GOVERNMENT OF PAKISTAN
REVENUE DIVISION
FEDERAL BOARD OF REVENUE
***

Islamabad, *August 22, 2011.*

NOTIFICATION
(Income Tax)

S.R.O.787 (I)/2011.- In exercise of the powers conferred by sub-section (2) of section 53 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Government is pleased to direct that the following further amendments shall be made in the Second Schedule to the said Ordinance, namely:-

In the aforesaid Schedule, in Part-IV, after the clause (11A) the following new clause shall be inserted, namely:-

"(12) (a) The provisions of clause (l) of section 21 and clause (a) of sub-section (1) of section 153 shall not apply where agricultural produce is purchased directly from the grower of such produce, subject to provision of a certificate by the grower to the withholding agent in the following format, namely:-

CERTIFICATE TO BE FILED BY THE GROWER OF AGRICULTURAL PRODUCE

It is certified that I .... holder of CNIC Number .... have sold following agricultural produce, namely:

i) name of agricultural produce: (wheat, rice, cotton, sugarcane etc.,……………………………)
ii) quantity: ....
iii) total price: ....
iv) land identification (if any)……………………………………..

to *Mr/ M/s*.. on (date) .... and being the grower / producer of the said agricultural produce, and owner of agricultural land area measuring (optional) ………………………………… located in ……………………………………………………, I am not liable to any withholding income tax.

Signature / Thumb impression ………………………………………
Name: ………………………………………………………………
CNIC: ………………………………………………………………
Address: ……………………………………………………………
……………………………………………………………

Date: ……………………

(b) the provisions of clause (a) of sub-section (1) of section 153 shall not apply only in case of cash payments made for meeting the incidental expenses of a business trip to the crew of oil tanker. This exemption shall not apply in case of any other payments made by owners of oil tankers; and

(c) withholding tax under clause (a) of sub-section (1) of section 153 shall be deductible at one percent on local purchase of steel scrap by those steel melters who have opted under Sales Tax Special Procedures and are compliantly filing returns under the said scheme.".

[No.1(20)WHT/2011]

(KHAWAR KHURSHID BUTT)
Additional Secretary/
Member (Inland Revenue)