excluding that sold in retail packing under a brand name
16	Sixth Schedule Table I	77	Butter, excluding that sold in retail packing under a brand name

17	Sixth Schedule Table I	78	Desi ghee, excluding that sold in retail packing under a brand name
18	Sixth Schedule Table I	79	Cheese, excluding that sold in retail packing under a brand name
19	Sixth Schedule Table I	80	Processed cheese not grated or powdered, excluding that sold in retail packing under a brand name
20	Sixth Schedule Table I	82	Frozen prepared or preserved sausages and similar products of poultry meat or meat offal excluding those sold in retail packing under a brand name or a trademark
21	Sixth Schedule Table I	83	Meat and similar products of prepared frozen or preserved meat or meat offal of all types including poultry, meat and fish excluding those sold in retail packing under a brand name or a trademark
22	Sixth Schedule Table I	85	Fat filled milk excluding that sold in retail packing under a brand name or a trademark
23	Sixth Schedule Table I	91	Energy saver lamps
24	Sixth Schedule Table I	93	Bicycles
25	Sixth Schedule Table I	101	Raw and pickled hides and skins, wet blue hides and skins, finished leather, and accessories, components and trimmings, if imported by a registered leather goods manufacturer, for the manufacture of goods wholly for export, provided that conditions, procedures and restrictions laid down in rules 264 to 278 of the Customs Rules, 2001 are duly fulfilled and complied with.
26	Sixth Schedule Table I	103	Import and supply thereof, up to the year 2030, of ships and all floating crafts including tugs, dredgers, survey vessels and other specialized crafts purchased or bare-boat chartered by a Pakistan entity and flying the Pakistan flag, except ships or crafts acquired for demolition purposes or are designed or adapted for use for recreation or pleasure purposes, subject to the condition that such ships or crafts are used only for the purpose for which they were procured and in case such ships or crafts are used only for the purpose for which they were procured, and in case such ships or crafts are used for demolition purposes within a period of five years of their acquisition, sales tax applicable to such ships purchased for demolition purposes shall be chargeable.
27	Sixth Schedule Table I	106	Import of Halal edible offal of bovine animals
28	Sixth Schedule Table I	108	Components or sub-components of energy saver lamps

29	Sixth Schedule Table I	115	Plant, machinery and equipment imported for setting up fruit processing and preservation units in Gilgit-Baltistan, Balochistan Province and Malakand Division upto the 30th June, 2019 subject to the same conditions and procedure as are applicable for import of such plant, machinery and equipment under the Customs Act, 1969 (IV of 1969).
30	Sixth Schedule Table I	123	Aircraft, whether imported or acquired on wet or dry lease
31	Sixth Schedule Table I	124	Maintenance kits for use in trainer aircrafts of PCT headings 8802.2000 and 8802.3000
32	Sixth Schedule Table I	125	Spare parts for use in aircrafts, trainer aircrafts or simulators
33	Sixth Schedule Table I	128	Aviation simulators imported by airline company recognized by Aviation Division..
34	Sixth Schedule Table I	153	Steel billets, ingots, ship plates, bars and other long re-rolled profiles, on such imports and supplies by the manufacturer on which federal excise duty is payable in sales tax mode
35	Sixth Schedule Table II	17	Raw &pic hides skins
36	Sixth Schedule Table II	18	supplies made by manufacturing of marble
37	Sixth Schedule Table II	19	Bricks
38	Sixth Schedule Table II	20	Crushed stone (up to 30th June, 2018)
39	Sixth Schedule Table II	24	LED or SMD lights and bulbs meant for conservation of energy
40	Sixth Schedule Table II	25	Cottonseed oil
41	Eighth Schedule Table I	1	Soybean meal
42	Eighth Schedule Table I	5	Raw cotton and ginned cotton

43	Eighth Schedule Table I	19	Waste paper
44	Eighth Schedule Table I	22	Soya bean seed
45	Eighth Schedule Table I	50	LNG/RLNG (Import thereof)
46	Eighth Schedule Table I	51	LNG/RLNG (If supplied to gas transmission and distribution companies)
47	Eighth Schedule Table I	65	Ginned cotton
48	Eighth Schedule Table I	67	LNG imported for servicing CNG sector and local supplies thereof

4.2.5 List of Omissions in Sales Tax by Supplementary Act 2022

S.No.	Schedule	Serial	Description
1	Fifth Schedule	3	Supplies to duty free shops, provided that in case of clearance from duty free shops against various baggage rules issued under the Customs Act, 1969, (IV of 1969), the supplies from duty free shops shall be treated as import for the purpose of levy of sales tax.
2	Fifth Schedule	6(A)	Supplies of locally manufactured plant and machinery of the following specifications, to manufacturers in the Export Processing Zone, subject to the conditions, restrictions and procedure given below, namely:- (i) Plant and machinery, operated by power of any description, as is used for the manufacture or production of goods by that manufacturer; (ii) Apparatus, appliances and equipments specifically meant or adapted for use in conjunction with the machinery specified in clause (i); (iii) Mechanical and electrical control and transmission gear, meant or adapted for use in conjunction with machinery specified in clause (i); and (iv) Parts of machinery as specified in clauses (i), (ii) and (iii), identifiable for use in or with such machinery.
3	Fifth Schedule	15	Local supplies of raw materials, components, parts and plant and machinery to registered exporters authorized under Export Facilitation Scheme, 2021 notified by the Board with such conditions, limitations and restrictions.”

4	Fifth Schedule	18	(i) Supply, repair or maintenance of any ship which is neither; (a) a ship of gross tonnage of less than 15 LDT; nor (b) a ship designed or adapted for use for recreation or pleasure. (ii) Supply of spare parts and equipment for ships falling under (i) above. (iii) Supply of equipment and machinery for salvage or towage services. (iv) Supply of equipment and machinery for other services provided for the handling of ships in a port.
5	Sixth Schedule Table I	1	Live Animals and live poultry
6	Sixth Schedule Table I	2	Meat of bovine animals, sheep and goat, excluding poultry and offal, whether or not fresh, frozen or otherwise, preserved or packed
7	Sixth Schedule Table I	3	Fish and crustaceans excluding live fish whether or not fresh, frozen or otherwise preserved or packed
8	Sixth Schedule Table I	11	Eggs including eggs for hatching
9	Sixth Schedule Table I	12	Live plants including bulbs, roots and the like.
10	Sixth Schedule Table I	20	Seeds, fruit and spores of a kind used for sowing.
11	Sixth Schedule Table I	21	Cinchona bark
12	Sixth Schedule Table I	23	Sugar cane.
13	Sixth Schedule Table I	46	Goods imported by various agencies of the United Nations, diplomats, diplomatic missions, privileged persons and privileged organizations which are covered under various Acts and, Orders, rules and regulations made thereunder; and agreements by the Federal Government provided that such goods are charged to zero-rate of customs duty under Customs Act, 1969 (IV of 1969), and the conditions laid therein
14	Sixth Schedule Table I	49	Import of all goods received, in the event of a natural disaster or other catastrophe, as gifts and relief consignments, including goods imported for the President's Fund for Afghan Refugees, relief goods donated for Afghan Refugees, gifts for President's Fund for Assistance of Palestine and gifts received by Pakistani organizations from Church World Services or the Catholic Relief Services subject to the similar conditions as are envisaged for the purposes of applying zero-rate of customs duty under the Custom Act, 1969.

15	Sixth Schedule Table I	50	Articles imported through post as unsolicited gifts, subject to the same conditions as are envisaged for the purposes of applying zero-rate of customs duty under the Customs Act, 1969. (IV of 1969).
16	Sixth Schedule Table I	51	Imported samples, subject to the same conditions as are envisaged for the purposes of applying zero-rate of customs duty under the Customs Act, 1969. (IV of 1969).
17	Sixth Schedule Table I	52	Goods imported by or donated to hospitals run by the Federal Government or a Provincial Government; and non-profit making educational and research institutions subject to the similar restrictions, limitations, conditions and procedures as are envisaged for the purpose of applying zero rate of customs duty on such goods under the Customs Act, 1969, (IV of 1969).
18	Sixth Schedule Table I	52A	Goods excluding electricity and natural gas supplied to hospitals run by the Federal or Provincial Governments or charitable operating hospitals of fifty beds or more or the teaching hospitals of statutory universities of two hundred or more beds.
19	Sixth Schedule Table I	53	Import of all such gifts as are received, and such equipment for fighting tuberculosis, leprosy, AIDS and cancer and such equipment and apparatus for the rehabilitation of the deaf, the blind, crippled or mentally retarded as are purchased or otherwise secured by a charitable non-profit making institution solely for the purpose of advancing declared objectives of such institution, subject to the similar conditions as are envisaged for the purposes of applying zero-rate of customs duty under the Customs Act, 1969 (IV of 1969).
20	Sixth Schedule Table I	54	Educational, scientific and cultural material imported from a country signatory to UNESCO Agreement or a country signatory to bilateral commodity exchange agreement with Pakistan, subject to the same conditions as are envisaged for the purposes of exemption under the Customs Act, 1969 (IV of 1969).
21	Sixth Schedule Table I	55	Import of replacement goods supplied free of cost in lieu of defective goods imported, subject to similar conditions as are envisaged for the purposes of applying zero-rate of customs duty under the Customs Act, 1969.
22	Sixth Schedule Table I	57	Goods (including dry fruits imported from Afghanistan) temporarily imported into Pakistan, meant for subsequent exportation charged to zero-rate of customs duty subject to the similar restrictions, limitations, conditions and procedures as are envisaged for the purpose of applying zero-rate of customs duty on such goods under the Customs Act, 1969 (IV of 1969).
23	Sixth Schedule Table I	58	Import of ship stores, subject to the procedures, conditions and restrictions as may be specified by the Collector of Customs in this behalf including those consignments of such stores that have been released without charging sales tax since the 1st July, 1998, but excluding such consignments of ship stores as have been cleared on payment of sales tax.
24	Sixth Schedule Table I	60	Contraceptives and accessories thereof
25	Sixth Schedule Table I	61	Goods produced or manufactured in and exported from Pakistan which are subsequently imported in Pakistan within One year of their exportation, provided conditions of section 22 of the Customs Act, 1969 (IV of 1969), are complied with.

26	Sixth Schedule Table I	63	Personal wearing apparel and bona fide baggage imported by overseas Pakistanis and tourists, if imported under various baggage rules and is exempt from Customs duties
27	Sixth Schedule Table I	71	Goods and services purchased by non-resident entrepreneurs and in trade fairs and exhibitions subject to reciprocity and such conditions and restrictions as may be specified by the Board.
28	Sixth Schedule Table I	72	Uncooked poultry Meat whether or not fresh, frozen or otherwise, preserved or packed
29	Sixth Schedule Table I	81	Cotton seed
30	Sixth Schedule Table I	84	Preparations suitable for infants, put up for retail sale
31	Sixth Schedule Table I	92	Sewing machines of the household type
32	Sixth Schedule Table I	99	Compost (non-commercial fertilizer) produced and supplied locally
33	Sixth Schedule Table I	102	Machinery, equipment and materials imported either for exclusive use within the limits of Export Processing Zone or for making exports therefrom, and goods imported for warehousing purpose in Export Processing Zone, subject to the conditions that such machinery, equipment, materials and goods are imported by investors of Export Processing Zones, and all the procedures, limitations and restrictions as are applicable on such goods under the Customs Act, 1969 (IV of 1969) and rules made thereunder shall mutatis mutandis, apply
34	Sixth Schedule Table I	104	Substances registered as drugs under the Drugs Act, 1976 (XXXI of 1976) and medicaments as are classifiable under chapter 30 of the First Schedule to the Customs Act, 1969 (IV of 1969) except the following, even if medicated or medicinal in nature, namely:- (a) filled infusion solution bags imported with or without infusion given sets; (b) scrubs, detergents and washing preparations; (c) soft soap or no soap; (d) adhesive plaster; (e) surgical tapes; (f) liquid paraffin; (g) disinfectants, and (h) cosmetics and toilet preparations

35	Sixth Schedule Table I	105	Raw materials for the basic manufacture of pharmaceutical active ingredients and for manufacture of pharmaceutical products, provided that in case of import, only such raw materials shall be entitled to exemption which are liable to customs duty not exceeding eleven per cent ad valorem, either under the First Schedule or Fifth Schedule to the Customs Act, 1969 (IV of 1969) or under a notification issued under section 19 thereof.
36	Sixth Schedule Table I	109	Goods imported temporarily with a view to subsequent, exportation as concurred by the Board, including passenger service item, provision and stores of Pakistani Airlines.
37	Sixth Schedule Table I	110	The following items with dedicated use of renewable source of energy like solar and wind, subject to certification by the Alternative Energy Development Board (AEDB), Islamabad for the period ending on the 30th June, 2023:- (a) Solar PV panels; (b) LVD induction lamps; (c) SMD, LEDs, with or without ballast, with fittings and fixtures; (d) Wind turbines including alternators and mast; (e) Solar Torches; (f) Lanterns and related instruments; (g) PV modules along with related components, including invertors, charge controllers and batteries. (h) Tubular day lighting device. (i) Energy saver lamps and tube lights of varying voltages operating on AC or DC. (j) Invertors (off-grid/on grid/ hybrid) with provision for direct connection/input from renewable energy source and with Maximum Power Point Tracking (MPPT).
38	Sixth Schedule Table I	113	High Efficiency Irrigation Equipment (If used for agriculture sector) (1) Submersible pumps (up to 75 lbs and head 150 meters) (2) Sprinklers including high and low pressure (Centre pivotal) system, conventional sprinkler equipment, water reel travelling sprinkler, drip or trickle irrigation equipment, mint irrigation sprinkler system (3) Air release valves, pressures gauges, water meters, back flow preventers, and automatic controllers.
39	Sixth Schedule Table I	114	Green House Framing and Other Green House Equipment (If used for Agriculture Sector) (1) Tunnel farming equipment [consisting of plastic covering and mulch film, anti-insect net and shade net] (2) Greenhouses (prefabricated)
40	Sixth Schedule Table I	116	Plant, machinery and equipment imported for setting up industries in FATA upto 30th June 2019 subject to the same conditions and procedure as are applicable for import of such plant, machinery and equipment under the Customs Act, 1969 (IV of 1969).
41	Sixth Schedule Table I	117	Appliances and items required for ostomy procedures as specified in the Chapter 99 of the First Schedule to the Customs Act, 1969, subject to same conditions as specified therein

42	Sixth Schedule Table I	126	Machinery, equipment and tools for setting up maintenance, repair and overhaul (MRO) workshop by MRO company recognized by Aviation Division.
43	Sixth Schedule Table I	127	Operational tools, machinery, equipment and furniture and fixtures on one-time basis for setting up Greenfield airports by a company authorized by Aviation Division.
44	Sixth Schedule Table I	129	Import of plant, machinery and production line equipment used for the manufacturing of mobile phones by the local manufacturers of mobile phones duly certified by the Pakistan Telecommunication Authority.
45	Sixth Schedule Table I	130	Sodium Iron (Na Fe EDTA), and other premixes of vitamins, minerals and micro-nutrients (food grade) and subject to conditions imposed for importation under the Customs Act, 1969
46	Sixth Schedule Table I	131	Laptop computers, notebooks whether or not incorporating multimedia kit
47	Sixth Schedule Table I	132	Personal computers
48	Sixth Schedule Table I	134	Goods received as gift or donation from a foreign government or organization by the Federal or Provincial Governments or any public sector organization subject to recommendations of the Cabinet Division and concurrence by the Federal Board of Revenue.
49	Sixth Schedule Table I	135	Sunflower and canola hybrid seeds meant for sowing
50	Sixth Schedule Table I	136	Combined harvesters upto five years old
51	Sixth Schedule Table I	138	Fish Feed
52	Sixth Schedule Table I	139	Fans for dairy farms
53	Sixth Schedule Table I	140	Bovine semen
54	Sixth Schedule Table I	141	Preparations for making animal feed
55	Sixth Schedule Table I	142	Promotional and advertising material including technical literature, pamphlets, brochures and other giveaways of no commercial value, distributed free of cost by the exhibitors

56	Sixth Schedule Table I	146	Equipment imported by M/s China Railway Corporation to be furnished and installed in Lahore Orange Line Metro Train Project
57	Sixth Schedule Table I	149	Micro feeder equipment
58	Sixth Schedule Table I	150	Plant and machinery excluding consumer durable goods and office equipment as imported by greenfield industries, intending to manufacture taxable goods, during their construction and installation period subject to conditions noted below and issuance of exemption certificate by the Commissioner Inland Revenue having jurisdiction
59	Sixth Schedule Table I	155	Oil cake and other solid residues, whether or not ground or in the form of pellets
60	Sixth Schedule Table I	158	Goods temporarily imported into Pakistan by International Athletes which shall be subsequently taken by them within 120 days of temporary import
61	Sixth Schedule Table II	1	Supply of cottonseed exclusively meant for sowing purposes, subject to such conditions as the Board may specify.
62	Sixth Schedule Table II	2	Supply of locally produced crude vegetable oil obtained from the locally produced seeds other than cotton seed, except cooking oil, without having undergone any process except the process of washing.
63	Sixth Schedule Table II	4	Raw material and intermediary goods manufactured or produced, and services provided or rendered, by a registered person, consumed in-house for the manufacture of goods subject to sales tax.
64	Sixth Schedule Table II	9	Foodstuff and other eatables prepared in the flight kitchens and supplied for consumption on-board in local flights
65	Sixth Schedule Table II	15	a. Sprinkler Equipment b. Drip Equipment c. Spray Pumps and nozzles
66	Sixth Schedule Table II	16	Raw cotton
67	Sixth Schedule Table II	22	Single cylinder agriculture diesel engines (compression ignition internal combustion piston engines) of 3 to 36 HP
68	Sixth Schedule Table II	23	Match boxes
69	Sixth Schedule Table II	33	Whey, excluding that sold in retail packing under a brand name

70	Sixth Schedule Table II	38	Sausages and similar products of poultry meat or meat offal excluding sold in retail packing under a brand name or trademark
71	Sixth Schedule Table III	1	Machinery and equipment for initial installation, balancing, modernization, replacement or expansion of desalination plants, coal firing system, gas processing plants and oil and gas field prospecting
72	Sixth Schedule Table III	2	Following machinery, equipment, apparatus, and medical, surgical, dental and veterinary furniture, materials, fixtures and fittings imported by hospitals and medical or diagnostic institutes:-
73	Sixth Schedule Table III	3	1. Machinery, equipment, materials, capital goods, specialized vehicles (4x4 non-luxury) i.e. single or double cabin pickups, accessories, spares, chemicals and consumables meant for mine construction phase or extraction phase. 2. Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for mine construction or extraction phase.
74	Sixth Schedule Table III	4	Coal mining machinery, equipment, spares, including vehicles for site use i.e. single or double cabin pick-ups and dump trucks, imported for Thar Coal Field.
75	Sixth Schedule Table III	5	1. Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through oil, gas, coal, wind and wave energy including under construction projects, which entered into an implementation agreement with the Government of Pakistan. 2. Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project.
76	Sixth Schedule Table III	6	1. Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through gas, coal, hydel, and oil including under construction projects. 2. Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project.
77	Sixth Schedule Table III	7	1. Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through nuclear and renewable energy sources like solar, wind, micro-hydel bio-energy, ocean, waste-to-energy and hydrogen cell. This exemption in relation to renewable energy shall remain in force up to the 30th June, 2023. 2. Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the construction of project.
78	Sixth Schedule Table III	8	1. Machinery and equipment meant for power transmission and grid stations including under construction projects. 2. Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required or the construction of project.
79	Sixth Schedule Table III	9	Following machinery, equipment and other education and research related items imported by technical, training institutes, research institutes, schools, colleges and universities

80	Sixth Schedule Table III	11	Following machinery and equipment for marble, granite and gem stone extraction and processing industries
81	Sixth Schedule Table III	13	Effluent treatment plants
82	Sixth Schedule Table III	14	Items for use with solar energy
83	Sixth Schedule Table III	14A	Systems and items for dedicated use with renewable source of energy like solar, wind, geothermal as imported on or before the 30th June, 2023.
84	Sixth Schedule Table III	15	items for promotion of renewable energy technologies or for conservation of energy
85	Sixth Schedule Table III	15A	Parts and Components for manufacturing LED lights
86	Sixth Schedule Table III	15B	CKD kits for single cylinder agriculture diesel engines (compression-ignition internal combustion piston engines) of 3 to 36 HP
87	Sixth Schedule Table III	17	Machinery, equipment, raw materials, components and other capital goods for use in building, fittings, repairing or refitting of ships, boats or floating structures imported by Karachi Shipyard and Engineering Works Limited.
88	Sixth Schedule Table III	21	Import of POS machines
89	Eighth Schedule Table I	4	Oilseeds meant for sowing.
90	Eighth Schedule Table I	6	Plant and machinery not manufactured locally and having no compatible local substitutes
91	Eighth Schedule Table I	7	Flavored milk
92	Eighth Schedule Table I	8	Yogurt
93	Eighth Schedule Table I	9	Cheese

94	Eighth Schedule Table I	10	Butter
95	Eighth Schedule Table I	11	Cream
96	Eighth Schedule Table I	12	Desi ghee
97	Eighth Schedule Table I	13	Whey
98	Eighth Schedule Table I	14	Milk and cream, concentrated or containing added sugar or other sweetening matter
99	Eighth Schedule Table I	15	Ingredients of poultry feed, cattle feed, except soya bean meal of PCT heading 2304.0000 and oilcake of cotton-seed falling under PCT heading 2306.1000
100	Eighth Schedule Table I	16	Incinerators of disposal of waste management, motorized sweepers and snow ploughs
101	Eighth Schedule Table I	17	Re-importation of foreign origin goods which were temporarily exported out of Pakistan
102	Eighth Schedule Table I	20	Plant, machinery, and equipment used in production of biodiesel
103	Eighth Schedule Table I	26	Tillage and seed bed preparation equipment
104	Eighth Schedule Table I	27	Seeding or planting equipment
105	Eighth Schedule Table I	28	Irrigation, drainage and agro-chemical application equipment
106	Eighth Schedule Table I	29	Harvesting, threshing and storage equipment
107	Eighth Schedule Table I	30	Post-harvest handling and processing & miscellaneous machinery

108	Eighth Schedule Table I	34	1. Set top boxes for gaining access to internet 2. TV broadcast transmitter 3. Reception apparatus for receiving satellite signals of a kind used with TV (satellite dish receivers) 4. Other set top boxes
109	Eighth Schedule Table I	45	Following machinery for poultry sector
110	Eighth Schedule Table I	46	Multimedia projectors
111	Eighth Schedule Table I	54	lithium iron phosphate battery (Li-Fe-PO4)
112	Eighth Schedule Table I	55	Fish babies / seedlings
113	Eighth Schedule Table I	59	Products of milling industry except wheat and muslin flour
114	Eighth Schedule Table I	61	Silver, in unworked condition
115	Eighth Schedule Table I	62	Gold, in unworked condition
116	Eighth Schedule Table I	63	Articles of jewelry, or parts thereof, of precious metal or of metal clad with precious metal.
117	Eighth Schedule Table I	64	Prepared Food, foodstuff and sweetmeats supplied by restaurants, bakeries, caterers and sweetmeat shops
118	Eighth Schedule Table I	68	Frozen prepared or preserved sausages and similar products of poultry meat or meat offal
119	Eighth Schedule Table I	69	Meat and similar products of prepared frozen or preserved meat or meat offal of all types including poultry, meat and fish
120	Eighth Schedule Table II	1	Machinery and equipment for development of grain handling and storage facilities including silos
121	Eighth Schedule Table II	2	Cool chain machinery and equipment

122	Eighth Schedule Table II	4	1. Machinery, equipment, materials, capital goods, specialized vehicles (4x4 non luxury) i.e. single or double cabin pickups, accessories, spares, chemicals and consumables meant for mineral exploration phase. 2. Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on temporary basis as required for the exploration phase.
123	Eighth Schedule Table II	5	Complete plants for relocated industries.
124	Eighth Schedule Table II	6	Machinery, equipment and other capital goods meant for initial installation, balancing, modernization, replacement or expansion of oil refining (mineral oil, hydro- cracking and other value added petroleum products), petrochemical and petrochemical downstream products including fibers and heavy chemical industry, cryogenic facility for ethylene storage and handling.
125	Eighth Schedule Table II	8	1. Milk chillers. 2. Tubular heat exchanger (for pasteurization). 3. Milk processing plant, milk spray drying plant, Milk UHT plant. 4. Milk filters 5. Any other machinery and equipment for manufacturing of dairy products
126	Eighth Schedule Table II	9	Capital goods otherwise not exempted, for Transmission Line Projects.

4.3 Appendix C – Data Sources

Estimates for tax expenditures of sales tax and customs are based on data obtained from FBR's official database (PRAL). However, for estimations of income tax expenditure, data from FBR's official database, i.e., from income tax returns, has certain limitations, and therefore, it is not sufficient for calculating the tax expenditures. Therefore, additional data was requested from FBR's field formations, while in many other cases, data was collected from various third-party sources. A list of these sources is given as under:

Federal Government and Semi-Autonomous Departments:

1. Accountant General Pakistan Revenue
2. Alternative Energy Development Board
3. Aviation Division
4. Board of Investment
5. Bureau of Emigration
6. Controller General of Accounts
7. Economic Affairs Division

8. Employees' Old-Age Benefits Institution
9. Engineering Development Board
10. Export Processing Zones Authority
11. Federal Employees Benevolent and Group Insurance Fund
12. Finance Division
13. Military Accountant General, Rawalpindi
14. Military Lands & Cantonment Headquarters, Rawalpindi
15. Ministry of Energy (Power Division)
16. Ministry of Foreign Affairs
17. Ministry of Maritime Affairs,
18. Ministry of Textile Industry
19. National Logistic Cell, Rawalpindi
20. National Transmission & Dispatch Company (NTDC)
21. Oil & Gas Development Company Limited (OGDCL)
22. Oil & Gas Regulatory Authority (OGRA)
23. Pakistan Agricultural Research Council
24. Pakistan Centre for Philanthropy (PCP)
25. Pakistan Council of Scientific and Industrial Research
26. Pakistan National Shipping Corporation
27. Pakistan Railway Headquarters, Lahore
28. Pakistan Software Export Board (PSEB)
29. Pakistan Telecommunication Authority (PTA)
30. Pakistan Water & Power Development Authority
31. Petroleum Division
32. Prime Ministers' Office (Prime Minister's Youth Program)
33. Private Power and Infrastructure Board (PPIB)
34. Registrar of Ships & Superintendent of Light Houses
35. Securities & Exchange Commission of Pakistan (SECP)
36. State Bank of Pakistan (SBP)

Provincial Government Departments:

37. Accountant General, Balochistan
38. Accountant General, KPK
39. Accountant General, Punjab
40. Accountant General, Sindh
41. Board of Revenue, Balochistan
42. Board of Revenue, KPK
43. Board of Revenue, Punjab
44. Board of Revenue, Sindh
45. Directorate of Postal Accounts, Lahore
46. Energy Department, Sindh
47. Finance Department, Balochistan
48. Finance Department, KPK

49. Finance Department, Punjab
50. Finance Department, Sindh
51. Mines & Mineral Development Department (Sindh)
52. Provincial Sports Boards
53. Provincial Textbook Boards
54. Social Security Institutions

Financial Institutions

55. Asset Management / Mutual Funds Institutions
56. Commercial Banks
57. Real Estate Investment Trust (Dolmen City)
58. Health Insurance Companies
59. National Investment Trust Limited
60. Pakistan Mortgage Refinance Company Limited,
61. Pakistan Stock Exchange
62. Pension Funds (registered under Voluntary Pension System)
63. Private pension funds and trusts (registered with FBR)
64. Provident Fund Institutions (those registered under Provident Fund Act 1925)

Private/Others

65. Agha Khan Development Network
66. Association of Builders and Developers (ABAD)
67. China North Industries Corps
68. China Overseas Ports holding Company (Pakistan) Pvt. Ltd.,
69. Gwadar Free Zone Company (GFZC)
70. Pakistan Film Producers Association
71. Pakistan Science Foundation
72. Pakistan Software Houses Association for IT & ITES (P@SHA)
73. Shipping Companies

Websites

74. Finance Division, Government of Pakistan
75. Accountant Generals
76. State Bank of Pakistan
77. Pakistan Bureau of Statistics

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