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THE BALOCHISTAN GAZETTE

PUBLISHED BY AUTHORITY

"NO. 88 QUETTA MONDAY JULY 01, 2013.

BALOCHISTAN PROVINCIAL ASSEMBLY SECRETARIAT.

NOTIFICATION,

Dated Quetta. the 1" July, 2013.

No. — PAB/Legis:Vi(01)2013/2082. 'The Balochistan Finance Bill, 2013 Bill

No. 1 of 2013 having been passed by the Provincial Assembly of Balochistan on 27" June, 2013 and assented to by the Governor, Balochistan on 29" June. . 2013 is hereby published as an Act of the Balochistan Provincial Assembly.

BOLOCHISTAN FINANCE ACT, 2013 (ACT NO. LOF 2013

(First published after having received the assent of the Governor Balochistan in the Balochistan Gazette (Extra-ordinary) dated 2g June, 2013. :

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AN
ACT

to continue and revise certain taxes and fees in the Province of Balochistan.

Preamble. dient to continue and revise certain taxes and fees in the Province of Balochistan and for
ted therewith or ancillary thereto;

It is hereby enacted as follows:-

Short title and coi 1. (1) This Act may be called the Balochistan Finance Act, 2013.

(2). It extends to the whole of Balochistan except tribal areas.

(3) It shall deers to have come in to force on and frem the 1“ day of July, 2013:

Amendments in
Act H of 1899.

Amendment in
Act XVII of
1967.

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In the Stamp Act, 1899 (Act I of 1899),-

(i) for section 27-A, the following shall be substituted.-

"27-A. Value of immovable property. (1) Where any instrument chargeable with ad valorem duty under Articles 23, 31 or 33 of Schedule I, relates to an immovable property i.e. the land only or land with any building or structure thereon, the value of the immovable property shall be calculated according to the valuation table notified by the District Collector in respect of immovable property situated in the locality.

(2) Where an instrument, mentioned in sub-section (1), relates to an immovable property consisting of land and structure, it shall state the value of the land or structure separately and the value of the structure stated in the instrument shall, subject to the provision of this Act, be accepted.

(3) | Where the value of immovable property stated in an instrument to which sub-section (1) applies is more than the value fixed according to the valuation table, the value declared in the instrument shall be accepted as value of the purpose of stamp duty.

(4) Where the value given in the valuation table notified under sub-section (1), when applied to any immovable property, appears to be excessive, the Commissioner or any other officer specially empowered in this respect by the Government may, on application made to him by the aggrieved person, determine its correct value and for that purpose the provisions of sections 31 and 32 shall apply as nearly as possible."

In the Balochistan Land Revenue Act 1967 (Act No. XVII of 1967), in section 46, after sub-section (2), the following new sub-section shall be added,

namely:-

~ (3) where the scale of mutation fee is fixed at a certain percentage of the consideration or value of land, the consideration or value of the land shall be calculated according to the valuation table notified by the Collector in respect of the situated in the locality under the Stamp Act 1899 (11 of 1899).~

. Levy of tax on <2 (1) This section shall have effect notwithstanding anything contained in any
 | fanite : i .
 capital value of ather haw
 immoveable
 | property. | (2) For purposes of this section - ;
 4 t

(a) "association of persons". "company" or "firm" shall have the same meaning
 as contained, in the Income Tax Ordinance 2001 (Ordinance No. XLIX of
 2001):

(b) "Board of Revenue" means the Board of Revenue established under the
 Balochistan Board of Revenue Act, 1957 (Act No.XI of 1957):

{c) "Collector" means the Collector of the district appointed under the
 Balochistan Land of Revenue Act, 1967 (Act No. XVII of 1967) and includes

| the Collector of a Sub-Division/ Tehsil or another officer specially
 empowered by the Board of Revenue to exercise and perform the function of
 a Collector;

(d) "development authority" means an authority formed by or under a law for-the i,
 purpose of development of an area and includes any authority, society, r
 agency, trust, association or institution declared as development authority by

the Board of Revenue by a notification in the official Gazette:

| (2) " Government" means the Government of the Balochistan:

{f} "immovable property" shall have the same meaning as mentioned in section
 27-A. sub-section (1) of the Stamp Act, 1899 (Act No.IE of 1899):

(2) ° person" includes-

i

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i

1

|

| (i) an individual:
 | (ii) an association of persons:
 |

(ili) a company;

(iv) a firm:

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(3)

A tax on the capital value of an immoveable property, to be called the capital value tax, shall be payable by every person which acquires by purchase, gift, exchange, power of attorney other than revocable and time-bound (not exceeding sixty days) executed between spouses, father and son or daughter, grand parents and grand children, brother and sister, surrender or relinquishment of rights by the owner (whether effected orally or by deed or obtained through court decree) accept by inheritance or gift from spouse, parents, grand parents, brother or a sister of an immoveable property or a right to use thereof for more than twenty years, or renewal of the lease or any premium

paid thereon , at such rate as specified hereunder in sub-section {4}.

(4) | The immoveable property and the rate of tax referred to in sub-section (3) shall

be as under :-

(a) Residential immoveable property (other than flats) situated in an urban area, measuring at least 500 Square Yards or one Kanal (which is less) and more, -

/

Description of immovable property Rate of tax

(i) Where the value of immovable Property is 4% of the recorded value Whichever is recorded. of the landed area or value | higher.

specified in valuation

(ii) Where the value of immovable | table. property is not recorded.

Rs.100/- per'square yard of

(ii) Where the immovable property | the landed area. is a contracted property.

Rs.10/- per square feet of

the constructed area in addition to the value

| worked out above.

(b) Commercial immovable property of any size.situated in an urban area.- |

4% of the recorded value Whichever is of the landed area or value | higher. specified in valuation table.

(i) | Where the value of immovable Property is recorded.

Rs.100/- per square feet of the landed area.

(ii) Where the value of immovable property is not recorded.

Rs.10/- per square feet of the constructed area in } addition to the value worked out above. = i

Where the immovable property is a contracted property.

(c) Residential flats of any size situated in an urban area,-

(i) | Where the value of 4% of the recorded value. immovable Property is ' i

recorded.

(ii) Where the value of immovable | Rs.100/- per square feet of Property is not recorded. the covered area.

(5) The tax shall be collected by the person responsible for registering or attesting the transfer of the immovable property in respect of which the tax is payable. at the time of registering or attesting the transfer.

(6) Where the tax is not collected from the person liable to pay it, the tax may be collected by an officer designated by the Board of Revenue. in this behalf from the said person at any subsequent time. In case of any default or non-payment, the amount of unpaid tax may, in addition to any other mode of recovery as prescribed by rules made under sub-section (16) of this section, may also be recovered under the provisions of the Balochistan Land Revenue Act 1967 (XVII of 1967) as

arrears of land revenue.

(7) Where any person wilfully fails to collect the tax or having collected the tax fails to deposit the tax as required, he shall be personally liable to pay the tax along with default surcharge at the rate of 15% per annum for the period for which such tax or part thereof remains unpaid, and the Collector may recover it from the said person as arrears of land revenue after giving him an opportunity of hearing.

(8) Where at the time of recovery of tax under sub-section (7), it is established that the tax collected from person has meanwhile been paid by the person liable to tax, no recovery shall be made from the person who had failed to collect the tax but the said person shall be liable to pay default surcharge at the rate of fifteen percent per annum from the date he failed to collect the tax on the date the tax was paid.

(9) A person personally liable for any amount of tax under sub-section (7) as a result of failing to collect the tax shall be entitled to recover the tax from the person from whom the tax should have been collected.

(10) The recovery of tax under sub-section (6) does not absolve a person who failed to collect the tax from any other legal action in relation to the failure or from a charge of default surcharge.

(11) The order passed by an officer under this section shall be deemed to be an order passed by a Revenue Officer under the Balochistan Land Revenue Act. 1967 (XVII of 1967).

Amendment in
Act V of 1958.

Amendment in
Ordinance I of
2000.

(12) The provisions of sections 13 and 14 of the Balochistan Land

Revenue-Act 1967 (XVII of 1967) shall apply to cases under this section.

(13) For the purposes of appeal, review or revision, an order passed
under this section shall be deemed to be an order of a Revenue Officer within the
meanings of sections 161, 162, 163 and 164 of the Balochistan Land Revenue Act
1967 (XVII of 1967). >

(14) Where the tax has been recovered from a person not liable to
pay the same or in excess of the amount actually payable, an application may, in

writing, be made to the Collector for the refund of the tax or the excess amount.

(15) The proceeds of the tax collected under this section shall be
credited to the Provincial Consolidated Fund under the head specified by the —

4

Government.

(16) The Board of Revenue with prior approval of the Government,
may make rules relating to the collection and recovery of the tax or regarding any

ancillary matters relating to the tax, by a notification in the official Gazette.

(17) The Government may, by notification in the official Gazette,
exempt a class of immoveable property or a class of persons or a mode to transfer of
property from the levy or recovery of the tax subject to such conditions as may be

specified in the notification.

5; In the Balochistan Urban Immoveable Property Tax Act, 1958 (Act No. V of
1958), in section 4, for clause (h) the following shall be substituted:-

"(h) One residential house having constructed area of 2500 square feet

owned and self-occupied for his residential purpose by every citizen.

6. In the Balochistan Sales Tax Ordinance 2000 (Ordinance No. I of 2000), --

(1) in section 3,-

(a) in sub-section (1) for the words " of sixteen percent" the
words and comma " shown against each service specified in

the Schedule to this Ordinance, " shall be substituted;

(b) in sub-section (2) for the word "The" appearing in the beginning, the words with comma "Subject to the condition mentioned in the Schedule to the Ordinance, this" shall be substituted; and

(c) in sub-section (3) for the word "All" appearing in the beginning, the words with comma "Subject to the conditions mentioned in the Schedule to this Ordinance or in the notification issued by the Government of Balochistan, all" shall be substituted. .

(2) for the existing Schedule the following shall be' substituted, namely:-

SCHEDULE
[SEE SECTION 3(2)]

PCT
Headings

Services Conditions.

4

Services provided or rendered by hotels, (a) These services will not =|

restaurants, club and caterers. allowed input adjustment.

9801.1000 Services provided or rendered by hotels. (b} Provincial Government will

9801.2000 Services provided or rendered by restaurants. collect sales tax on these

services or authorize FBR to
collect sales tax on these *

9801.4000 Services provided or rendered by clubs.

9801.5000 Services provided or rendered by caterers, suppliers,

of food and drinks. services on behalf of the

5. Ancillary services provided or rendered by hotels, Provincial Government.
restaurants, caterers.

| 8. Advertisement (excluding advertisements
financed out of funds provided under grants-
in-aid agreements).

9802.1000 Advertisement on TV.

9802.2000 Advertisement on radio. 16%

: 9802.3000 Advertisement on closed circuit TV.

; 9802.5000 Advertisement on cable TV network. 16% .

5. 9802.9000 Others (Advertising on billboards, poles, signboards
en | and Hoardings). .

[om 98.05 Services provided or rendered by persons

1 authorized to transact business on behalf of |
others.

iL 9805.1000 Shipping agents. |] 16% ' |

2. 9805.2000 -| Sabena
3. 9805.3000 =| Freight forwarding agent. 16%
[4 9805.4000__}__ Customs Agents. _ 16%
| 5: 9805.8000 | Ship chandlers. 16%
6. 9808.0000_ __, Courier services. 16% a

10°

Telecommunication services, excluding-

{a) Internet services whether dialup or broadband including e-mail services, data communication Network Services (DCNS) and Value added Data Services.

{b) Such charges payable on the international leased lines or bandwidth services used by Software exporting firms registered with the Pakistan Software Export Board; and

(c) Data and internet service providers licensed by the Pakistan Telecommunication Authority.

(d) Such amounts received by the Long Distance calls International license holders including Pakistan Telecommunication Company limited on International incoming calls under agreement with the foreign telecommunication companies.

Telephone Services

Fixed line voice telep

Wireless telephone

Cellular telephone

9812.1000

9812.1100

9812.1200

9812.1210

19.5%

19.5%

19.5%

19.5%

9812.1220 Wireless local loop telephone 19.5%

9812.1300 Video telephone 19.5%

9812.1400 Payphone cards 19.5%

9812.1500 Pre-paid calling cards 19.5%

Voice mail service

bed :
uw

7.

10 9812.1700 Messaging service
11 9812.1710 Short Message Service (SMS)
9812.1720 Multimedia Message Service (MMS)
9812.1910 Shifting of telephone connection 19.5%
9812.1930 Provision of telephone extension 19.5%
16. 9812.1940 Changing of telephone connection 19.5%
i. 9812.1950 Conversion of NWD. connection to non NWD or voice 19.5%
versa
Cost of telephone set 19.5%
Restoration of telephone connection 19.5%
Others 19.5%
Bandwidth services 19.5%
Copper line based 19.5%
| 23. __| 9812.2300 __| Fiber-optic based 19.5%
Co-axial cable based 19.5%
| 25. | 9812.2400 __| Microwave based 19.5%
19.5%
1.27. __| 9812.2900 | Others CC*d:«C'9S
| 28. 9812.3000 | Telegraph C:~—“CNCCCC*#d«LOV“SN
| 29. | 98124000 | Telex —“*,“*;CTMCTMC*C*C*d«CS'SSG
| 30. [98125000 [Telefax C—C~“CSCTMC#*dC*N'
| 31. __| 98125010 | Store and forward faxservices CL «19.5%
| 32. | 98125090 | Others C—“CTMCSC*C#*d«CASNS
| 33. __| 9812.6000 __| Interetservices —CSC*~*C*éédC:«CC'S
| 34. [9812.6100 | Internet services including email services —*| «219.5%
| 35. | 9812.6110 __| Diai-upintemetservices SSCSC*d;«98XWS|__
| 36. | 9812.6120 | Broadband services for DSL connection —s«19.5% |
: 19.5%

(a) The registered
persans using these
services will allow input

adjustment.

(b) The proceeds of tax on

telecom shall be

credited directly

by telecom companies to the

province on the
of revenue

basis
generated on

the basis of origin of
service in the province.

(c) Provincial

Government

will authorize FBR to

collect sales tax on

services on

Provincial

these

behalf of the

Government.

9812.6121 Copper line based

149.
9812.6290
-[52.

[4 |
| 9813.1400 Marine insurance (excluding Marine insurance for
expor

11

[38. | 9812.6122 __| Fiber-optic based 19.5%

(40. | 9812.6124 Wireless based

9812.6125 Satellite based

9812.6129

9812.6130 Internet/email/Data/SMS/MMS services on WLL 19.5%
networks

ial 9812.6140 Internet/email/Data/SMS/MMS services on cellular 19.5%
mobile networks

| 45. [9812.6190 | Others 19.5%
| 46. | 9812.6200 __| Data communication network services (DCNS 19.5%
Co-axial cable based
| 48. | 9812.6230__| Fiber-optic based 19.5%

9812.6240 Wireless/radio based

Satellite based

9812.6300

9812.6320
[54 | 9812.6390
[s5. |

9812.9000
| 56. | 9812.9100

Audio text services
Tele text services

Trunk radio services

Paging services 19.5%

| 59. | 9812.9400 | Voice paging services SSS~S «8H
| 60. | 9812.9410 [Radio paging services SSSSS*~S~S~S~S SMH]
| 61. | 9812.9490 | Vehicle tracking services, SSSS~S~S 19.5%

Others 19.5%

9812.9090

Services provided or rendered by banking companies, insurance companies, cooperative financing societies, modarabas, non-musharikas, musharikas, leasing companies, foreign exchange dealers, non-banking financial institutions and other persons dealing any such services (excluding services provided or rendered by Banking companies and non banking financial companies in respect of Hajj and Umra, Cheque Book, Musharika and Mudaraba financing and utility bills collection.

(b)

(a) The registered persons using these services will be

allowed input
adjustment.

Provincial Government

will authorize FBR to collect

sales tax on these services

on behalf of the Provincial Government.

Services provided or rendered in respect of insurance | 16%

to a policy holder by an insurer, including a reinsurer

:

(excluding Life Insurance, Health Insurance and Crop

9813.1000
Insurance).

(2. | 9813.1100

(3. | 9813.1200

9813.1300 16%

| 6. __[9813.1600 | Others insurance including reinsurance | 16%

9813.2000 Services provided or rendered in respect of advances | 16%

and loans

| 8. __| 9813.3000 Financial leasing

(9. | 9813.3020 Commodity or equipment leasing 16%

9813.3030

98133090 | Others S™*~“—*~*~*~*~s «*SOMHSC*dS

12. 9813.3900 Services provided or rendered in respect of

musharika financing

13. ~ 9813.4000 Services provided or rendered by: banking companies

* speusmasaanel — _in relation to.

| 14. 9813.4100_ {| Guarantee.

15. | 9813.4200 _ Brokerage. _

| 16. | 9813.4300 | Letter of credit.

[a [9813.4400 Issuance of pay order and demand draft

(18. | 9813.4500_| Bill of exchange. :

19. | 9813.4600 Transfer of money including telegraphic transfer, mail

transfer and electronic transfer.

20. [98134700

Bank Guarantee. 16%

21. _; 9813.4800____|_Bill discounting commission

122.4 9813.4900 Safe deposit lockers.

23. : 9813.4910 | Safe vaults. _ 1

: 24s 9813.5000 | Issuance, processing and operation of credit and 16%

_— = _... _.| debit cards.

25. | 9813.6000 | Commission and brokerage of foreign exchange 16%

— _ _.. dealings,

: 26. T 9813.7000 Automated telier machine operations, maintenance 16%

— —_ __ |_and management.

_27.____; 9813.8000_|: Service provided as banker to an issue | 16%

. 28. : 9813.8100 Others. 16%

| F. 98.19 Services provided or rendered by specified

— _____| persons or businesses.

bee ol. -9819.1000 | Stockbrokers. 16%

t 26 9819.9090 Services provided or rendered by port and terminal 16%

—_— | operators in relation to imports. .

G. _9823.000 __| Franchise services.

~ 16% |

Franchise services

MUHAMMAD AZAM DAWI.

Secretary,

Additional Secretary (Legis:)