

Government of Pakistan  
Revenue Division  
Federal Board of Revenue  
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**Notification**

Islamabad, the <sup>29<sup>th</sup></sup> September, 2022.

**S.R.O. 1797(I)/2022.**- In exercise of the power conferred by sub-section (11) of section 8 of the Finance Act, 2022, the Federal Board of Revenue is pleased to make the following rules, namely: -

Part I

PRELIMINARY

**1. Short title and commencement.** – (1) These rules shall be called the Capital Value Tax Rules, 2022.

(2) They shall come into force at once.

**2. Definitions.** – (1) In these rules, unless there is anything repugnant in the subject or context, -

(a) “Act” means the Finance Act, 2022 (XIII of 2022);

(b) “Form” means a form annexed to these rules; and

(c) “Ordinance” means the Income Tax Ordinance, 2001 (XLIX of 2001).

(2) All words and expressions used in these rules but not defined in these rules shall have the same meaning as assigned thereto in the Income Tax Ordinance, 2001 (XLIX of 2001) and the Act.

## Part II

### PROCEDURE FOR LEVY AND COLLECTION OF CAPITAL VALUE TAX

**3. Declaration of assets.** – (1) Every person who is liable to pay capital value tax on assets mentioned in clauses (b) and (c) of sub-section (2) of section 8 of Finance Act, 2022 shall file the electronic declaration in Iris as set out in the Form-A attached to these rules.

(2) The value of foreign assets shall be converted in rupees as per ready transactions exchange rates for mark to market revaluation notified by the State Bank of Pakistan applicable for the last day of the tax year.

**4. Statements to be filed by persons collecting capital value tax on motor vehicle.** – (1) Every motor vehicle registration authority or a manufacturer or a person selling motor vehicle through auction liable to collect CVT in respect of motor vehicle in Pakistan shall furnish to the Commissioner a quarterly electronic statement in Iris as per schedule mentioned in sub-section (2) of section 165 of the Ordinance.

(2) Every person liable to collect CVT in respect of motor vehicle in Pakistan shall also furnish to the Commissioner an annual electronic statement in Iris for the relevant tax year within thirty days of the end of tax year, in addition to statement to be filed under sub-rule (1) of this rule.

(3) The provisions of sub-sections (2A), (2B) and (4) of section 165 of the Ordinance shall, in so far as relevant, apply to statements filed under this rule.

(4) The statement shall be filed in the manner as provided in Iris.

**5. Collection of capital value tax.** (1) The tax required to be collected by a registration authority, manufacturer or a person selling motor vehicle through auction shall be paid by way of credit to the Federal Government through a computerized payment receipt (CPR) or SWAPS payment receipt (SPR) as set out in the Form 'B' attached to these rules.

(2) The person required to pay tax in respect of foreign assets or assets specified by the Federal Government shall pay tax by way of credit to the Federal Government through a computerized payment receipt (CPR) at time the income tax return for the tax year is due for payment of tax on foreign movable assets, as set out in the Form 'C-1' and for payment of tax on foreign immovable assets, as set out in the Form 'C-2' appended to these rules.

(3) All sums being capital value tax collected under section 8 of the Finance Act, 2022, shall be paid by way of credit to the Federal Government by remittance into the government treasury or in the authorized branches of the State Bank of Pakistan or the National Bank of Pakistan, -

(i) on the same day in case these have been collected by or on behalf of government;



- (ii) in other cases, such amount shall be paid within one week from the date of such collection.

### PART III

#### CAPITAL VALUE TAX RECOVERY AND REFUND RULES

**6. Collection of tax from defaulter.** – (1) Where, for any reason, the capital value tax is not paid or short paid, by way of credit to Federal Government, by the person liable to pay the tax, the Officer Inland Revenue having jurisdiction over the person for the purposes of the Ordinance, shall proceed to collect the amount of tax so unpaid or short paid and the default surcharge at the rate as provided under section 8 of the Act on the tax unpaid or short paid for the period commencing on the date on which the tax was due and ending on the date on which it was paid.

(2) Where, for any reason, the capital value tax is not paid or short paid, by way of credit to Federal Government, by the person required to collect and pay the tax, the Officer Inland Revenue having jurisdiction over the person for the purpose of the Ordinance, shall proceed to collect the amount of tax so unpaid or short paid and the default surcharge at the rate as provided under section 8 of the Act on the tax unpaid or short paid for the period commencing on the date on which the tax was due and ending on the date on which it was paid.

(3) Where the tax is to be recovered from a taxpayer in default, it shall be so recovered as if it were the tax due in consequence of an order passed under the

