

Post Budget Seminar 2025-26
Karachi Tax Bar Association
17 June 2025

Direct tax considerations
Presented by:
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Broad Areas of discussion

- ☐ **Taxation of Digital Economy**
- ☐ **Reduction in salary Tax Rates, Super Tax and Pension**
- ☐ **Revenue Measures**
- ☐ **Restriction on Economic Transaction**
- ☐ **Restrictions on claim of deduction**
- ☐ **Additional Powers to tax Authorities**
- ☐ **Banking sector changes**

Digital Economy – Taxation Measures

Global experience

- In recent years, governments around the world have begun to adapt their tax systems to capture the digitalization of the economy.
- These efforts have led to changes in consumption taxes (VAT) and corporate taxation.
- To ensure neutrality between digital and non-digital businesses, many countries have extended their VATs/GSTs to include digital services.
- A significant number of countries have adopted unilateral tax measures targeted at digital businesses, including digital services taxes, gross-based withholding taxes etc.

Digital Economy – Taxation Measures

Country	Tax Rate	Scope	Global Revenue Threshold	Domestic Revenue Threshold
Belgium	3%	Selling of user data	€750 million (\$840 million)	€50 million in the EU (\$56 million)
Brazil	1%-5%	Targeted online advertising, Use of digital interfaces, Transmission of user data	R\$3 billion (\$760 million)	R\$100 million (\$25 million)
Canada	3%	Targeted online advertising, Digital intermediation services	C\$1 billion (\$754 million)	C\$40 million (\$30 million)
France	3%	Provision of a digital interface, Advertising services based on users' data	€750 million (\$840 million)	€25 million (\$28 million)
India	6% and 2%	Online advertising services (6%), E-commerce operators (2%)	-	Rs. 2 crores (\$284,000)

Digital Economy – Taxation Measures

Country	Tax Rate	Scope	Global Revenue Threshold	Domestic Revenue Threshold
Italy	3%	Advertising, Multilateral digital interfaces, Transmission of user data	€750 million (\$840 million)	€5.5 million (\$6 million)
Tunisia	3%	Sale of computer applications and digital services by nonresident companies	TBA	TBA
Turkey	7.5%	Online services incl. advertisements, content, social media	€750 million (\$840 million)	TRY 20 million (\$4 million)
United Kingdom	2%	Social media, Internet search, Online marketplace	£500 million (\$638 million)	£25 million (\$32 million)

Digital Economy – Taxation Measures

Introducing Digital Presence Proceeds Tax on Foreign Transactions

- Every foreign vendor having significant digital presence in Pakistan shall be charged to tax on proceeds of digitally ordered services or goods from outside Pakistan.
- Tax at 5% to be deducted by payment intermediary including a banking company etc. for supply of goods and rendering of services, including advertising on social media platform.
- Proceeds of foreign vendors are attributable to Pakistani users based on their significant digital presence in Pakistan, where –
 - The transaction is carried out through foreign online marketplace or e-store;
 - They arise in connection with digitally ordered services and goods; and
 - A Pakistani user is a party to the transaction.

Digital Economy – Taxation Measures

Introducing Digital Presence Proceeds Tax on Foreign Transactions

➤ Significant Digital Presence

- Supplying digitally ordered services and goods from outside Pakistan to any user in Pakistan, if the aggregate number of transactions exceeds five in a financial year **along with one of the following additional factors:**
 - existence of a user base and the associated data input;
 - billing or collection in local currency or with a local form of payment;
 - responsibility for the final delivery of goods and services to Pakistani consumers;
 - responsibility for the provision by the foreign vendors of other support services (aftersales services, repairs and maintenance); and
 - sustained marketing and sales promotion activities, online or not, to attract customers.

Digital Economy – Taxation Measures

Introducing Digital Presence Proceeds Tax on Foreign Transactions

Practical Issues

- Acceptability of this tax by the foreign supplier /service provider.
- Will the payment intermediary be able to deduct this tax and remit the net balance?
- Where tax under the DPPT Act has been collected, no withholding tax under the Income Tax Ordinance would trigger.
- Customs shall ensure that no courier delivers any consignment unless it provides the evidence of payment of the tax. **How will courier get this evidence and from whom?**
- Customs will not be responsible to collect income tax and sales tax in respect of the consignment on which tax under the DPPT Act has been paid. **No corresponding exemption available.**
- Penalty prescribed for intermediary who fails to deduct tax before remitting funds.

Digital Economy – Taxation Measures

Taxation of Digital Transactions Within Pakistan

- A tax has been introduced at rates varying from 0.25%, 1% and 2% of the gross amount, on every person who receives payment for supply of digitally ordered goods or services **through locally operated online platforms including online marketplace or website.**
- The tax is to be deducted by 'payment intermediary' or 'courier service' which would be final discharge of tax liability of the seller. Additionally, no further withholding tax incidence would occur on the payment from buyer to the seller.
- 'digitally delivered services' means any service delivered over the internet or electronic networks, where the delivery is automated and require minimal or no human intervention including –
 - music, audio and video streaming services
 - cloud services
 - online software applications services
 - services delivered through online inter-personal interaction i.e., tele medicines, e-learning etc.,
 - **online banking services**
 - architectural design services
 - research and consultancy reports
 - accounting services in the form of digital files or any other online facility.

Digital Economy – Taxation Measures

Taxation of Digital Transactions Within Pakistan

- Every payment intermediary including a courier business collecting cash from a buyer under Cash on Delivery (CoD) payment terms is required to collect tax from the gross amount payable. The expressions “courier service” and “payment intermediary” are defined as under:
- “**courier service**” means any specialized entity that provides typically offering door-to-door delivery solutions of goods within specific timeframes and in case of digitally ordered goods in e-commerce delivery and collection of cash on behalf of the seller and includes –
 - Logistics services;
 - ride-hailing services;
 - food delivery platforms; and
 - e-commerce services.
- “**payment intermediary**” means any third party including a banking company, financial institution, a licensed foreign exchange company or payments gateways facilitating transfer of funds and payments.
- Every person selling digitally ordered goods or services from within Pakistan using online marketplace or a courier service, is required to obtain registration with the FBR without which they cannot operate on an online marketplace.
- Every payment intermediary, courier service and online marketplace to file prescribed periodic statements.

Digital Economy – Taxation Measures

Taxation of Digital Transactions Within Pakistan

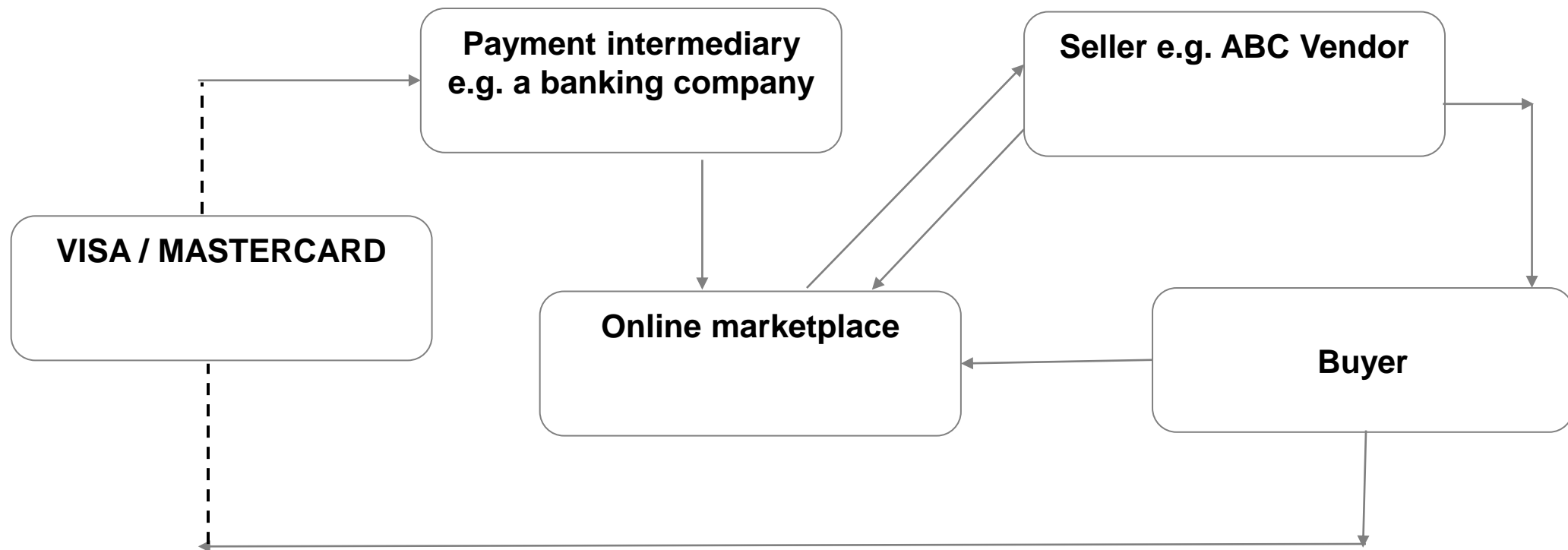
Digital Means or Banking Channel by Payment Intermediary		
S. No.	Description	Tax Rates
1.	Where the amount paid does not exceed Rs.10,000	1% of the gross amount paid
2.	Where the amount paid exceeds rupees ten thousand but does not exceed Rs.20,000	2% of the gross amount paid
3.	Where the amount paid exceeds Rs.20,000	0.25% of the gross amount paid

Cash on Delivery by Courier Services		
S. No.	Description	Tax Rates
1.	On supply of electronic and electrical goods	0.25% of the gross amount paid
2.	On supply of clothing articles, apparels, garments etc.	2% of the gross amount paid
3.	On supply of goods other than mentioned in S.No. 1 and 2 above	1% of the gross amount paid

Digital Economy – Taxation Measures

Taxation of Digital Transactions Within Pakistan through online market place- Practical Issues

- Tax collected on sale of goods is final tax of the seller.
- From a payment intermediary point of view, **who is a seller in case sale through online marketplace?**
- How will the seller claim discharge of tax liability without evidence of tax deduction in its name?



Reduction in Rate of Tax

Salaried Individuals

- A salaried taxpayer is an individual whose income chargeable under the head “salary” exceeds 75% of his taxable income for the year.
- The Bill has proposed to reduce the tax rate for salaried individuals falling within the tax bracket upto PKR 1.2 million. Thereafter, a marginal relief has been provided to individuals falling within subsequent slab rates
- However, the highest slab rate remained unchanged at 35% on income exceeding PKR 4.1 million
- This will result in minimal decrease in the tax burden on salaried individuals
- Alongside, rate of surcharge on salaried individuals has also been proposed to be reduced to 9%

Super Tax

- The rates for super tax remain unchanged for the tax year 2025. However, for the tax year 2026 and onwards, the rates are proposed to be reduced by 0.5% for incomes between Rs.200 million to Rs.500 million.

Impact of Decrease in Tax Rates – Salaried

Taxable income		Tax Liability						Change in Rupees			Change in percentage		
		Tax Year 2024 including Super Tax		Tax Year 2025 including Surcharge and Super Tax		Tax Year 2026 including Surcharge and Super Tax		2025 Increase from 2024	2026 Decrease from 2025	2026 Increase /(Decrease) from 2024	2025 % Change from 2024	2026 % Change from 2025	2026 % Change from 2024
Monthly Salary	Annual Salary	Rupees	Effective Rate	Rupees	Effective Rate	Rupees	Effective Rate						
50,000	600,000	-	-	-	-	-	-	-	-	-	-	-	-
75,000	900,000	7,500	1%	15,000	2%	3,000	0%	7,500	(12,000)	(4,500)	100%	-80%	-60%
100,000	1,200,000	15,000	1%	30,000	3%	6,000	1%	15,000	(24,000)	(9,000)	100%	-80%	-60%
150,000	1,800,000	90,000	5%	120,000	7%	72,000	4%	30,000	(48,000)	(18,000)	33%	-40%	-20%
183,333	2,200,000	140,000	6%	180,000	8%	116,000	5%	40,000	(64,000)	(24,000)	29%	-36%	-17%
200,000	2,400,000	165,000	7%	230,000	10%	162,000	7%	65,000	(68,000)	(3,000)	39%	-30%	-2%
250,000	3,000,000	300,000	10%	380,000	13%	300,000	10%	80,000	(80,000)	0	27%	-21%	0%
266,667	3,200,000	345,000	11%	430,000	13%	346,000	11%	85,000	(84,000)	1,000	25%	-20%	0%
300,000	3,600,000	435,000	12%	550,000	15%	466,000	13%	115,000	(84,000)	31,000	26%	-15%	7%
341,667	4,100,000	572,500	14%	700,000	17%	616,000	15%	127,500	(84,000)	43,500	22%	-12%	8%
350,000	4,200,000	600,000	14%	735,000	18%	651,000	16%	135,000	(84,000)	51,000	23%	-11%	9%
500,000	6,000,000	1,095,000	18%	1,365,000	23%	1,281,000	21%	270,000	(84,000)	186,000	25%	-6%	17%
700,000	8,400,000	1,935,000	23%	2,205,000	26%	2,121,000	25%	270,000	(84,000)	186,000	14%	-4%	10%
750,000	9,000,000	2,145,000	24%	2,415,000	27%	2,331,000	26%	270,000	(84,000)	186,000	13%	-3%	9%
850,000	10,200,000	2,565,000	25%	3,118,500	31%	2,998,590	29%	553,500	(119,910)	433,590	22%	-4%	17%
1,000,000	12,000,000	3,195,000	27%	3,811,500	32%	3,685,290	31%	616,500	(126,210)	490,290	19%	-3%	15%
1,250,000	15,000,000	4,245,000	28%	4,966,500	33%	4,829,790	32%	721,500	(136,710)	584,790	17%	-3%	14%
2,500,000	30,000,000	9,495,000	32%	10,741,500	36%	10,552,290	35%	1,246,500	(189,210)	1,057,290	13%	-2%	11%

Impact of Decrease in Tax Rates – Salaried

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Monthly Salary	Annual Salary	Rupees	Effective Rate	Rupees	Effective Rate	Rupees	Effective Rate						
50,000	600,000	-	-	-	-	-	-	-	-	-	-	-	-
75,000	900,000	7,500	1%	15,000	2%	7,500	1%	7,500	(7,500)	0	100%	-50%	0%
100,000	1,200,000	15,000	1%	30,000	3%	15,000	1%	15,000	(15,000)	0	100%	-50%	0%
150,000	1,800,000	90,000	5%	120,000	7%	72,000	4%	30,000	(48,000)	(18,000)	33%	-40%	-20%
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2,500,000	30,000,000	9,495,000	32%	10,741,500	36%	10,552,290	35%	1,246,500	(189,210)	1,057,290	13%	-2%	11%

Impact of Decrease in Rate of Super Tax

S. No.	Income	Rate of Tax			Financial Impact
		Tax year 2022	Tax years 2023, 2024 and 2025	Tax year 2026 and onwards	
(1)	(2)	(3)	(4)	(5)	
1.	Where income does not exceed Rs.150 million	0% of the income	0% of the income	0% of the income	Nil
2.	Where income exceeds Rs.150 million but does not exceed Rs.200 million	1% of the income	1% of the income	1% of the income	Nil
3.	Where income exceeds Rs.200 million but does not exceed Rs.250 million	2% of the income	2% of the income	1.5% of the income	1.25 million
4.	Where income exceeds Rs.250 million but does not exceed Rs.300 million	3% of the income	3% of the income	2.5% of the income	1.5 million
5.	Where income exceeds Rs.300 million but does not exceed Rs.350 million	4% of the income	4% of the income	3.5% of the income	1.75 million
6.	Where income exceeds Rs.350 million but does not exceed Rs.400 million		6% of the income	5.5% of the income	2 million
7.	Where income exceeds Rs.400 million but does not exceed Rs.500 million		8% of the income	7.5% of the income	2.5 million
8.	Where income exceeds Rs.500 million		10% of the income	10% of the income	Nil

Taxability of Pension

- All exemption on receipt of pension, including annuity, supplement to the pension or annuity and commutation of pension have been withdrawn. The following rates of tax will apply in case the employee **solely** derives pension from an employer-

Description	Rate of Tax
Where the amount of pension received does not exceed rupees ten million	0% of the amount
Where the amount of pension received exceeds rupees ten million	5% of the amount exceeding rupees ten million

- Resultantly, if an employee receives pension but also derives any other income, he will become taxable at progressive slab rates
- Additionally, where an individual derives any annuity or pension from a non-employment source, like a pension fund it is proposed to be treated as “Income from Other Sources”, such pension shall also be charged to tax at the above rates
- Withholding at source by Pension Fund manager no more required

Revenue Measures

Income from Property

- Annual minimum rental income from a commercial properties has been fixed at 4% of FMV as prescribed under section 68 of the Ordinance
- Loss for a year cannot be adjusted against rental income

Minimum Tax Carry Forward

- Minimum tax carry forward under section 113 of the Ordinance has been reduced from 'three' to 'two' years

Gain on Disposal of Debt Securities

- Gain arising on disposal of debt instruments and Government securities to a non-resident person not having a permanent establishment and maintaining a Special Convertible Rupee Account is proposed to be taxed at the rate of 20% instead of 10% where holding period of the above securities is less than twelve months.
- Withholding tax introduced at 15% for capital gains on disposal of debt securities before maturity by custodians including a Banking company

Revenue Measures – Increase in Withholding Taxes

Withholding Rates on Services			
Non-Resident Person			
Nature of Service / Person	Existing	Proposed	Expected Net Margin
Specified Services	4%	8%	28%
Other services – Corporate	9%	15%	52%
Other services – Individuals and AOPs	11%	15%	Minimum 52% where effective rate is 29%.
Resident Person			
Specified Services	4%	6%	21%
Other services – Corporate	9%	15%	52%
Other services – Individuals and AOPs	11%	15%	Minimum 52% where effective tax rate is 30%.

Revenue Measures – Increase in Withholding Taxes

Profit on Debt		
Paid by Banking Company / Financial Institution		
Filer	15%	20%
Non-filer	35%	40%
Other than Banking Company / Financial Institution		
Filer	15%	15%
Non-filer	35%	30%
Cash Withdrawal from Banks		
Non-filer	0.6%	0.8%

Broadening of Tax Base

Restriction on Economic Transactions by Certain Persons

- Except under specified circumstances, following transactions can now be undertaken only by eligible persons –
 - Purchase of a motor vehicle
 - Transfer of any immovable property
 - Purchase or sale of securities including debt securities and mutual funds
- Additionally, the Board may notify persons who would be ineligible to open an account or operate an existing account with a banking company or permit cash withdrawal from such account beyond prescribed limits.

Eligible person	
1 st Criteria	2 nd Criteria
A person who has filed return of income of the immediately preceding tax year AND has sufficient resources in the wealth statement (for individual) / financial statements (for company or AOP)	A person who furnishes statement of source of investment and expenditure to prove availability of sufficient resources.

- Sufficient resource has also been defined as availability of cash or cash equivalent assets to the extent of 130% of value of assets intended to be purchased
- The law does not prescribe any authority to decide on sufficiency of assets or examine source of investment or expenditure statement explaining availability of sufficient fund

Broadening of Tax Base

Disallowance of Expenses

Further burden on purchasing taxpayer to ensure purchases from NTN holder with proper deduction of tax and by permitted modes of receipt-

- 10% of the purchases made from a persons not having an NTN (with certain exceptions) shall be disallowed.
- 50% of expenditure relating to sales against single invoice on which cash receipts exceed Rs.200,000. Effectively cash receipt threshold imposed at Rs. 200,000.
- Assets purchased without deduction of tax are not eligible for claim of deprecation through out the life of asset by not allowing such asset as an addition to assets.

Statute of Limitation

Amendment of assessment

- In order to amend an assessment, an opportunity of being heard is required to be provided to the taxpayer by issuing a show cause notice.
- The Finance Act, 2021 introduced a time limitation of 180 days of issuance of show cause notice, extendable to additional 90 days, for issuing an amendment order.
- The Bill seeks to eliminate this time limitation for passing the amendment order.

Condonation of time limit

- Section 214A empowers the Board to condone any act or thing at any time before or after the expiry of such time or period as provided under the Ordinance or Rules.
- The Bill now proposes to add a proviso restricting the power of the Board or the Commissioner to condone the time limit not exceeding two years in aggregate.
- Further, where significant loss has occurred to the exchequer by an act of omission or commission by the person or by the Commissioner, a committee appointed by the Board shall extend the limitation period without any restrictions, after providing a reasonable opportunity of being heard to the person.

Unfettered Powers to recover tax

- Already introduced through Tax Amendment Ordinance, now made part of Finance Bill, sub-section (3A) has been inserted in section 138.
- It mandates that once an issue has been decided by High Court or Supreme court, any tax payable under any provision of the Ordinance or any assessment order becomes immediately payable or within the time specified in the notice issued under this provision by the tax authority. This provision overrides any other law, rule, or Court decision.
- Where the High Court decides the appeal filed by the Commissioner in favor of the department, recovery shall be made after 7 days from the date of the High Court's order.
- Corresponding amendment has been proposed in section 140 by inserting a new sub-section (6A) that allows unlimited powers to attach bank accounts and other assets to enforce recovery
- This change aims to expedite tax collection for the government, However, it raises a sense of despair among business houses who seem helpless as the direction seems to undermine the judicial process, as taxpayers could be compelled to pay taxes even when matters are still pending in courts.

Further amendments to expedite recovery of tax

- An appeal effect order will no more required in cases where the order under challenge is entirely confirmed by any Appellate forum where it was being contested.
- This change will enable the Commissioner to initiate the recovery process immediately on passing of appellate order
- However, where order is partially set aside and partially confirmed/ modified, the Commissioner will be required to issue an appeal effect order in the prescribed form.
- The Commissioner will then determine the tax payable based on the confirmed or modified issues, excluding any tax related to matters that have been set aside or remanded.
- The tax assessed on the confirmed or modified issues will become enforceable for immediate recovery albeit any immediate stay obtained from higher forum.

Posting of IRO's at business premises

- The Ordinance allows for the posting of Inland Revenue Officers at the premises of individuals or businesses to monitor production, supply, and stock.
- The FBR has proposed this step sighting requirement of enhance compliance and oversight
- However, Historically policing has never given positive results and in fact raises concerns about potential for overreach by tax authorities leading to harassment and corruption.
- Already vast powers are available under section 175 giving authority to conduct searches and seize records, allowing tax authorities to take action based on specific suspicions or during audits.
- Tax authorities have been allowed to apply the existing and new powers concurrently or independently based on the specific needs and circumstances of tax enforcement.

The Seventh Schedule – Banking companies

Treatment of leasehold improvements

- Any expenditure incurred on leasehold improvements is now required to be capitalized and amortized at the rate of 10% per annum from the day such leasehold improvements were put to use.
- On termination of lease before completion of the amortization period, any unamortized balance will be allowed as deduction in the year of termination reduced by any proceeds from disposal or transfer of leasehold improvement.

Deduction on account of Right-of-Use Assets (ROUA) and related lease liability

- In case of finance leases including ROUA, taxpayers are allowed to claim actual rent expense related to properties acquired on rent/lease whereas depreciation and financial charges on lease is considered as inadmissible expense. Similar treatment has been introduced **retrospectively** for banking companies effective tax year 2020.
- A banking company is now allowed to claim actual rent expenses related to ROUA as admissible deduction subject to certification from external auditor for the same. Conversely, depreciation expense on ROUA and finance cost on corresponding lease liability will not be allowed as an admissible deduction.
- To give retrospective effect, from tax year 2020 through tax year 2024, adjustments will be required in the tax year 2025 to eliminate any difference between the actual rent expense and the depreciation and interest costs already claimed, as certified by the external auditors.

The Seventh Schedule – Banking companies

Deduction of provision against advances and off-balance sheet items

- For tax year 2025 and onwards, claim of deduction on account of provision against advances and off-balance sheet items has been linked with submission of a comprehensive certificate by the external auditors.
- The auditors' certificate should cover the following-
 - Amount of provision, category wise, allowed in accordance with Prudential Regulations issued by the SBP;
 - Amount of provision, category wise, recognized under IFRS-9;
 - Amount of provision, category-wise, disclosed in the annual accounts; and
 - The amount of provision, category-wise, which is eligible for deduction under Rule 1. The certificate shall specifically identify and certify such amount, confirming its consistency with the applicable regulatory framework, the Seventh Schedule and the financial reporting standards.
- Only those provisions classified as “loss” in accordance with the Prudential Regulations issued by the SBP shall be allowed as an admissible deduction.
- Restriction on admissibility of general provisions as well as provision made otherwise than in accordance with the Prudential Regulations.

The Seventh Schedule – Banking companies

Other deductions

- Currently, any adjustment made in the accounts to comply with any applicable accounting standard is to be disregarded.
- From tax year 2025 and onwards, adjustments to the taxable income are restricted only to the extent of adjustment made under IFRS 09 or any policy, guidelines or instructions of the SBP in respect of IFRS 09.

Examination of banking and tax information related to high-risk person

- The scheduled banks shall provide the FBR with particulars such as names and account numbers of individuals / classes of individuals whose banking information is inconsistent with the information shared by the FBR based on certain data algorithms.
- The information shared by the FBR may include turnover, income (including taxable income) for one or more tax years, identification data (including bank account numbers declared in income tax returns, wealth statements, financial statements, or any other documents/ information available with the FBR).

The Seventh Schedule – Banking companies

Additional burden on banks as withholding agents

- Collection of tax under the Digital Presence Proceeds Tax (DPPT) Act, 2025
- Filing of quarterly withholding tax statement in respect of tax deduction regarding sale of digitally ordered goods and services.
- Penalty for non-deduction of tax at the time of making payment to a seller with respect to digitally ordered goods or rendering or providing of digitally delivered services using e-commerce platform.
- Deduction of tax from capital gains arising on disposal of debt securities where the bank is maintaining Investor Portfolio Security (IPS) Account.
- Examination of banking and tax information related to high-risk persons.

Tax Appeal System

Pecuniary Jurisdiction in Appeals

- The pecuniary limits for filing appeals have been done away with
- As a result, the aggrieved person will now have the option either to file the appeal with the Commissioner (Appeals) or the Appellate Tribunal Inland Revenue (ATIR), as it deems fit.
- Essentially, the position of right to appeal which was available prior to the enactment of the Tax Laws (Amendment) Act, 2024 has been restored
- Additionally, taxpayer now has an option to decide whether to file an appeal to CIR(A) or ATIR
- However, State Owned Enterprises would continue to settle their disputes through ADRC mechanism and their right to file appeals has not been restored
- Qualified Chartered Accountants in employment in a practicing firm having experience of 10 years or more are also now eligible to join as member of the ATIR

Exemption from audit

- Where a person has been audited in a year shall not preclude him from being audited again in the next and following years, where there are reasonable grounds for such audits.
- Clause (105) was introduced in Part IV of the Second Schedule through the Finance Act, 2018 whereby if a taxpayer has been audited in any of the preceding three tax years (increased to four years through the Finance Act, 2022).
- However, the CIR is empowered to select a person's case for an audit with the approval of the FBR.
- The Bill now proposes to substitute the word "audited" with "selected for audit" and the threshold of four years has been reduced to three years.
- It signifies that where a taxpayer's case has been selected for tax audit in any of the three preceding years can only be selected for audit again after three years from that tax year.

Exemption of welfare institutions

- Income of various organizations including Non-Profit organizations (NPOs) and public welfare institutions listed in Table I of Clause (66), Part I of the Second Schedule to the Income Tax Ordinance, was exempt from tax.
- Such non-profit organizations are now being subjected to the same time-consuming procedures, required under section 100C read with section 2(36), to qualify as an NPO.
- The institutions like the SIUT, Indus Hospital, The Citizens Foundation, Edhi Foundation, Saylani International Trust and many more are rendering enormous public services.
- In fact, these are carrying significant burden of the Government in the areas of social welfare especially in the education, health and community development sectors.
- Their inclusion in Clause (66) was to recognize their services to the nation and they were placed there after thorough review by the Government of Pakistan.
- Their status needs to be continued as exempt entities otherwise the magnitude of their operations may be disturbed due to intricacies of the law.

Thank you