

PROPOSED TAX CARD

Tax Year 2008

For Client and Staff Use

TAX RATES FOR IND. OTHER THAN SALARIED PERSON & AOP

<u>TAX RATES FOR IND. OTHER THAN SALARIED PERSON & AOP</u>				<u>TAX RATES FOR SALARIED CLASS</u>			
Income group		Tax Rate		Income group		Tax Rate	
Up to		Rs. 100,000	0%	Up to Rs. 150,000		Rs. 150,000	0%
Rs. 100,001 to	Rs. 110,000	Rs. 110,000	0.5%	Rs. 150,001 to	Rs. 200,000	Rs. 200,000	0.25%
Rs. 110,001 to	Rs. 125,000	Rs. 125,000	1.0%	Rs. 200,001 to	Rs. 250,000	Rs. 250,000	0.50%
Rs. 125,001 to	Rs. 150,000	Rs. 150,000	2.0%	Rs. 250,001 to	Rs. 300,000	Rs. 300,000	0.75%
Rs. 150,001 to	Rs. 175,000	Rs. 175,000	3.0%	Rs. 300,001 to	Rs. 350,000	Rs. 350,000	1.50%
Rs. 175,001 to	Rs. 200,000	Rs. 200,000	4.0%	Rs. 350,001 to	Rs. 400,000	Rs. 400,000	2.50%
Rs. 200,001 to	Rs. 300,000	Rs. 300,000	5.0%	Rs. 400,001 to	Rs. 500,000	Rs. 500,000	3.50%
Rs. 300,001 to	Rs. 400,000	Rs. 400,000	7.5%	Rs. 500,001 to	Rs. 600,000	Rs. 600,000	4.50%
Rs. 400,001 to	Rs. 500,000	Rs. 500,000	10.0%	Rs. 600,001 to	Rs. 700,000	Rs. 700,000	6.00%
Rs. 500,001 to	Rs. 600,000	Rs. 600,000	12.5%	Rs. 700,001 to	Rs. 850,000	Rs. 850,000	7.50%
Rs. 600,001 to	Rs. 800,000	Rs. 800,000	15.0%	Rs. 850,001 to	Rs. 950,000	Rs. 950,000	9.00%
Rs. 800,001 to	Rs. 1,000,000	Rs. 1,000,000	17.5%	Rs. 950,001 to	Rs. 1,050,000	Rs. 1,050,000	10.00%
Rs. 1,000,001 to	Rs. 1,300,000	Rs. 1,300,000	21.0%	Rs. 1,050,001 to	Rs. 1,200,000	Rs. 1,200,000	11.00%
Rs. 1,300,001			25.0%	Rs. 1,200,001 to	Rs. 1,500,000	Rs. 1,500,000	12.50%
				Rs. 1,500,001 to	Rs. 1,700,000	Rs. 1,700,000	14.0%
				Rs. 1,700,001 to	Rs. 2,000,000	Rs. 2,000,000	15.0%
				Rs. 2,000,001 to	Rs. 3,150,000	Rs. 3,150,000	16.0%
				Rs. 3,150,001 to	Rs. 3,700,000	Rs. 3,700,000	17.5%
				Rs. 3,700,001 to	Rs. 4,450,000	Rs. 4,450,000	18.5%
				Rs. 4,450,001 to above	Rs. 8,400,000	Rs. 8,400,000	19.0%
				Rs. 8,400,001 to above			20%

- Special tax rebate of 75% of the tax payable shall be allowed for the assessee of 60 years of age or above and earning income upto Rs. 400,000/- per annum.

- The rate of tax as prescribed by section 113A for qualifying under PTR is 0.5% of the Turnover, provided the turnover does not exceed 5 Million. per annum.

- The rate of tax as prescribed by section 113B for qualifying under PTR are given as under:

From Rs. 1 to Rs. 5 M	Rs. 25,000/-
From Rs. 5M to Rs. 10M	25000+0.5% of the turnover exceeding Rs. 5M
From Rs. 10 M and above	Rs. 50,000/- + 0.75% of the turnover exceeding Rs. 10M

- The income of the working women other than salaried class to the extent of Rs. 125,000/- will be exempt from tax.

- The income of the working women in case of salaried class to the extent of Rs. 200,000/- will be exempt from tax.

TAX RATES FOR SMALL COMPANIES

The tax rate for Small Companies is 20% of the taxable income.

COMPANIES

Rate of tax for all kinds of companies

TAX YEAR

2007	2008
35%	35%

OR

Minimum tax under section 113 @0.5% of the turnover whichever is higher

RATE OF TAX ON SHIPPING OR AIR TRANSPORT

The rate of tax imposed under section 7 shall be:

- In the case of shipping 8% of the gross amount received or receivable;
- In the case of air transport 3% of the gross amount received or receivable;

RATES FOR DEDUCTION OF TAX AT SOURCE

<u>Particulars</u>	<u>Rate</u>
- Other dividend income	10%
- Raffle lottery or crossword puzzle, Sales promotion schemes	20%
- Yield on a National Saving Deposit Certificate, including a Defence Saving Certificate, under the National Saving Scheme.	
- Interest on an account or deposits with banks / financial institutions	10%
- Profit on any security issued by the Federal Government, a Provincial Government or a local authority to any person other than a financial institution.	20%
- Profit on any bond, certificate, debenture, security or instrument of any kind (not a loan agreement between a borrower and a banking company or a development finance institution) by a banking company, financial institution, finance society or a company as a defind in the 2001 Ordinance, other than to a financial institution.	
- Rent	5%
- Brokerage & Commission	10%
- On Export of Raw Cotton and Cotton Yarn	1.0%
- Brokerage & Commission-for Travel and Insurance Agents	10%
- On Contracts of all types	6%
- Telephone Bills/Prepaid payphone Cards	10%
- Cash withdrawal from Bank	0.2%
- Supply of Rice, Cotton and Cotton seed	1.5%
- Edible oils	1%
- Other supplies	3.5%
- Imports other than following	5%
- Tractors	2%
- DAP Phosphate	2%
- Plant and Machinery	0%
- On gas consumption charges of CNG Stations	6%
- On purchase of motorcars	5%
- Services rendered:	
- Transport Services	2%
- Other Services	6%
- Import of edible oils	2%
- Payments to non-residents for execution of:	
- Turnkey Contract	6%
- Contract, Sub-Contract for the design, Construction or supply of plant & equipment:	
- Under a hydel power project or a transmission line project	6%
- Under any other power project	6%
- Any other contract:	6%
- Advertisement by the Private TV Channels	6%
- Petroleum Products	10%
- Royalties / Fee for technical services	15%
- On payment other than salary, dividend, supplies, services, execution of contracts, property, prize money, winning from reflex, lottery or cross word puzzles.	30%
Other rates	
- On Sale and purchase of shares	0.01%

RATES OF APPEAL FEE

Stage
Commissioner (Appeals) /Addl. Commissioner

Appeal Fee
- Rs. 1,000 or 10% of tax levied whichever is less
- Where no tax is payable
- Rs. 1,000/- for companies
- Rs. 200/- for other cases

Income Tax Appellate Tribunal.

- Rs. 2,500/- or 10% of the tax levied whichever is less.
- Where no tax is levied Rs. 2,000/- for Companies and Rs. 500/- for others