

PROPOSED TAX CARD

Tax Year 2007

For Client and Staff
1100

TAX RATES FOR IND. OTHER THAN SALARID PERSON & AOP

Income group		Tax Rate	Income group		Tax Rate
Up to	Rs. 100,000	0%	Up to	Rs. 150,000	0%
Rs. 100,001 to	Rs. 110,000	0.5%	Rs. 150,001 to	Rs. 200,000	0.25%
Rs. 110,001 to	Rs. 125,000	1.0%	Rs. 200,001 to	Rs. 250,000	0.50%
Rs. 125,001 to	Rs. 150,000	2.0%	Rs. 250,001 to	Rs. 300,000	0.75%
Rs. 150,001 to	Rs. 175,000	3.0%	Rs. 300,001 to	Rs. 350,000	1.50%
Rs. 175,001 to	Rs. 200,000	4.0%	Rs. 350,001 to	Rs. 400,000	2.50%
Rs. 200,001 to	Rs. 300,000	5.0%	Rs. 400,001 to	Rs. 500,000	3.50%
Rs. 300,001 to	Rs. 400,000	7.5%	Rs. 500,001 to	Rs. 600,000	4.50%
Rs. 400,001 to	Rs. 500,000	10.0%	Rs. 600,001 to	Rs. 850,000	6.00%
Rs. 500,001 to	Rs. 600,000	12.5%	Rs. 850,001 to	Rs. 950,000	7.50%
Rs. 600,001 to	Rs. 800,000	15.0%	Rs. 950,001 to	Rs. 1,050,000	9.00%
Rs. 800,001 to	Rs. 1,000,000	17.5%	Rs. 1,050,001 to	Rs. 1,200,000	10.00%
Rs. 1,000,001 to	Rs. 1,300,000	21.0%	Rs. 1,200,001 to	Rs. 1,500,000	11.00%
Rs. 1,300,001		25.0%	Rs. 1,500,001 to	Rs. 1,700,000	12.50%
			Rs. 1,700,001 to	Rs. 2,000,000	14.0%
			Rs. 2,000,001 to	Rs. 3,150,000	15.0%
			Rs. 3,150,001 to	Rs. 3,700,000	16.0%
			Rs. 3,700,001 to	Rs. 4,450,000	17.5%
			Rs. 4,450,001 to	Rs. 8,400,000	18.5%
			Rs. 8,400,001 to	above	20.0%

- 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 .75% 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 is .1% of the Turnover, provided the turnover exceeds 5 Million. per annum.

- 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

A new concept of small company has been given by this Finance Bill. The tax rate for these companies is 20% of the taxable income.

COMPANIES

	<u>TAX YEAR</u>				
	2003	2004	2005	2006	2007
Banking Company	47%	44%	41%	38%	35%
Public Company other than a banking company	35%	35%	35%	35%	35%
Private Company other than a banking company	43%	41%	39%	37%	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

Particulars	Rate
- Other dividend income	10%
- Dividend income in case received by public Companies or Insurance Companies	5%
- 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.	10%
- 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 defined in the 2001 Ordinance, other than to a financial institution.	10%
- Tax rate for the small companies	20%
- Rent	5%
- Brokerage & Commission	10%
- On Export of Raw Cotton and Cotton Yarn	1.5%
- 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	6%
- Tractors	2%
- DAP Phosphate	2%
- Plant and Machinery	0%
- 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 raffles, lottery or cross word puzzles.	30%
- On purchase of Cars	6%
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