

Government of Pakistan
Revenue Division
Federal Board of Revenue

Islamabad, the 21st March, 2024

NOTIFICATION
(Income Tax)

S.R.O. 420(I)/2024. – The following draft special procedure for small traders and shopkeepers which the Federal Board of Revenue proposes to prescribe under section 99B of the Income Tax Ordinance, 2001 (XLIX of 2001), is hereby published for information of all persons likely to be affected thereby and, as required by sub-section (3) of section 237, notice is hereby given that objections or suggestions thereon may for consideration of the Board be given within seven days of the publication of the draft in the official Gazette. Objections or suggestions received from any person before the expiry of the said period shall be taken into consideration, namely: –

**“DRAFT SPECIAL PROCEDURE FOR
SMALL TRADERS AND SHOPKEEPERS
(TAJIR DOST SCHEME)**

In exercise of powers vested in the Federal Board of Revenue under section 99B of the Income Tax Ordinance, 2001 (hereinafter called the Ordinance), the following special procedure for small traders and shopkeepers to be called *Tajir Dost Scheme*, 2024 (hereinafter called the scheme), is hereby prescribed.

1. Scope. – (1) This scheme shall apply to the traders and shopkeepers operating through a fixed place of business including a shop, store, warehouse, office or similar physical place (hereinafter referred to business premises) located within the territorial civil limits including cantonments in the cities as specified in the Schedule to this scheme for registration and payment of minimum advance tax.

(2) Sub-paragraph (1) shall not apply to a person. -

- (i) being a company or;
- (ii) operating as a unit of national or international chain stores in more than one city or;
- (iii) a person or a class of persons specifically excluded by the Board.

2. Commencement. - The scheme shall come into force with effect from April 1, 2024 except Part-II, which shall come into force with effect from July 1, 2024.

3. Provisions of the Ordinance to apply. - Without prejudice to the provisions of this scheme, all provisions of the Ordinance shall apply to the persons specified under this scheme in respect of —

- (a) computation of income for a tax year and tax payable thereon,
- (b) collection and deduction of tax as provided in the Ordinance,
- (c) computation and payment of advance tax liability under section 147 of the Ordinance,
- (d) section 4C and 7E if liable to pay such tax,
- (e) chapters IX, X, XI, XII, XIII of the Ordinance and the schedules thereto, if not specified in clauses (a), (b), (c) and (d) above.

Part-I

[Registration]

[with effect from 1st April, 2024]

4. Registration in the National Business Registry (Tajir Dost). – (1) Every trader and shopkeeper shall apply for registration under section 181 of the Ordinance or through Tax Asaan app or on FBR’s portal or through FBR’s Tax Facilitation Centers by 30th day of April, 2024.

(2) If a person, who is required to be registered under sub paragraph (1), does not apply for the registration under the said sub paragraph, the Commissioner Inland Revenue shall register the trader or the shopkeeper as the case may be.

(3) The provisions of section 182 of the Ordinance shall, *mutatis mutandis* apply to the trader or shopkeeper who has not applied for registration under the sub paragraph (1).

Part-II

[Payment of Advance Tax]

[with effect from 1st July, 2024]

5. Minimum monthly advance tax payable by a person. — (1) Every person shall be liable to pay monthly advance tax in accordance with this paragraph.

(2) The advance tax paid under sub paragraph (1) shall be the minimum tax in respect of income from the business covered under this scheme.

(3) The amount of monthly advance tax for a tax year shall be computed in the manner as may be prescribed.

(4) Where the advance tax computed under sub paragraph (3) is zero, the advance tax payable under the sub paragraph (1) shall be Rs. 1,200 per annum.

Provided that where the income of the person is exempt from income tax under any provision of the Ordinance, sub-paragraph (1) shall not apply.

Provided further that the advance tax payable shall be reduced by twenty five percent of the whole or the balance: –

- (a) if the person pays in lump sum the whole or the balance as the case may be, of remaining advance tax for the relevant Tax Year on or before any of the due dates for payment of such tax under the said paragraph; or
- (b) if the person who has not filed income tax return, files income

tax return for Tax Year 2023 before the due date for payment of first monthly installment.

6. **Mode and manner of payment of advance tax.** - (1) The monthly advance tax payable under paragraph 5 shall be paid with effect from 1st day of July, 2024 for the relevant tax year and the first payment will be due on 15th of July, 2024 and thereafter on 15th of every month.

(2) The tax payable under paragraph 5 for a tax year shall be paid through a separate Computerized Payment Receipt against the Payment Slip ID (PSID) generated by Tajir Dost module or through FBR's portal or through FBR's Tax Facilitation Centers.

7. The Board with the approval of Minister in Charge may amend the scheme from time to time so as to add, alter, omit or modify any provision therein.

8. **Definitions.** — (1) In this scheme, unless there is anything repugnant in the subject or context, —

- (a) **“annual rental value”** means ten percent of the fair market value of the business premises;
- (b) **“business premises”** include all business places, store, warehouse, or any other place connected to business or an office or a home operating as a business place;
- (c) **“indicative income”** means amount calculated on the basis of the annual rental value in accordance with the formula as may be prescribed;
- (d) **“fair market value of business premises”** means the amount calculated as per the valuation of immovable properties notified by the Board under section 68 of the Income Tax Ordinance, 2001(XLIX of 2001), or where such valuation has not been notified by the Board, the values fixed by the District Officer (Revenue), or Provincial or any other authority authorized to fix such values for the purposes of stamp duty;
- (e) **“National Business Registry”** means a central repository database of traders and shopkeepers which is accessed through Tajir Dost module of Tax Asaan App,

FBR's portal for the purpose of registration and payment of advance tax under this scheme.

(f) "Ordinance" means Income Tax Ordinance 2001, (XLIX of 2001).

(g) "Person" means traders and shopkeepers falling under the scope of this scheme.

(h) "Shopkeeper" includes wholesaler, dealer, retailer, manufacturer cum retailer, importer cum retailer, or such person who combines the activity of retail and wholesale with any other business activity or other person in the supply chain of goods.

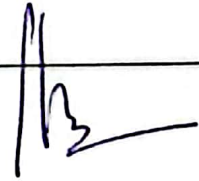
(2) All other expressions used but not defined in this scheme shall have the same meaning as assigned to them under the Ordinance.

THE SCHEDULE
[See paragraph 1]

S. No.	Description
(1)	(2)
1.	Karachi
2.	Lahore
3.	Islamabad
4.	Rawalpindi
5.	Quetta
6.	Peshawar

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F.No.1(16)R&S/2023]



(Naveed Mukhtar)
SA to Member IR