

WITHHOLDING TAX CHART / STATEMENTS

CHAPTER X – PART V | **CHAPTER XII** INCOME TAX ORDINANCE, 2001 | TAX YEAR 2026-27 (Effective 01-07-2026)

Finance Act 2026 — Amendments Adopted Without Change (Red) | New Amendments Introduced by Finance Act 2026, Not in Finance Bill (Green) | All Other Provisions in Black

| Sec. | Withholding Agent | Nature of Payment / Transaction | Rate (On ATL) | Rate (Not on ATL) | Adjustable / Final | Payment of Tax Deducted (Rule 43) | Statements to be Filed [Sec. 165(2)] |
|--|--|---|---------------|-------------------|--|--|---|
| SECTION 101A – GAIN ON DISPOSAL OF ASSETS OUTSIDE PAKISTAN | | | | | | | |
| 101A(8) | Any person | Acquiring asset located in Pakistan of a non-resident company | 10% of FMV | 10% of FMV | Final | Within 15 days of payment to non-resident | Within 60 days of transaction. |
| 101A(9) | Resident company holding asset of non-resident company | Alienation of asset of non-resident company. Higher of: | | | Final | Within 30 days of disposal or alienation by the non-resident | Within 60 days of transaction. |
| | | (i) 20% of (FMV less cost) | 20% of gain | — | | | |
| | | (ii) 10% of FMV | 10% of FMV | — | | | |
| | | Credit of tax already deducted u/s 101A(8) shall be allowable. | | | | | |
| SECTION 148 – IMPORTS (Tax Year 2026-27, effective 1st July 2026) | | | | | | | |
| 148 Imports | Collector of Customs | 1. Person importing goods classified in Part-I of the 12th Schedule | 1% | 2% | Minimum tax (except goods imported by industrial undertaking for own use). Edible oil, packaging material, paper, paperboard & plastics: minimum tax whether for own use or commercial import. | Same day — Customs Collector is a Federal Govt. functionary working under FBR. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | 2. Person importing goods classified in Part-II: | | | | | |
| | | a) Commercial importers | 3.5% | 7% | | | |
| | | b) Others | 2% | 4% | | | |
| | | 3. Person importing goods classified in Part-III | 5.5% | 11% | | | |
| | | 4. Commercial importers importing goods classified in Part-III | 6% | 12% | | | |
| | | 5. Finished pharmaceutical products not manufactured in Pakistan (DRAP certified) | 4% | 8% | | | |
| 6. CKD kits of EVs — small cars/SUVs (≤50 kWh) or LCVs (≤150 kWh) | 1% | 2% | | | | | |

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|---|---|---|------------------------|------------------------|--------------------|---|---|
| | | 7. Manufacturers under rescinded SRO 1125(I)/2011 dt. 31-12-2011 (as it stood on 28-06-2019) | 1% | 2% | | | |
| | | 8. Old and used automotive vehicles [SRO 577(I)/2005 — double for non-filer] | Per SRO 577(I)/2005 | Double | | | |
| | | 9. Mobile phones [per 1st Schedule Part-II — double for non-filer] | Per 1st Sch. Part-II | Double | | | |
| | | Valuation basis: • Retail price goods (3rd Schedule ST Act): retail price + ST payable • All other goods: import value + customs duty + ST + FED No deduction: Cl.(12B),(12BA),(12C),(12D) Part-IV 2nd Sch. or Cl.(56) Part-IV 2nd Sch. | | | | | |
| SECTION 149 – SALARY (Tax Year 2026-27, effective 1st July 2026) | | | | | | | |
| 149 | Person responsible for paying salary | Salary including perquisites, allowances and benefits (per law/rules). Tax credits u/s 61 & 63 adjustable. | Average rate | ■ | Adjustable | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Annual – within 1 month of end of financial year. Quarterly – within 20 days of end of quarter. |
| 149(3) | Person responsible for paying | Director's fee or fee for attending board meetings (by whatever name called). 149(3) | 20% | ■ | | | |
| 149(1A) | Any person responsible for paying pension | Pension exceeding Rs.10 million to former employee below age 70. Employer may adjust other withheld amounts and credits u/s 61 & 63 on documentary evidence. | Average 5% | ■ | Adjustable | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Annual – within 1 month of end of financial year. Quarterly – within 20 days of end of quarter. |
| SECTION 150 – DIVIDEND AND DIVIDEND IN SPECIE | | | | | | | |
| 150 Dividend | Every person | a) Dividend paid by IPP where dividend is a pass-through item | 7.5% | 15% | Final | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | Dividend from bagasse/biomass-based co-generation power project [Cl.(18C) Part-II 2nd Sch.] | 7.5% | 15% | | | |
| | | b) REITs and all other cases [other than (a),(ba),(c),(d)] | 15% | 30% | | | |
| | | ba) Mutual funds — debt component (corporate recipient of debt component taxed at 29%) | 25% (29% if corporate) | 50% (58% if corporate) | | | |

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| | | Mutual funds — equity component | 15% | 30% | | | |
| | | c-i) REIT Scheme receiving dividend from Special Purpose Vehicle (SPV) | 0% | 0% | | | |
| | | c-ii) Others receiving dividend from SPV [per RE IT Regulations 2015] | 35% | 70% | | | |
| | | d) Persons receiving dividend from company where no tax is payable (exempt income, losses c/f or tax credit) | 25% | 50% | | | |
| SECTION 151 – PROFIT ON DEBT | | | | | | | |
| 151(1)(a) | Any person making payment | Yield on accounts, deposits or certificates under the National Savings Scheme or Post Office Savings Account. [No deduction on Bahbood Savings Certificates or Pensioner's Benefit Account — Cl.(36A) Part-IV 2nd Sch.] | 15% | 30% | From TY 2016, taxed as separate block u/s 7B — Division IIIA Part-1 1st Schedule. Minimum tax for cases other than those falling u/s 7B and companies. For companies Adjustable | Same day — as payment is made by government. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 151(1)(b) | Banking company or financial institution | a) Yield/profit on account or deposit maintained with banking company/FI [Exemptions: Cl.(5AC) Part-II; (16),(19),(38),(59) Part-IV 2nd Sch.] | 20% | 40% | Minimum tax (profit exceeding Rs.5 million). For companies Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | b) Yield/profit on Govt. securities u/s 151(1)(c) paid to any person other than an individual | 20% | 40% | | | |
| | | Profit on Federal Govt. debt instrument purchased by resident citizen who declared foreign assets via FCVA [Cl.(5AB) Part-II 2nd Sch.] | 10% | 20% | | | |
| | | c) Yield/profit in other cases (other than a and b) | 15% | 30% | | | |
| | | Profit on debt covered u/c (78) & (79) Part-I 2nd Sch. [Cl.(5AC) Part-II 2nd Sch.] | 0% | 0% | | | |
| 151(1)(c) | Federal/Provincial Govt. / local authority | Profit on securities (other than s.151(1)(a)) issued by Federal/Provincial Govt. or a local authority. | 20% | 40% | Minimum tax (profit exceeding Rs.5 million). | Same day. | Quarterly – within 20 days of end of quarter. Annual – |

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| | | | | | For companies Adjustable | | within 30 days of end of tax year. |
| 151(1)(d) | Banking company, FI, company or finance society. | Profit on bonds, certificates, debentures, securities or instruments (other than loan agreements between borrowers and banking companies/DFIs) payable to any person other than a financial institution. [Exemption: Cl.(59) Part-IV 2nd Sch.] | 20% | 40% | Minimum tax (profit exceeding Rs.5 million). For companies Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | [For all deduction above Gross amount reduced by Zakat deducted. For non-residents, s.152(2) applies.] | | | | | |
| 151(1A) | Every SPV or company | Return on investment in Sukuks to a sukuk holder: | | | Minimum tax (profit exceeding Rs.5 million). For companies Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | a) Sukuk-holder is a company | 25% | 50% | | | |
| | | b) Sukuk-holder is individual/AOP where return > Rs.1 million | 12.5% | 25% | | | |
| | | c) Sukuk-holder is individual/AOP where return ≤ Rs.1 million | 10% | 20% | | | |
| SECTION 151A – GAIN ON DISPOSAL OF DEBT SECURITIES | | | | | | | |
| 151A | Every custodian of debt securities incl. banking company maintaining IPS Account | Capital gain on disposal of debt securities (including Govt. securities) through Investor Portfolio Securities (IPS) Account, not settled through NCCPL. | 20% | 40% | Since section 151A says nothing about status of this tax like section 151, therefore, it is final | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| SECTION 151B – CERTAIN PAYMENTS BY LIFE INSURANCE COMPANIES AND TAKAFUL OPERATORS [NEW SECTION — FINANCE ACT 2026, EFFECTIVE TAX YEAR 2026-27] | | | | | | | |
| 151B | Every life insurance company, family takaful operator or window takaful operator | Payout, benefit, surrender value, maturity proceeds or similar payment to an individual under a life insurance policy, family takaful certificate, plan or similar arrangement. Taxable amount = Gross payout LESS aggregate premiums/contributions paid by policyholder/participant. NOT applicable where payout is on: (a) death of insured; (b) disability of insured; or (c) after 4 years from date of issuance. Tax deducted = FINAL TAX. | | | Final tax on income arising from the payout or benefit. | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | Within 1 year from date of issuance of life insurance policy / takaful certificate: | 15% | — | | | |

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| | | After 1 year but before completion of 4 years from date of issuance: | 10% | ■ | | | |
| SECTION 152 – PAYMENTS TO NON-RESIDENTS | | | | | | | |
| 152(1) | Every person | Royalties [s.2(54)] or fee for technical services [s.2(23)] to non-residents other than their PEs in Pakistan. | 15% of gross amount (or reduced rate under applicable DTA) | ■ | Final | Before remittance abroad. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 152(1A) | Every person | Non-resident person on execution of: | | | Minimum tax | Before remittance abroad. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | a) Contract/sub-contract under construction, assembly or installation project in Pakistan incl. supervisory activities. | 7% | ■ | | | |
| | | b) Any other contract for construction or related services. | 7% | ■ | | | |
| | | c) Contract for advertisement services rendered by TV satellite channels. | 7% | ■ | | | |
| 152(1AA) | Every person | Payment of insurance or re-insurance premium to non-resident. | 5% of gross | ■ | Minimum Tax | Before remittance abroad. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 152(1AAA) | Every person | Any payment for advertisement services to a non-resident person relaying from outside Pakistan. | 10% of gross | ■ | Minimum Tax | Before remittance abroad. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 152(1BA) | Every person | Any payment directly or through agent/intermediary to a non-resident for foreign-produced commercial for advertisement on any TV channel or other media. | 20% | ■ | Final | Before remittance abroad. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 152(1C) | Every banking company or FI | Any amount of offshore digital services remitted outside Pakistan to non-resident on behalf of any resident or PE of non-resident. | 10% | ■ | Final [s.6] | Before remittance abroad. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 152(1D) | Every banking company/FI | Gain arising on disposal of debt instruments and Govt. securities (incl. T-bills and PIBs) invested through SCRA. | 10% | ■ | Final | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – |

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| | maintaining SCRA of non-resident | | | | | | within 30 days of end of tax year. |
| 152(1DA) | Every banking company maintaining FCVA, FCBVA, NRVA, or NRBVA | Gain arising on disposal of debt instruments, Government securities and certificates (including Shariah compliant variants) invested through FCVA, FCBVA, NRVA or NRBVA. [Scope expanded by Finance Act 2026 to cover FCBVA and NRBVA in addition to FCVA and NRVA] | 10% | ■ | Final | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 152(1DB) | Every SPV or company | Return on Sukuks to NON-RESIDENT sukuk holder: | | | Final | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | a) Sukuk-holder is a company | 25% | ■ | | | |
| | | b) Individual/AOP where return > Rs.1 million | 12.5% | ■ | | | |
| | c) Individual/AOP where return ≤ Rs.1 million | 10% | ■ | | | | |
| 152(1DC) | Every exchange company licensed by SBP | Service charges/commission/fee to global or international money transfer operators for facilitating outward remittances. | 15% (royalty/FTS) 10% (others) | ■ | Final | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 152(1DD) | Every banking company | Transaction fee, licensing fee, service charges, commission or fee (by whatever name called) or interbank financial telecommunication services paid to card network company, payment gateway or any other person. | 15% (royalty/FTS) 10% (others) | ■ | Final | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 152(2) | Every person | i) Payment for profit on debt to non-resident having no PE in Pakistan [Cl.(5A) Part-II 2nd Sch.] | 10% [Cl.(5A) Part-II 2nd Sch.] | ■ | Adjustable/Final (Final for Govt. securities invested through Special Rupee Convertible Account with SBP [Proviso to Cl.(5A) Part-II]) | Before remittance abroad. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | ii) Payment to individual on profit on Federal Govt. debt instrument purchased through bank account abroad, non-resident rupee account (repatriable) or foreign currency account with a banking company in Pakistan. | 10% [Cl.(5AA) Part-II 2nd Sch.] | ■ | | | |
| | | iii) Any other payment to non-resident not otherwise specified [excluding: salary, dividend, contractual payments u/s 153, winnings/prizes, commission/brokerage; income taxable in PE; payments by representative; amounts not chargeable to tax]. | 20% or reduced DTA rate | ■ | | | |

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|--|---|---|------------------------|----------------------|--|---|---|
| 152(2A) | Every prescribed person | Advance payments to PE in Pakistan of non-resident for: | | | Minimum tax (other than sale of goods by company that is manufacturer of said goods) | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | a) Sale of goods: | | | | | |
| | | Company | 5% | 10% | | | |
| | | Other cases | 5.5% | 11% | | | |
| | | b) Rendering/providing services (transport, freight forwarding, air cargo, courier, manpower outsourcing, hotel, security guard, software development, IT/IT-enabled services, tracking, advertising [other than print/electronic media], share registrar, engineering, car rental, building maintenance, PSX/PMEX services, inspection/certification/testing/training, oilfield services): | | | | | |
| | | IT services and IT-enabled services | 4% | — | | | |
| | | Other specified services | 8% | 16% | | | |
| | | Other Cases- Gross amount | 15% | — | | | |
| | | c) Contract execution: | | | | | |
| | | Sportspersons | 15% | — | | | |
| Other cases | 8% | — | | | | | |
| SECTION 153 – PAYMENTS FOR GOODS AND SERVICES | | | | | | | |
| 153(1)(a) Goods | Federal/Provincial Govt.; Company; AOP (formed under law); NPO; Foreign contractor or consultant; Consortium/JV; Individual (trader, turnover > Rs.1m) and AOP (turnover ≥ Rs.100m); ST-registered persons; builders/developers | i) Dealers, sub-dealers, wholesalers & retailers of FMCG, fertilizers, sugar, cement and edible oil [Cl.(24C) & (24D) Part-II 2nd Sch.] | 0.25% | 0.5% | Minimum tax (except: listed companies; companies engaged in manufacturing, for whom supply of goods falls outside PTR per s.153(6A)) | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | ii) Sale of rice, cotton seed oil, edible oil [per SRO 600(I)/1991 & SRO 586(I)/1991] | 1.5% (reduced 1%) | 3% (reduced 2%) | | | |
| | | iii) Supplies to ST zero-rated taxpayer (textile, carpet, leather, footwear, surgical, sports goods) [SRO.333(I)/2011 = Cl.(45A) Part-IV 2nd Sch.] [0.5% in case of supply by traders of yarn] | 1% (0.5% yarn traders) | 2% (1% yarn traders) | | | |
| | | iv) Supplies by NLC [Cl.(24CB) Part-II 2nd Sch.] | 3% | 9% | | | |

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| | | v) Sale of goods (excl. payment < Rs.75,000 aggregate in FY): Toll manufacturing — Company | 9% | 18% | | | |
| | | — Other than company | 11% | 22% | | | |
| | | Other than Toll Manufacturing — Company | 5% | 10% | | | |
| | | — Other than company | 5.5% | 11% | | | |
| | | vi) Offshore supply contract of IPP partly in AJ&K [Cl.(18) Part-III 2nd Sch.] | 1% | 2% | | | |
| | | [Note: Manufacturer-cum-exporters exempt per Cl.(45) Part-IV 2nd Sch.] | | | | | |
| 153(1)(b) Services | Same as 153(1)(a) | i) Specified services (gross amount payable): transport, freight forwarding, air cargo, courier, manpower outsourcing, hotel, security guard, software development, IT/IT-enabled services, tracking, advertising (other than print/electronic media), share registrar, engineering (incl. architectural), warehousing, asset management, PTA-licensed data services, telecom infrastructure (tower), car rental, building maintenance, PSX/PMEX services, inspection/certification/testing/training, oilfield services, telecom services, collateral management, travel & tour, REIT management, NCCPL services. | 7% | 14% | Minimum tax | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | Sub-rate: IT services and IT-enabled services [as defined in s.2] | 4% | 0% | | | |
| | | ii) Independent professional services (doctors, lawyers, architects, accountants, software engineers/developers working independently): [New category — Finance Act 2026] | 15% | 30% | | | |
| | | iii) Advertising services to electronic and print media: [New category — Finance Act 2026] | 1.5% | 3% | | | |
| | | iv) Services all other than those covered in (i), (ii) and (iii): [Rate revised — Finance Act 2026] | 14% | 28% | | | |

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| | | v) Oil tanker contractor services [Cl.(28F) Part-II 2nd Sch.] | 2% | 4% | | | |
| | | Person rendering terminal or port service shall be twelve percent of the gross amount of payment. | 12% | 24% | | | |
| 153(1)(c) Contracts | Same as 153(1)(a) | Execution of contract other than supply of goods or rendering/providing services: | | | Minimum tax | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | i) Sportspersons | 15% | 30% | | | |
| | | ii) Company | 7.5% | 15% | | | |
| | | iii) Other than company | 8% | 16% | | | |
| 153(2) | Exporter / Export House | Services for stitching, dyeing, printing, embroidery, washing, sizing and weaving. | 1.25% | 2.5% | Final | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 153(2A) | Payment intermediary | Collection of tax on payments to sellers of digitally ordered goods/services via local e-commerce platforms (digital or COD): | | | — | — | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | i) Payment intermediaries processing digital payments | 1% | 2% | | | |
| | | ii) Courier companies collecting COD payments | 2% | 4% | | | |
| SECTION 154 – EXPORTS AND FOREIGN INDENTING COMMISSION | | | | | | | |
| 154(1) | Authorized dealer / Banking company | On realization of proceeds on account of export of goods. [Exemption: cooking oil/vegetable ghee exported to Afghanistan if tax u/s 148 paid — Cl.(47C) Part-IV 2nd Sch.] | | | Minimum / Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | Tax rate | 1.25% | ■ | | | |
| 154(3) | Banking company | On realization of proceeds on account of sale of goods to exporter under inland back-to-back LC or other arrangement prescribed by FBR. Minimum tax | 1.25% | ■ | Minimum / Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 154(3A) | EPZ Authority | Export of goods located in EPZ. | 1.25% | ■ | Minimum | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – |

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| | | | | | | | within 30 days of end of tax year. |
| 154(3B) | Direct exporter/export house under DTRE Rules 2001 | Payment to indirect exporters as defined in DTRE Rules 2001 | 1.25% | GREEN | Minimum | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 154(3C) | Collector of Customs | Clearance of goods exported. Minimum tax rate Adjustable rate | 1.25% | GREEN | Minimum | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 154A Export of Services | Every authorized dealer in foreign exchange | Realization of foreign exchange proceeds on account of: | | | Final (subject to conditions in sub-section (2)) or Adjustable (if opted out of final taxation). | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | a) Exports of computer software, IT services or IT-enabled services [Rate extended to Tax Year 2026-29 — Finance Act 2026] | 0.25% | GREEN | | | |
| | | b) Services or technical services rendered outside Pakistan or exported from Pakistan | 1% | GREEN | | | |
| | | c) Royalty, commission or fees from foreign enterprise for use of patent, invention, model, design, secret process/formula or similar property right, or industrial/commercial/scientific knowledge | 1% | GREEN | | | |
| | | d) Construction contracts executed outside Pakistan | 1% | GREEN | | | |
| | | da) Foreign commission to indenting commission agent | 1% | GREEN | | | |
| | | e) Other services rendered outside Pakistan as notified by FBR | 1% | GREEN | | | |
| SECTION 154B – WITHHOLDING TAX ON REVENUES RECEIVED FROM SOCIAL MEDIA PLATFORMS (NEW SECTION — FINANCE ACT 2026, EFFECTIVE TAX YEAR 2026-27) | | | | | | | |
| 154B | Every banking and non-banking financial institution | At the time of credit or receipt of any amount representing revenues received from social media platforms (YouTube, Facebook, Instagram, TikTok or similar platforms). 'Digital content creator' or 'social media influencer': individual or entity deriving income from creation, publication or monetization of digital content. 'Payment': includes any inward | | | Minimum tax — resident persons. Final tax — non-resident persons without PE in Pakistan. | At time of credit or receipt of amount. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |

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|---|--|---|--|--|--------------------|---|---|
| | | remittance, transfer or credit through banking channels (including through intermediaries such as online payment service providers or digital financial platforms). | | | | | |
| | | a) Resident persons appearing in Active Taxpayers' List (ATL): | 5% | — | | | |
| | | b) Non-resident persons (Final tax): | 5% | 5% | | | |
| SECTION 155 – INCOME FROM PROPERTY | | | | | | | |
| 155 Income from Property | Federal/Provincial Govt.; Company; Local Govt.; NPO; Charitable institution; Diplomatic mission; Private educational institution; Boutique; Beauty parlour; Hospital; Clinic; Maternity home; Individuals/AOPs paying gross rent ≥ Rs.1.5 million/year; any other person notified by FBR | Any payment (including advance) for rent of immovable property (incl. furniture, fixtures and related services) and amounts u/s 16(1) or (3): | | | Adjustable | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | A) Individual or AOP: | | | | | |
| | | i) Gross rent ≤ Rs.300,000 | Nil | Nil | | | |
| | | ii) Rs.300,001 – Rs.600,000 | 5% of amount exceeding Rs.300,000 | 10% of amount exceeding Rs.300,000 | | | |
| | | iii) Rs.600,001 – Rs.2,000,000 | Rs.15,000 + 10% of excess over Rs.600,000 | Rs.30,000 + 20% of excess over Rs.600,000 | | | |
| | | iv) > Rs.2,000,000 | Rs.155,000 + 25% of excess over Rs.2,000,000 | Rs.310,000 + 50% of excess over Rs.2,000,000 | | | |
| | | B) Company | 15% | 30% | | | |
| | | [All rates increased by 100% for non-filer.] | | | | | |
| SECTION 156 – PRIZES AND WINNINGS | | | | | | | |
| 156 Prizes & Winnings | Every person | i) Prize on prize bonds or crossword puzzle | 15% | 30% | Final | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | ii) Winnings from raffle, lottery, quiz prize, or prize offered by companies for promotion of sale | 20% | 40% | | | |
| | | [Where not paid in cash: tax collected from recipient on FMV of prize] | | | | | |

| Sec. | Withholding Agent | Nature of Payment / Transaction | Rate (On ATL) | Rate (Not on ATL) | Adjustable / Final | Payment of Tax Deducted (Rule 43) | Statements to be Filed [Sec. 165(2)] |
|--|---|--|--|------------------------------------|--------------------|---|---|
| SECTION 156A – PETROLEUM PRODUCTS | | | | | | | |
| 156A | Every person | Payment of commission/discount to petrol pump operator on account of sale of petroleum products. | 12% | 24% | Final | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| CHAPTER XII – TRANSITIONAL ADVANCE TAX PROVISIONS | | | | | | | |
| SECTION 231AB – CASH WITHDRAWALS | | | | | | | |
| 231AB | Every banking company | Payment for cash withdrawal in a day exceeding Rs.50,000 to non-filer (person not appearing on ATL). | — | 0.8% | Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| SECTION 231B – ADVANCE TAX ON MOTOR VEHICLES | | | | | | | |
| 231B (Registration Authority) | Motor vehicle registration authority (Excise & Taxation Dept.) | a) At time of registration (per Division VII Part-IV 1st Schedule 0.5%–12%): [No collection if tax already collected by manufacturer/at import stage for same vehicle, or after 5 years from first registration] | 0.5% to 12% (per Div.VII Part-IV 1st Sch.) | Three times ATL rate (1.5% to 36%) | Adjustable | Same day — collected by provincial government. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | b) At time of transfer of registration or ownership: [Tax reduced by 10% each year; no collection after 5 years from first registration in Pakistan] | Same rates | Three times ATL rates | | | |
| | | c) At time of registration where locally manufactured vehicle sold prior to registration by original purchaser | Same rates | Three times ATL rates | | | |
| 231B (Leasing) | Leasing company / scheduled bank / NBFIs / investment bank / modaraba / DFI (shariah or conventional) | At the time of leasing of a motor vehicle to a person not appearing in ATL (through ijara or otherwise). | 4% of vehicle value | — | Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| 231B (Manufacturer) | Every manufacturer of a motor vehicle | At the time of sale of a motor vehicle. | Per Div. VII Part-IV 1st Sch. | Three times ATL rates | Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |

| Sec. | Withholding Agent | Nature of Payment / Transaction | Rate (On ATL) | Rate (Not on ATL) | Adjustable / Final | Payment of Tax Deducted (Rule 43) | Statements to be Filed [Sec. 165(2)] |
|---|---|---|------------------------------|------------------------------|--------------------|---|---|
| SECTION 231C – ADVANCE TAX ON FOREIGN DOMESTIC WORKERS | | | | | | | |
| 231C | Any authority issuing or renewing domestic aide visa to any foreign national as domestic worker | At the time of issuing or renewing visa. | Rs.200,000 | Rs.400,000 | Adjustable | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| SECTION 233 – BROKERAGE AND COMMISSION | | | | | | | |
| 233 | Federal/Provincial Govt., Local authority, Company, AOP or individual (turnover ≥ Rs.100 million) | Brokerage and commission income (incl. non-resident agents) | | | Minimum | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | i) Advertising agents | 10% | 20% | | | |
| | | ii) Life Insurance agents where commission < Rs.500,000 | 8% | 16% | | | |
| | | iii) Other commission/brokerage | 12% | 24% | | | |
| | | [Note: Where principal pays commission to advertising agent via media, principal shall also deduct on: A × 15/85, where A = amount paid to electronic/print media for advertising services (excl. commission) on which tax deductible u/s 153(1)(b).] | | | | | |
| SECTION 234 – TAX ON MOTOR VEHICLES | | | | | | | |
| 234 | Person collecting motor vehicle tax | a) Goods transport vehicles — per kg of laden weight | Rs. 2.50 per Kg | Rs. 5 per Kg | Adjustable | Same day — collected by provincial governments. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | Reduced rate: laden weight ≥ 8,120 kg, after 10 years from first registration | Rs. 1,200 per annum | Rs. 2,400 per annum | | | |
| | | b) Passenger transport (plying for hire): Non-AC per seat per annum AC per seat per annum | Rs.200–1,000 Rs.375–1,500 | Rs.400–2,000 Rs.750–3,000 | | | |
| | | c) Private motor cars — by engine capacity per annum | Rs.800–10,000 | Rs.1,600–20,000 | | | |
| | | d) Lump sum payment option | Rs.10,000–120,000 | Rs.20,000–240,000 | | | |
| | | [No tax on: (i) motor cars > 10 years old; (ii) passenger transport ≥ 10 seats after 10 years from 1st July of year of make; (iii) goods | | | | | |

| Sec. | Withholding Agent | Nature of Payment / Transaction | Rate (On ATL) | Rate (Not on ATL) | Adjustable / Final | Payment of Tax Deducted (Rule 43) | Statements to be Filed [Sec. 165(2)] |
|---|---|---|-----------------------------|-------------------|--|---|---|
| | | transport < 8,120 kg laden weight after 10 years from first registration] | | | | | |
| SECTION 235 – ELECTRICITY CONSUMPTION | | | | | | | |
| 235(1) | Person preparing electricity bills | Commercial and industrial consumer — per Division IV Part-IV 1st Schedule. [Other than company: tax up to Rs.360,000 annual bill = minimum tax; excess = adjustable. Company: fully adjustable.] [No collection from exporters-cum-manufacturers of items in Cl.(66) Part-IV 2nd Sch.] | Per Div.IV Part-IV 1st Sch. | ■ | Adjustable (company). Minimum (others, up to Rs.360,000 annual bill). | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | Domestic consumer not on ATL: | | | | | |
| | | Monthly bill < Rs.25,000 | 0% | ■ | | | |
| | | Monthly bill ≥ Rs.25,000 | 7.5% | ■ | | | |
| SECTION 236 – TELEPHONE AND INTERNET USERS | | | | | | | |
| 236 Telephone | Person preparing telephone/internet bill or issuing/selling prepaid card | i) Telephone subscribers: Monthly bill ≤ Rs.1,000 Monthly bill > Rs.1,000 | Nil / 10% | ■ | Adjustable | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | ii) Subscribers of internet, mobile telephone and prepaid internet/telephone card [75% of rate applies in cases u/s 114B] | 15% | ■ | | | |
| SECTION 236A – ADVANCE TAX AT THE TIME OF SALE BY AUCTION | | | | | | | |
| 236A Auction | Every person | i) Sale by auction (other than immovable property) | 10% | 20% | Adjustable (Final for lease of right to collect tolls) | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | ii) Sale by auction of immovable property and train management services by Pakistan Railways | 5% | 10% | | | |
| SECTION 236C – ADVANCE TAX ON SALE AND TRANSFER OF IMMOVABLE PROPERTY [RATE REVISED BY FINANCE ACT 2026] | | | | | | | |
| 236C | Person responsible for registering, recording or attesting transfer of immovable property | Sale/transfer of immovable property. No withholding if seller is: (A) Dependant of: (i) Shaheed (Armed Forces); (ii) person who dies in service of Armed Forces or Govt.; (iii) war wounded person; (iv) ex-serviceman or serving/ex-Govt. employee. (B) First sale by original allottee (certified by official allotment authority). | | | Adjustable. Minimum tax if property disposed of within same tax year. Final tax if seller/transferor is non-resident holding | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |

| Sec. | Withholding Agent | Nature of Payment / Transaction | Rate (On ATL) | Rate (Not on ATL) | Adjustable / Final | Payment of Tax Deducted (Rule 43) | Statements to be Filed [Sec. 165(2)] |
|---|---|--|---------------|-------------------|---|---|---|
| | | Flat rate on gross consideration received (all amounts) — Finance Act 2026: | 2.75% | 11.5% | POC/NICOP/CNIC who acquired through FCVA or NRVA. | | |
| SECTION 236CB – ADVANCE TAX ON FUNCTIONS AND GATHERINGS | | | | | | | |
| 236CB | Owner, leaseholder, operator or manager of marriage hall, marquee, hotel, restaurant, commercial lawn, club, community place or any other place used for such purpose | Payment for arranging or holding a function in such venue. | 10% | 20% | Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| SECTION 236G – ADVANCE TAX ON SALES TO DISTRIBUTORS, DEALERS AND WHOLESALERS | | | | | | | |
| 236G | Every manufacturer or commercial importer | Sale to distributors, dealers and wholesalers: | | | Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | i) Fertilizer | 0.7% | 2% | | | |
| | | ii) Fertilizer (where buyer on ATL of both Income Tax and Sales Tax) [per proviso] | 0.25% | 2% | | | |
| | | iii) Other than fertilizer | 0.1% | 2% | | | |
| SECTION 236H – ADVANCE TAX ON SALES TO RETAILER | | | | | | | |
| 236H | Every manufacturer, distributor, dealer, wholesaler or commercial importer | Sale to retailers and every distributor or dealer to another wholesaler (in respect of said sectors). | 0.5% | 2.5% | Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| SECTION 236K – ADVANCE TAX ON PURCHASE AND TRANSFER OF IMMOVABLE PROPERTY [RATE REVISED BY FINANCE ACT 2026] | | | | | | | |
| 236K | (i) Persons responsible for registering, recording or attesting transfer of immovable property. (ii) Persons responsible for collecting installment payments for | Purchase or transfer of immovable property. [Exempt: scheme for expatriate Pakistanis if payment in foreign exchange from outside Pakistan through normal banking channel] | | | Adjustable. Final if buyer/transferee is non-resident holding POC/NICOP/CNIC who acquired through FCVA or NRVA. | Fed./Prov. Govt. – same day. Others – within 7 days from end of each week (Sunday). | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | ATL filers — flat rate on fair market value (all amounts) — Finance Act 2026: | 1.25% | — | | | |
| | | Non-ATL rates — FMV: | | | | | |

| Sec. | Withholding Agent | Nature of Payment / Transaction | Rate (On ATL) | Rate (Not on ATL) | Adjustable / Final | Payment of Tax Deducted (Rule 43) | Statements to be Filed [Sec. 165(2)] |
|--|---|---|----------------|-------------------|--------------------|---|---|
| | purchase/allotment of immovable property. | Up to Rs.50 million | | 10.5% | | | |
| | | Rs.50m – Rs.100m | | 14.5% | | | |
| | | Exceeding Rs.100m | | 18.5% | | | |
| SECTION 236Y – ADVANCE TAX ON PERSONS REMITTING AMOUNTS ABROAD THROUGH DEBIT/CREDIT/PREPAID CARDS | | | | | | | |
| 236Y | Every banking company | Transfer of any sum remitted outside Pakistan on behalf of any person who completed a credit card, debit card or prepaid card transaction with a person outside Pakistan: | | | Adjustable | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | Person appearing on ATL | 0.5% of gross | 1% of gross | | | |
| SECTION 236Z – BONUS SHARES ISSUED BY COMPANIES | | | | | | | |
| 236Z | Every company | | | | Final | Within 15 days of closure of books. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |
| | | At the time of issuance of bonus shares: | 10% | 20% | | | |
| CLAUSE (23A) OF SECOND SCHEDULE – VOLUNTARY PENSION SYSTEM (VPS) | | | | | | | |
| Cl.(23A) 2nd Sch. | Pension Fund Manager | Withdrawal of fund before retirement or in excess of 50% of accumulated balance from Voluntary Pension System offered by Fund Manager. | As per s.12(6) | — | Final | Within 7 days from end of each week ending on Sunday. | Quarterly – within 20 days of end of quarter. Annual – within 30 days of end of tax year. |

FOOTNOTES AND REFERENCE NOTES

NON-APPLICATION OF TRANSITIONAL ADVANCE TAX – CH. XII [Section 236O]: NOT applicable to: (a) Federal/Provincial Government; (b) foreign diplomat or diplomatic mission; (c) person with Commissioner's certificate that income is exempt.

1. Exemptions/Non-application u/s 148: (a) Persons/goods specified by FBR [s.48(2)]; (b) items in Cl.(56) Part-IV 2nd Sch.; (c) cipher devices in Cl.(60) Part-IV 2nd Sch.; (d) yarn traders supplying to zero-rated sectors [SRO.333(I)/2011 = Cl.(45A) Part-IV 2nd Sch.]. Reduced rates: See Part-II, Second Schedule.

2. Higher tax deduction for non-ATL persons is adjustable: Where tax is final and 100% higher rate applies under 10th Schedule, the final tax shall be the 1st Schedule rate; excess is adjustable if return is filed before finalization of assessment [Rule 4 of 10th Schedule, s.169(4)].

3. Dividend exemptions u/s 150: (a) Inter-corporate dividend within group companies taxed u/s 59AA; (b) Private Equity & Venture Capital Funds; (c) Islamic Development Bank.

4. Exemptions u/s 151: See Clauses (72) to (90), Part-I, Second Schedule.

5. Exemptions u/s 153: Coal mining; startup [s.2(62A)]; export of computer software or IT services [s.65F].

6. Non-application u/s 154: Cooking oil/vegetable ghee exported to Afghanistan on which tax was collected at import stage u/s 148 [Cl.(47C) Part-IV 2nd Schedule].

7. Electronic filing of Withholding Statements: See section 165(2)(5) read with Rule 73.

8. Extension for filing of Withholding Statements: Extension can be sought from Commissioner u/s 165(2)(4).
9. Revision of Withholding Statement: Withholding statement can be revised within sixty days – section 165(2A).

For exemptions, rates, reductions etc., please refer to the Practical Handbook of Income Tax.

Finance Act 2026 Amendments (effective Tax Year 2026-27 from 01 July 2026): Provisions adopted without change from the Finance Bill 2026 are printed in Red. *New amendments introduced by the Finance Act 2026 that were not part of the Finance Bill are printed in Green (Georgia Bold Italic).* All other provisions are in Black.