Government of Pakistan
(Revenue Division)
Federal Board of Revenue
*****

Islamabad, the May 4 , 2011

NOTIFICATION
(Income Tax)

S.R.O. 357 (I)/2011.- In exercise of the powers conferred by sub-section (1) of section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to direct that the following further amendments shall be made in the Income Tax Rules, 2002, the same having been previously published vide Notification No. S.R.O. 164(I)/2011 dated the 28th February 2011, as required by sub-section (3) of the said section, namely:-

In the aforesaid Rules:-

(1) after rule 12, the following new rule shall be inserted, namely:-

"**12A. Decommissioning certificate.-** As required under sub-rule (4A) of rule 2 of Part-I of Fifth Schedule to the Ordinance, decommissioning certificate shall be submitted, as set out in Part-XA of the Second Schedule to these rules"; and

(2) in the Second Schedule, after Part-X, the following new Part-XA shall be inserted, namely:-

"Part-XA

DECOMMISSIONING CERTIFICATE

(As required under sub-rule (4A) 2 of Part-I of Fifth Schedule to the Income Tax Ordinance, 2001)

It is certified that the decommissioning cost claimed, presents fairly, in all material respects:

(i) I/We have examined the accounts and records of ____________________________ (name, address & NTN of the taxpayer) relating to the decommissioning cost for the tax year _______________.

(ii) The amortization charge of Decommissioning cost for current year, claimed by the Company in its return of total income for Tax Year ____________ is in accordance with sub-Rule (4A) of rule 2 of Part I of the Fifth Schedule to the Income Tax Ordinance, 2001.

(iii) I/We certify that the tax payer has not included amounts of exchange loss, unwinding of discount, mark up or interest, cost of funds or inflationary impact in computing the decommissioning cost.

(iv) I/We also certify that the denomination of all amounts is in Pakistan rupees (PKR).

(v) The particulars required to be furnished under sub-Rule (4A) of rule 2 of Part I of the Fifth Schedule to the Income Tax Ordinance, 2001 are given in the Annexure to this certificate. The information provided in the Annexures is true and correct.

Signed: ____________________

Name: ____________________

Address: ____________________

Place: ____________________

Date: ____________________

<u>**ANNEXURE A**</u>

(GENERAL INFORMATION)

Particulars		
1.	Name of the taxpayer:	
2.	Address:	
3.	Tax Year:	
General		
4.	No. of concessions owned at the opening date of financial year	
5.	Names of concessions owned at the opening date of financial year	
6.	No. of concessions owned at the closing date of financial year	
7.	Names of concessions owned at the closing date of financial year	
8.	Amount of decommissioning cost to be amortized under sub-rule (4A) (separately in respect of each concession)	
9.	No. of years of useful life (separately in respect of each concession)	
10.	Amount of amortization deduction claimed in the return	
Additions and Deletions		
11.	No. of concessions disposed off during the year	
12.	Names of concessions disposed off during the year	
13.	Gross consideration received	
14.	Name of the each purchaser	
15.	Address	
16.	No. of concessions acquired during the year	
17.	Names of concessions acquired during the year	
18.	Gross consideration paid	
19.	Name of the recipient	
20.	Address	
21.	Amount of decommissioning cost deleted	
22.	Amount of decommissioning cost added	
23.	Net amount of decommissioning claim	

Signed: ____________________
Name: ____________________
Address: ____________________
Place: ____________________
Date: ____________________

ANNEXURE B

(INFORMATION ABOUT THE CONCESSION)

1.	Name of the concession	
2.	Address	
3.	Name of the Operator	
4.	Address of the Operator	
5.	Date of commencement of commercial production	
6.	Amount of amortization deduction claimed in the return in respect of the concession	
7.	Total no. of years of useful life	
8.	Balance no. of years of useful life available	
9.	Total amount of decommissioning cost	

Signed: ________________

Name: ________________

Address: ________________

Place: ________________

Date: ________________

ANNEXURE C

(HISTORICAL DATA OF THE CONCESSION)

		Original provision at the commencement of commercial production	Year 1	Year 2	Year 3	Year 4*
Opening Balance of:	Decommissioning cost					
	Financial charges					
	Exchange Loss					
	Unwinding of discount					
	Mark up or inflationary charges					
Closing Balance of:	Decommissioning cost					
	Financial charges					
	Exchange Loss					
	Unwinding of discount					
	Mark up or inflationary charges					
Additions during the year	Decommissioning cost					
	Financial charges					
	Exchange Loss					
	Unwinding of discount					
	Mark up or inflationary charges					
Deletions during the year	Decommissioning cost					
	Financial charges					
	Exchange Loss					
	Unwinding of discount					
	Mark up or inflationary charges					

*Use extra columns for additional number of years.

Signed: ____________
Name: ____________
Address: ____________
Place: ____________
Date: ____________".

[C.No.4 (44)/ITP/2010]

(Khawar Khurshid Butt)
Member (Inland Revenue)