

Government of Pakistan
Revenue Division
Federal Board of Revenue

Notification

Islamabad, the 28th August, 2023.

S.R.O. 1117(I)/2023. - In exercise of the powers conferred by sub-section (1) of section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Federal Board of Revenue is pleased to direct that the following further amendments shall be made in the Income Tax Rules, 2002, the same having been previously published *vide* Notification No. S.R.O. 229(I)/2023, dated the 28th day of February, 2023, as required by sub-section (3) of section 237 of the said Ordinance, namely:-

In the aforesaid Rules, after Chapter XIII, the following new Chapter XIII A shall be added, namely: –

“Chapter XIII A
Record of Beneficial Owners

83A. Application of Chapter. – (1) The rules in this chapter shall be applicable for the purposes of section 181E of the Income Tax Ordinance, 2001 (XLIX of 2001) providing for record of beneficial owners.

(2) Every company and association of persons (AOP), on its initial registration with FBR, shall electronically furnish the particulars of its beneficial owners to the Board as prescribed in Form BOF-01 of Part IXA of the First Schedule to these rules through Board’s online system.

(3) Every company and AOP, already registered with FBR, shall electronically furnish the particulars of its beneficial owners to the Board on or before the 31st day of December, 2023, as prescribed in Form BOF-01 of Part IXA of the First Schedule to these rules through Board’s online system.

(4) The record of the beneficial owners shall be updated whenever there is a change in any of the particulars of the beneficial owner as stipulated in Form (BOF-01) of Part IXA of the First Schedule of these rules, within 30 days from the date when the change occurs.

(5) In case of non-profit organization as defined under section 2(36) of the Income Tax Ordinance, 2001, the settlor, trustee, founder, promoter, beneficiary, class of beneficiary, as the case may be, will be the beneficial owners of the non-profit organization:

Provided that where the beneficiary or class of beneficiary of the non-profit organization is general public, the beneficiary or class of beneficiary of such non-profit organization shall be exempted from the requirement of providing information of beneficial owners under this rule.

(6) In case there is no change in the beneficial owners of the Company or AOP throughout a particular tax year, the Company or AOP as the case may, shall furnish a “Certificate of Confirmation for Beneficial Owner” to this effect as prescribed in Form (BOF-02) under Part IXA of the First Schedule to these rules through Board’s online system along with the Income Tax return to be filed for that tax year.

83B. Definitions. – In this Chapter unless there is anything repugnant in the subject or context, –

- (1) “Board” means Federal Board of Revenue as defined in section 2(8) of the Income Tax Ordinance, 2001 (XLIX of 2001);
- (2) “chain of ownerships” means all the legal entities and the legal arrangements through which the ownership rights (shareholdings) of a company or AOP are ultimately held by the natural person;
- (3) “contractual association” means the legal tie or contractual tie of two or more persons and/or legal entities and/or legal arrangements on the basis of a contract executed by the parties of the contract;
- (4) “direct means” means (i) exercise of control by natural person including exercise of ultimate control over a company or AOP through direct ownership i.e. without having ownership of intervening legal person or persons between the natural persons and the company or AOP, as the case may be, or (ii) exercise of control through voting rights;
- (5) “indirect means” means exercise of control through means other than the direct means, and includes but not limited to means of control through (i) chain of ownerships; (ii) joint control arrangement; (iii)