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BALOCHISTAN PROVINCIAL ASSEMBLY SECRETARIAT

NOTIFICATION.

Dated Quetta, the 27" March,2012.

No.PAB/Legis: V (01)/2012. Having been passed the Balochistan

* Zakat and Ushr Bill No.1 of 2012, by the Provincial Assembly of Balochistan or
20" March,2012 and assented to by the Governor, Balochistan on 22"! March,2012

~ is hereby published as an Act of the Balochistan Provincial Assembly.

THE BALOCHISTAN ZAKAT AND USHR ACT,2012,

ACT NO.I OF 2012.

(First published after having received the assent of the Governor of Balochistan
in the Balochistan Gazette(Extra-ordinary)dated 22" March,2012.

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AN
ACT

To make provisions. relating to the assessment, collection and disbursement of Zakat and Ushr.

Preamble.. Whereas it is necessary to make provisions relating to the assessment, collection and disbursement of Zakat and Ushr and matters connected therewith or incidental thereto;

And whereas Zakat including Ushr, is one of the fundamental pillars Arkan) of Islam; and prime objective of the collection of Zakat and Ushr, and disbursements therefrom, is to assist the needy, the indigent and the poor; ,

And whereas the rates of Zakat and Ushr, as also the purposes for the utilization of Zakat and Ushr, are specified in Shariah: and

And whereas Shariah enjoins all Muslims who are Sahib-e-nisab to pay, and the State to arrange for the proper collection, disbursement and utilization of Zakat and Ushr, and also allows such Muslims to disburse for the purposes authorized by Shariah the part thereof not collected by the State:

It is hereby enacted as follows:-

CHAPTER | - PRELIMINARY

1. Short title, extent, application and commencement.—

(1) This Act may be called the Balochistan Zakat and Ushr Act, 2012.

(2) It extends to the whole of the Province of Balochistan except the Tribal Areas.

(3) It applies as regards payment and recovery of Zakat and Ushr, only to Muslim citizens and a company, or other association, of persons, or body of individuals, whether incorporated or not, majority of the shares of which is owned, or the beneficial ownership of which is held, by such citizens.

Provided that:

i— In respect of a person who' may believe that the whole or any part of the recoveries effected from him in the manner laid down in this Act are not according to his belief, such recoveries shall nevertheless be made, but

_ Shall be deemed to be contribution to Zakat Fund on the part of that person:

II— (a) no Zakat or Ushr shall be charged or collected on compulsory basis in respect of the assets or the produce of a person who, not less than. thirty days preceding the Valuation Date in the case of Zakat and at any time before the Valuation Date in the case of Ushr, files with the Deducting Agency or with the Local Committee in the case of Ushr, a declaration or an attested copy thereof, in the prescribed form, sworn by him before a Magistrate, an Oath Commissioner, a Notary Public or any other person authorized to administer oath, in the presence of two witnesses who identify him, to the effect that he is a Muslim and a follower of 6ne of the recognized Fighs, ;

which he shall specify in the declaration, and that his faith and the said Figh do not oblige him-to pay the whole or any part of Zakat or Ushr in the miariner'taid down in this Act;

and

(b) a declaration, or an attested copy thereof, filed as aforesaid in one Zakat Year, whether before or after commencement of Zakat and Ushr Act 2012, shall continue to be valid for so long as—

(i) | the declaration or copy, and the asset liable to

Zakat to which it relates, remain in the custody of the Deducting Agency; or

(ii) the person filing the declaration or copy,

continues to hold, in respect of the land to the produce of which it relates, the same status as he held at the time of filing the declaration, and the declaration or copy remains in the custody of the Local Committee:

III— where for any reason Zakat or Ushr is collected on compulsory basis from such a person and he does not wish to leave it in the Zakat fund as Sadaqah or Khairat in the name of Allah as a manifestation of the unity of the Ummah and claims refund, on the basis of a declaration as aforesaid filed by him within the period specified in the first proviso or within such further period as may be prescribed, the amount so collected shall be refunded to him in the prescribed manner.

Explanation.-- in this Act reference to Zakat deductible at source or to Ushr realizable on compulsory basis shall be construed to imply a reference' to contributions to Zakat Fund also.

IV— the Federal Shariat Court may, on the application of any person, decide the question whether a declaration such as is referred to here above in the clause / and // of

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the proviso to sub-section (3), made by any person is valid according to the Figh he professes to follow; and where the Court decide that the declaration is not valid, such person shall, without prejudice to any other Action that may be, taken against him under any other law, shall be liable to pay Zakat or Ushr as the case may be, in the manner laid down in this Act.

It shall come into force at once and shall be deemed to have taken effect from 22" day of July, 2011.

2. Definitions. - In this Act, unless there is anything repugnant in

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the subject or context, —

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"Annuity" means the sum payable periodically, according to the annuity policy conditions, to an annuitant

during his life-time, or for a fixed number of years, as

the case may be, and includes the scheme of postal annuities as notified by the Government;

"Assets" means assets liable to Zakat as provided in this Act;

"Atiyyat" means voluntary donations to the Zakat funds, otherwise than on account of Zakat or Ushr, and includes Sadagat-e-nafilahs.

"Chief Administrator" means the person appointed as such under section 13, and includes an officer authorized by him to exercise or perform any power or function of Chief Administrator under this Act:

"Company" means a company as defined in the Companies Act1984 (Ord. No. XLVII of 1984);

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“Deduction Agency” means a bank, post office or other institution referred to in the fifth column of the First Schedule; ,

“Deduction Date” means, in respect of the assets Zakat is to be deducted at source and which is or are specified in the fourth column of that Schedule;

“District” means the revenue District as notified under the Balochistan Land Revenue Act 1967 (Act No. XVII of 1967);
“District Committee” means a Committee constituted under section 14;

“Government” means the Government of Balochistan;
“Government Security” has the same meaning as in the Securities Act, 1920 (Act No. X of 1920);

“Institution” means Deeni Maddaris, educational, vocational and social welfare institutions, public hospitals, charitable institutions and other institutions providing health care;

“Insurer” means the State Life Insurance Corporation of Pakistan or Postal Life Insurance or any other Insurance Company providing insurance services;

“Local Committee” means a Committee constituted under section 16;

“Locality” means the area within the jurisdiction of Local

Committee;

“Maturity value” means the sum payable, according to stipulated conditions, on survival of the life assured to the specified age or to the end of the term of the policy;

“Nisab in relation to assets liable to Zakat, except agricultural produce and animals feed free in pastures”

means 612.32 grams of silver; or cash, gold, goods for

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trade or any other assets liable to Zakat under Shariah,

the aggregate value of which is equal to the value of

612.32 grams of silver, as notified by the Chief

Administrator for each Zakat year or, in the case of a

person whose assets liable to Zakat consist only of gold, 87.48

grams of gold;

“Act” means the Balochistan Zakat and Ushr Act, 2012;

“Prescribed” means prescribed by rules or regulations made under

this Act;

“Produce” means gross agricultural, horticultural or forest produce;

“Provident Fund” has the same meaning as in the

Provident Funds Act, 1925 (Act No. XIX of 1925);

“Provincial Council” means the Council established under section

12;

“recognized Provident Fund” means a Provident

Fund recognized as such, by the competent authority,

under the Income Tax Ordinance, 1979 (Ord: No. XXXI of 1979);

“Return” means income, howsoever described, accruing on an

asset; |

"Rule" means rules made under this Act;

"Sahib-e-nisab" means a person who owns or possesses

assets not less than nisab, but does not include:—

(i) the Federal Government, a Provincial Government or a local authority;

(ii) a Statutory corporation, a company or other enterprise, owned wholly, directly or indirectly, by the Federal Government, a Provincial Government, a local authority or a corporation owned by the Federal Government or a Provincial Government, either singly

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or jointly with one or more of the other three:

a subsidiary of a statutory corporation, a company or

other enterprise referred to in sub-clause (b) and wholly

owned by it;

the National Investment (Unit) Trust:

the Investment Corporation of Pakistan and its Mutual Fund;

a recognized Provident Fund:

any Unit Fund maintained by the Defence eunaees,

including the Civil Armed Forces:

a Zakat Fund;

an institution, fund, trust, endowment or society:-

a. registered as a charitable organization under the Societies Registration Act, 1860 (XXI of 1860), or as a company under Section 26 of the Companies Ordinance 1984 (XLVII of 1984), or registered or approved as a charitable or social welfare Organization under any other law for the time being -in force; and

b. approved by the Central Board of Revenue/ Provincial Broad of Revenue for the purposes of Section 47 of the income Tax Ordinance,1979 (Ord: No. XXXI of 1979);

a Deeni-Madrasah registered as such by the Industries

Department, Government of Balochistan:

a mosque; . .

an orphanage registered as such under the law

relating to orphanages;

a Worker Participation Fund established under the

Companies Profits (Workers Participation) Act, 1968 (Act

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No. Xil of 1968): or

(xiv) amount of a party to suit or case kept with or under the orders of a court pending decision of the suit or case;

“Security” means any stock, share, script, Debenture, bond, pre-organization certificate, or instrument commonly known as security;

“Share” means a share in the share-capital of a company, or in any body corporate established by or under a Federal Law or a Provincial Law, and includes stock;

“sub-division” means a sub-division of a district as notified by the Provincial Government:

“Surrender value” means a sum payable by an insurer on cancellation of a life-insurance policy or annuity, according to stipulated terms and conditions, at any time before maturity benefits become available:

“Survival benefit” means the amount payable according to life-insurance policy conditions, during the currency of a policy, on survival of the life assured to the specified date as stipulated in the policy;

“Taluka Committee or Sub-divisional Committee” means a committee or Town committee constituted under section 15:

“Tehsil Committee” means a Tehsil committee constituted under section 15;

“The Council” means the Balochistan Provincial Zakat Council constituted under section 12;

“Valuation Date” means—

(i) in respect of assets liable to Zakat, the first day of the Zakat year; and

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(ii) in respect of produce liable to Ushr, such date or dates as may be prescribed or as may be notified by the Chief Administrator within his jurisdiction; for the evaluation of the assets or the produce for the purposes of this Act;

“Zakat Fund” means a Fund established under section 7; and |

“Zakat year” means year according to the Hijra calendar

for which Zakat is chargeable, commencing on the first day

of Ramadhan-ul-Mubarak and ending with the last day of

the following Sha'ban-ul-Moazzam. .

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CHAPTER II — ZAKAT

3. Charge and collection of Zakat.— (1) Subject to the other provisions of this Act Zakat in respect of assets mentioned in the First Schedule shall be charged and collected, on compulsory basis, for each Zakat year, at the rates and in the manner specified therein, and as may be prescribed, from every person who is on the Valuation Date, and for whole of the

preceding, egal year been, Sahib-e-nisab and who owns or possesses such assets on the Valuation Date:

Provided that where an asset mentioned in the FIRST SCHEDULE has been assigned by. the person owning or possessing it, in favor of another person. Zakat in respect of that asset shall be charged and collected on compulsory basis as if the asset had not been so assigned;

Provided further that, if an asset was owned or possessed by a person on the Valuation Date but is owned or possessed by some other person on the Deduction Date, the Zakat on such asset shall be charged and collected from such other person on behalf of the person owning or possessing it on the Valuation Date:

Provided further that, if a person proves in the prescribed manner to the satisfaction of the Local Committee of the locality where he ordinarily resides that he was not a Sahib-e-nisab on the Valuation Date or was not in ownership or possession of assets of the value of nisab for the whole of the preceding Zakat year. Zakat shall not be so charged and collected from him, or if collected shall be refunded to him in the prescribed manner:

Provided further that no Zakat shall be charged and collected from the assets of a person who died on or before the Deduction Date;

Provided further that no Zakat shall be charged or collected on compulsory basis in respect of any of the assets mentioned in the FIRST SCHEDULE which—

(a) have been acquired against payment in foreign currency;

or

(b) are maintained in foreign currency and the return on which and the value on encashment redemption or withdrawal of which, is payable in foreign currency;

Provided further that the Federal Government may, by notification in the official Gazette, exempt any class of bonds or certificates issued by the Federal Government or a statutory corporation, a company or other enterprise, owned, directly or indirectly by the Federal Government, a Provincial Government, a local authority or a corporation owned by the Federal Government or a Provincial Government, either singly or jointly with one or more of the other three, from deduction of Zakat on compulsory basis.

(2) In determining the amount to be collected as Zakat on compulsory basis, the value of an asset on which Zakat is deductible at source may be reduced, to the extent and in the manner prescribed, only

on account of debts which have been—

(a) primarily secured by that asset:

(b) Used for the creation of an asset on which Zakat is ;

deductible at source; and

(c) Obtained from the Deducting Agency having custody of © the asset securing the debt and of the asset created under clause

(b).

(3) | Where a person from whom Zakat has been deducted at source--

(a) Proves that:-

(i) he is not a Mustim, or

(ii) he is not a citizen of Pakistan, or

(iii) the amount deducted from him is more than what is

due under this Act either on account of an error apparent from the record, or on account of reduction provided for in sub-section (2) not having been duly allowed to him, or

(iv) he falls under any of the exclusions given in sub-clauses (i) to (xiv) of clause (z) of section 2, or

(b) proves, as laid down here above, in the third proviso to sub-section (1), that he is not a Sahib-e-nisab or was not in ownership or possession of nisab for the whole of the preceding Zakat year, or

(c) files a declaration such as is referred to in the clause-I of the proviso to sub-section (3) of section 1, which has not been challenged in the Federal Shariat Court under clause-IV 'of the proviso to sub-section (3) of section 1 and claims refund, the amount so deducted or, as the case may be, the amount so deducted in excess shall be refunded to him in the prescribed manner.

(4) Where the recovery of Zakat deductible at source, in respect of any of the Assets mentioned in the FIRST SCHEDULE, falls into arrears, the Chief Administrator may forward to the Collector of the district concerned a duly signed certificate specifying the amount of arrears due and the particulars of the person from whom due, and the Collector shall, on receipt of such certificate, proceed to recover the amount so specified, as if it

were an arrear of land revenue.

(5) A Sahib-e-nisab may pay either to a Zakat Fund or directly those eligible under Shariah to receive Zakat so much of the Zakat due under Shariah as is not deductible at source under this Act for example, that due in respect of assets mentioned in the SECOND SCHEDULE.

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(6) Any amount deducted at source by the Deducting Agency from

any person shall be treated as payment of Zakat on behalf of person or,

in the case of a person referred to in sub-section (3) of section 1, as

contribution to Zakat Fund or Sadaqah or Khafrat. in the name of as as

the case may be, on the part of that person. x ns a

4. Secrecy of information.— Any information furnished or collected in connection with the deduction of Zakat at source under this Act shall be treated as secret and shall not be used for any other purpose, including the assessment or collection of: -any tax.

CHAPTER III - USHR

5. Charge and collection of Ushr.— (1) Subject to the other provisions of this Act there shall be charged and collected, on compulsory basis, in such manner as is laid down in section 6, and as may be prescribed, from every land-owner, guarantee, allottee, lessee, lease-holder or land-holder (other than a person excluded from the definition of sahib-e-nisab), Ushr at the rate of five per cent of his share of the produce, as on the Valuation Date:

Provided that if any plot of land is used principally for growing one crop and a small portion thereof, not exceeding one-fourth of an acre, is used for growing another crop, Ushr shall not be charged in respect of the produce of such small portion.

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Explanation— In this section and section 6, 'land-owner', "guarantee", "allottee", "lessee", "lease-holder" and "land-holder" shall have the same meaning as in the laws relating to land administration. and 'land-holder' includes a person in possession of any plot of land who has a crop on such plot. . a

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(2) An individual land-owner, guarantee, allottee, lessee, lease-holder or land-holder shall be exempted from the compulsory levy of Ushr if

(a) he is eligible under Shariah to receive Zakat : Or

(b) the produce from his land is less than five Wasqs (=948 Kilograms) of wheat, or its equivalent in value in the case of other crops liable to Ushr.

, (3) The currency @quivalent of five Wasqs of wheat in value

. shail bizeuich as may be notified for each Zakat year by the Chief Administrator.

5: ' (4) "_Ushr shall be thers charge on the produce.

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: "Prévided. that where the produce consists of wheat or paddy, Ushr at id exhion of the (Provineialfpuncip may be collected in kind.

* = ey A Sahib- -e- nisad 'anay pay either to the Local Zakat Fund or directly? to those eligible atider Shariah to receive Zakat,.so much of the Ushr,du¢ under Shariah a vis not compulsorily reliable under this Act for ckdinpte, in fespect of item 9 the SECOND SCHEDULE,

6. woud of —, and collection of Ushr:- The Balochistan Provinti] Rewenue Departthent shall assess and collect Ushr in respect of a land-awribr, guarantee, fessee, lease-holder or land-holder in the prescribed manner, and maintain the record containing such information for a crop season as may be requited for the purposes of this Act.

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(2). 10 the case of lease in force immediately before the commencement of this Act or, after the commencement of the Finance Act, 1998, the liability of the lessor and lessee to pay Ushr shall be equitably appostion&d between them by the Tehsildar.

(3) An assessee aggrieved by the assessment under sub-section (1), or as the case may be, a lessor or lessee aggrieved by the apportionment under sub-section (2), may, within thirty days of the Provincial Revenue Department announcing the assessment, or, as the case may be, apportionment, apply, in the prescribed form and manner to the Assistant Commissioner or Sub-Divisional Magistrate for a revision of the assessment or apportionment:

Provided that no such application shall be admitted unless the applicant has deposited into the District Zakat Fund not less than fifty per cent of his liability as assessed or apportioned by the Provincial Revenue Department.

(4) The Assistant Commissioner or Sub-Divisional Magistrate may, at any time, either of his own motion or on the application of an adult Muslim residing within his jurisdiction, make an order enhancing the liability assessed under sub-section (1) or apportioned under sub-section (2):

Provided that no such order shall be made unless the person affected has been given an opportunity of showing cause against it and of being heard.

(5) The Assistant Commissioner or Sub-Divisional Magistrate to whom application is made under sub-section (3) or sub-section (4), or who takes up a matter under sub-section (4) of his own motion, shall give his decision within a period not exceeding one month counted from the date on which he receives the application or, as the case may be, so takes up the matter; and such decision shall be final and shall not be questioned before any court or other authority.

-(6) The demand as determined under sub-section (1) or as the case may be, under sub-section (1) or sub-section (5), shall be paid by the assessee and collected by the Provincial Revenue Department in such manner as may be prescribed and deposited into the Provincial Zakat Fund.

(7)

Where the recovery of Ushr compulsorily realizable under this Act

falls into arrears, the Tehsildar shall proceed to recover the amount so specified as if it were an arrears of land revenue.

CHAPTER IV — ZAKAT FUNDS

7. Establishment of Zakat Funds. — There shall be established the following Zakat Funds, namely,

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Balochistan Zakat Fund to which shall be credited—

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the Zakat deducted at source/ the transfers to it from the Federal Zakat Collections;

any other receipts including the share of the Provinces from the Central Zakat Collections Fund;

the Zakat paid into it voluntarily including voluntary contribution made by Pakistani citizens and other persons residing abroad and Federal Government:

the transfers, if any, from the District and Local Zakat Funds; and

the grants, Atiyyaf and any other receipts including voluntary contributions made by Pakistani citizens and

other persons residing abroad:

a District Zakat Fund for each District to which shall be credited—

(i)

(ii)

(iii)

(iv)

the transfers to it from the Provincial Zakat Fund;

the proceeds of Ushr to be deposited in the personal ledger account of District Zakat Fund;

the Zakat paid into it voluntarily:

the transfers, if any, from the Local Zakat Funds; and

(c)

(v) the grants, Atiyyat and any other receipts; and

a Local Zakat Fund for each Local Committee to which shall be credited—

(i) the Zakat paid into it voluntarily;
(ii) the transfers to it from the District Zakat Fund;
(iii) the transfer to it from the Provincial Zakat Fund; and

(iv) the grants, Atiyyat and any other receipts.

8. Utilization of Zakat Funds. — The money in the Balochistan

Zakat Fund shall be utilized for the following purposes, namely:—

(a)

(b)

(c)

assistance to the needy, the indigent and the poor particularly orphans and widows, the handicapped and the disabled, eligible to receive Zakat under Shariah for their subsistence or rehabilitation, either directly or indirectly through Deeni Maddaris or educational, vocational or social institutions, public hospitals, charitable institutions and other institution providing health care:

Provided that the lists of the individuals to be assisted directly and of the institutions through which assistance is to be given . from a Zakat Fund shall be prepared and maintained in such , form and manner as may be prescribed;

assistance to the needy persons affected or rendered homeless due to natural calamities like floods and earthquakes and for their rehabilitation;

expenditure on the collection, disbursement and administration of Zakat and Ushr.

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Provided that—

(i) the expenditure on the administrative organization of a Chief Administrator, the Provincial Council, and a District Committee shall be met by the Provincial Government; and

(ii) the funds not exceeding ten percent approved in the budget shall be retained in the Provincial Zakat Fund to meet such additional expenditure of a Local Committee as may be approved by the Provincial Zakat Council:

Provided also that the banking services and the services connected with the assessment, collection or disbursement of) Zakat and Ushr realizable on compulsory basis under this Act shall be rendered free of charge, except that the Chief Administrator, in regard to Ushr, may authorize payment of remuneration for any specified services:

Investment in any non-interest bearing instruments as_ is permitted under Shariah;

Any other purpose permitted by Shariah;

Honorarium to the Chairman, amount of which shall be decided by the

Council.

(g) — Allowance to the non-official members of the council for attending each meeting of the Council, as may be decided by the Council.

Disbursements from Zakat Funds. — (1) The Provincial Zakat Council

shall prepare budget for each financial year and may, from the Provincial Zakat Fund, make disbursements and transfer funds in a manner as may be

prescribed and as would help in ensuring satisfaction of the needs of the needy and the poor throughout the Province, as far as possible, on a uniform basis.

(2) The Provincial Council may from the Provincial Zakat Fund make disbursements and transfer funds to the personal ledger account of the District Zakat Fund on the basis of population in such form and manner as may be prescribed and as would help in ensuring satisfaction of the needs of the needy and the poor throughout its jurisdiction, as far as possible, on a uniform basis.

(3) A District Committee may make disbursements and transfer through crossed cheques funds from District Zakat Fund to a local Zakat Fund or to an institution or incur other administrative expenditure subject to such conditions as may be prescribed and may, whenever directed by the Provincial Council, transfer any funds surplus to its needs to the Provincial Zakat Fund.

(4) A Local Committee may disburse or incur expenditure from the Local Zakat Fund through crossed cheques or as may be prescribed:

Provided that a Local Committee may, if so required by the Provincial Council or the District Committee, transfer any funds surplus to its needs from the Local Zakat Fund to the Provincial Zakat Fund or, as the case may be, District Zakat Fund surplus to its needs;

Provided further that the Balochistan Provincial Council or a District Committee shall disburse Zakat through a Bank or a Post Office or any other financial institution as may be determined by the Provincial Zakat Council in such form and manner as may be prescribed.

10. Accounts. — (1) The accounts of the Balochistan Provincial Zakat Fund, a District Zakat Fund, and a Local Zakat Fund shall be maintained and Operated, respectively, by the Chief Administrator, the District Committee and the Local Committee, in such form and manner as may be prescribed.

(2) The records of the accounts of the Zakat Funds shall be preserved for such period, and shall be made available for audit on inspection to such persons or agencies, and in such manner, as may be prescribed.

11. Audit. — (1) To Carry out audit of the Balochistan Provincial Zakat Fund annually or at shorter intervals, the Provincial Council, shall request the Director General Audit and Local Fund Audit to conduct the audit.

(2) To carry out audit of a District Zakat Fund within the Province annually or at shorter intervals, the Provincial Council shall request the Director-General Audit to conduct the audit.

(3) To carry out audit of the Local Zakat Funds within a District annually or at shorter intervals, the District Committee shall request the Director General Audit to conduct audit of the local fund.

(4) The audit performed by Director General Audit under sub-sections (1), (2) and (3) shall include propriety audit.

(5S) The annual report of the Director-General Audit on the Balochistan Provincial Zakat Fund shall be laid before the Provincial Assembly, and that on a District Zakat Fund or a Local Zakat Fund before the District Assembly/Council concerned established under the law relating to local

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government.

(6) Nothing in this section shall be deemed to prevent—

(a) The Provincial Council from getting audited any of the District . or Local Zakat Funds within its jurisdiction; or

(b) A Local Committee from getting its own Local Zakat

Fund audited.

(7) Notwithstanding anything contained in the preceding sub-sections, the Director General Audit shall conduct annual audit of the Balochistan Provincial Zakat Fund, District Zakat Funds and Local Zakat Funds

including the accounts of a Deducting Agency or an Institution receiving Zakat.

12. Balochistan Provincial Zakat Council.— (1) The Government shall establish Balochistan Provincial Zakat Council by notification in the official Gazette, to exercise general superintendence and control over matters relating to Zakat and Ushr, particularly the Zakat Funds in the Province and the maintenance of their accounts, in accordance with the policy guidelines given by the Provincial Zakat Council.

(2) The Balochistan Provincial Zakat Council shall consist of—

(a) A Chairman;
(b) Six persons, of whom three shall be U/ema, to be nominated

by the Government;

(c) Two women, who shall not be less than forty-five (45) years of Age, to be nominated by the Government;

(4) The Secretary to the provincial Government in the Finance Department ;

(e) The Secretary to the Government in the Local Government Department:

(f) The Secretary to the Government in the Social Welfare Department; and

(g) The Secretary to the Government in Religious Affairs and Inter Faith Harmony Department.

(h) The Chief Administrator, who shall also be the Secretary of the Council.

(3) The Government shall appoint a serving or retired Judge of the High Court

as Chairman of the Council.

(4) The Chairman and members of the Council, not being an ex-officio member, shall hold office for a term of three years and shall be eligible for re-appointment.

(5) The Chairman or a member, not being an ex-officio member, may, by writing under his hand addressed to the Chief Minister resign his office,

(6) Subject to sub-section (5) the Chairman or, as the case may be, a member Shall continue to hold office until his resignation is accepted by the Chief Minister.

(7) Any vacancy in the office of Chairman or member, other than an ex-Officio member, shall be filled by nomination, in accordance with sub-section (2) or sub-section (3) as the case may be, of a person qualified to hold the office.

(8) The Chairman or the member nominated under sub-section (7) shall hold Office for the unexpired term of his predecessor.

13. Chief Administrator.— (1) In the Province, for carrying out the Purposes of this Act there shall be appointed by the Provincial Government, a Chief Administrator:

(2) The Chief Administrator shall have the status and grade of a Secretary to the Government and his tenure and other terms and conditions of service shall be such as may be determined by the Provincial Government.

(3) The Chief Administrator shall act under the general Superintendence and control of the Council and perform, as the Chief Executive of the Council, such functions as are assigned to him by or under this Act.

(4) The Chief Administrator Zakat who is Secretary of the Council shall convene meeting of the Provincial Zakat Council and decide venue of the meeting. :

14. District Zakat and Ushr Committee.— (1) In each district, a District Zakat and Ushr Committee, shall be constituted by the Provincial Council.

(2) The District Committee shall, subject to such guidelines as may be given by the Provincial Council—

(3)

(a)

(b)

(c)

(d)

(e)

24

Oversee, generally, the functioning of administrative organization of Zakat and, more particularly, the assessment of Ushr and Atiyyat and the disbursement and utilization of the moneys in the District Zakat Fund and the Local Zakat Fund; :

For the purposes mentioned in clause (a), make plans for the District, in such form and manner as may be prescribed;

Prepare and maintain accounts of the District Zakat Fund in such form and manner as may be prescribed:

Compile accounts of the Local Zakat Funds, for the district, in such form and manner as may be prescribed; and

Arrange, in the prescribed manner, audit of the Local Zakat Funds in the District.

The District Committee shall consist of—

(a)

A Chairman, who shall be a non-official person, the Deputy Commissioner of the district and two women from: within the district who shall not be less than forty-five years of age and one non-official member from each Tehsil, taluqa or sub-division in the district:

Provided that, where the number of Tehsils, Taluqas or sub-divisions in a District is less than five, the number of members other than the Chairman and the women members shall be raised to seven:

Provided further that, in any District where there is a District Social Welfare Officer appointed by the

Government, the District Committee may co-opt him as a member of the Committee, ex-officio;

(b) The District Zakat Officer, who shall also be the Secretary of the Committee.

(4) The Chairman shall be nominated by the Government in consultation with the Provincial Council and the members shall be nominated by the Provincial Council in consultation with the Chairman:

Provided that the Chairman District Zakat Committee shall be a person who possess Secondary School Certificate or equivalent qualification and of high moral character not commonly known person who violate Islamic Injunctions, is of financial integrity and do not engage in political activities.

Provided further that members of the district committee shall be the person who are of good moral character, are not commonly known as person who violate Islamic injunction, are of financial integrity and do not engage in political activities.

(5) The District Committee so constituted shall be duly notified by the Provincial Council.

(6) The Chairman and members of the District Committee, not ' being an ex-officio member, 'shall hold office for a term of three years:

Provided that in the event of delay in the constitution of the new Committee under sub-section (3), the Provincial Council may ask a

District Committee to continue to function for a period not exceeding six months after the expiry of the term of its office.

(7) The Chairman or a member, not being an ex officio member, may, by writing under his hand addressed to the Provincial Council, resign his office.

(8) Subject to sub-section (7) the Chairman or, as the case may be, a member shall continue to hold office until his resignation is accepted by the Provincial Council.

(9) Any vacancy in the office of Chairman or member, other than an ex-officio member, shall be filled by the nomination in accordance with sub-section (4), of a person qualified to hold the office.

(10) The Chairman or member nominated under sub-section (9) ° shall hold office for the unexpired term of his predecessor.

(11) The District Committee Shall hold meetings of the Committee at least once in every three months.

15. Tehsil, Sub-divisional Zakat and Ushr Committee or Town Zakat and Ushr Committee. — (1) There shall be constituted a Tehsil Zakat and Ushr Committee in each Tehsil or Taluka:

Provided that, if the Provincial Council so directs in respect of any Sub-tehsil, a Tehsil Zakat and Ushr Committee may be constituted in the Sub-tehsil; and, where a committee is constituted in a sub-tehsil such committee . and such sub-tehsil shall be deemed to be a Tehsil Zakat and Ushr

Committee and a' tehsil, respectively, for the purposes of this Act.

“. (2) The Tehsil Committee or Sub-divisional: Committee shall, Subject to such guidelines as may be given by the Provincial Council, the Provincial Council or the District Committee—

(a) oversee assessment of Ushr and collection of Zakat, Ushr and Atiyyat, and the disbursement and _ utilization of the

aT

moneys in the local Zakat Funds, by the Local Committee in the tehsil, or sub-division;

(b) for the purposes mentioned in clause (a), make plans for the tehsil, or sub-division as the case may be, in such form and manner as may be prescribed;

(c) compile accounts of the Local Zakat Funds for the tehsil, or sub-division, as the case may be, in such form and manner as may be prescribed; and

(d) tender to the District Committee advice on any matter connected with the collection, disbursement or utilization of Zakat or Ushr. |

(3) The Tehsil Committee or Sub-divisional Committee shall consist of the Assistant Commissioner, two women members and six members to be elected, in the prescribed manner, by the Chairmen of the Local Committees of the Tehsil, Taluqa or sub-division, from amongst themselves:

Provided that, if there are more than two Tehsil Committees within the jurisdiction of a Assistant Commissioner he shall be a member of only such of the Committees as the Provincial Council may specify and the Provincial Council may nominate the Tehsildar of the tehsil concerned, as the case may be, to be the member of any other of the said Tehsif Committee, Committees;

Provided further that the two women members shall be nominated by the District Committee in consultation with the Chairman of the Tehsil or Sub Divisional Committee concerned, who shall not be less than forty-five years of age.

(4) |The members of the committee shall elect one of their members

to be the Chairman of the Committee; and, if two or more persons secure equal number of votes, the result of the election shall be determined by drawing lots.

(5) The Tehsil, or Sub-Divisional Committee so constituted shall be duly notified by the District Committee concerned.

(6) The Chairman and members of a Tehsil Committee, or Sub-Divisional Committee, not being an ex-officio member, shall hold office

for a term of three years and shall be eligible for re-election.

(7) The Chairman or a member, not being an ex-officio member, may by writing under his hand addressed to the Tehsil Committee or, as the case may be, or Sub-Divisional Committee, resign his office.

(8) Subject to sub-section (7), the Chairman or a member shall continue to hold office until his resignation is accepted by the Tehsil Committee or, as the case may be, Sub-Divisional Committee.

(9) Any vacancy in the office of Chairman or member, other than an ex-officio member, shall be filled by election, in accordance with sub-section (3), or, as the case may be, sub-section (4), of a person qualified to hold the office.

(10) The Chairman or member elected under sub-section (9) shall hold office for the un-expired term of his predecessor. .

16. Local Zakat and Ushr Committee.— (1) A local Zakat and Ushr

Committee shall be constituted for—

(a) Each revenue estate in settled rural area; and

(b) Each Deh or village in non-settled rural area; and

(C) each ward in urban area:

Provided that, if in the Opinion of the Provincial Council the population of a revenue estate, Deh or village is too large, or too small, to have one local Zakat and Ushr Committee, such revenue estate, Deh or village may, if too large, be divided into two or more localities, or if too small, grouped with other revenue estates, Deh or village to form one locality, and where revenue estates, Deh or village is so divided or grouped after the constitution of a local Committee that it covers a population of ten thousand Persons the Provincial Council may make such consequential orders as may be necessary for the purposes of this Act.

Explanation— \n this sub-section, —

(a) "urban area" means area within the local limits of Municipal Corporation, Municipal Committee, Cantonment Board or Town Committee;

(b) "rural area" means area other than urban area;

(c) "settled rural area" means rural area for which revenue settlement record exists;

(d) "Non-settled rural area" means rural area other than

. settled rural area: and

(e) "Ward" means a distinct and compact locality the

population of which does not exceed ten thousand Persons approximately.

The Local Committee Shall, subject to such guidelines as may

be given by the Provincial Council and the District Committee, or the Tehsil, or Sub-Divisional Committee—

- (a) determine /stehqag separately for—
 - (i) subsistence allowance;
 - (ii) rehabilitation, either directly or indirectly through Deeni Maddaris, educational, vocational and social welfare institutions;
 - (iii) treatment through public hospitals, charitable institutions and other institutions providing health care: and
 - (iv) any other purpose as may be permitted by Shariah;
- (b) collect voluntarily Zakat, Ushr and Atiyyat and deposit the moneys in the District Zakat Fund: |
- (c) prepare and maintain accounts of the Local Zakat Fund in such form and manner as may be prescribed; and
- (d) tender to the Tehsil, District Committee advice on any matter connected with collection, disbursement and utilization of Zakat, Ushr and Atiyyat.

(3) |The Local Committee shall consist of nine members, of whom two: shall be Musiim women who are not less than forty-five years of age selected by the residents of the locality in the manner specified in sub-section (4).

(4) The District Committee shall constitute a team of three or more persons including at least one gazetted officer, one Aalim-e-Deen and one member of the District Committee to organize a public gathering of the adult Muslims, teachers and Ulema residents of a locality and call upon them to select, in the prescribed manner, seven adult Muslims residing in that locality who possess Secondary School Certificate and are known to be pious and who offer five times prayer daily, and have sound moral and financial

integrity and not engaged in political activity:

In case of inevitable circumstances the qualification can be relaxed for members of Local Zakat Committee by the Chief Administrator of Zakat. Provided that a person who is member of a team constituted for the selection of members of a Local Committee shall not be eligible to be a member of such Local Committee, a person who is a salaried employee of Government or of a local authority otherwise than as Pesh Imam of a local mosque or a teacher of a local school, or of a corporation set up, owned or -controlled by Government, shall not be eligible to be member of local committee:

Provided further that, where in a district the number of local Committees is So large that the members of the District Committees cannot be put on all the teams constituted for the selection of members of Local Committees in the district, the District Committee, may, at its discretion, nominate any three non-official person of the district to represent it on the said team;

Provided further that the team constituted by the District Committees shall organize a separate gathering of the adult Muslim female residents of the locality and call upon them to select, in the prescribed manner, two Muslim women residing in that locality who are known to be pious and who enjoy their trust to be members of the Local Committee.

(5) The members of a Local Committee shall elect one of their members, being a person who possesses Secondary School Certificate and in case of inevitable circumstances the qualification can be relaxed for Chairmen of Local Zakat Committees by the Chief Administrator Zakat. Further, more Chairman of the Local Committee, should be a person who offers regular prayers five times a day and of good integrity; and if two or more persons secure an equal number of votes, the result of the election shall be determined through draw.

(6) The Local Committee so constituted shall be duly notified by the District Committee concerned.

(7) Any adult Muslim resident of a locality who is aggrieved by the conduct or the result of the proceedings for the selection of the members, or the election of the Chairman, of the Local Committee concerned may prefer an appeal to District Committee:

Provided that the District Committee shall not grant any injunction or make any interim order, including a stay order, during the period an appeal is pending.

(8) The District Committee to which an appeal under sub-section (9) is preferred shall decide the appeal within such time as may be prescribed; and the decision of the District Committee shall be final and shall not be called in question before 'any court or other authority.'

(9) The Chairman and members of the Local Committee shall hold office for a term of three years and shall be eligible for re-election or re-selection as the case may be:

Provided that the District Committee may, in consultation with the Provincial Council, remove a Chairman or a member of the Local Committee from his office and nominate another person as Chairman or, as the case may be, a member for the un-expired term of his predecessor:

Provided further that a Chairman shall not be eligible to hold office for more than two consecutive terms of three years each:

Provided further that the District Committee may in the event of delay 'in the constitution of the new Local Committee, ask a Local Committee to continue to function for a period not exceeding six months after the expiry of term of its office. . ,

(10) The Chairman or a member may, by writing under his hand addressed to the District Committee, resign his office:

(11) Subject to sub-section (1) the Chairman or, as the case may be, a member shall continue to hold office until his resignation is accepted by the

District Committee.

(12) Any vacancy in the office of Chairman or member shall be filled by election or selection of a person qualified to hold the office, in accordance with the Provisions of sub-section (4) or, as the case may be, sub-section (7).

(13) The Chairman, or the member elected or selected, as the case may be, under sub-section (12), shall hold office for the un-expired term of his predecessor.

“47. Vacancy etc, not to invalidate Acts or proceedings.—

Notwithstanding anything contained in this Act, no Act or proceeding of a Council or Committee established or constituted under this Act shall be invalid by reason only of the existence of a vacancy in, or defect in the constitution of such Council or Committee.

18. Members of Council and other Committees to be Muslims.—

(1) All the members of the Provincial Council and other Committees shall be Muslim and where the holder of an office cannot become a member by reason of his not being a Muslim, the Chief Minister in case of

Provincial Council and Provincial Council in the case of District Committees shall nominate a Muslim official in his place.

(2) A person who is a salaried employee of Government or of a local authority, otherwise than a Pesh Imam of a local mosque or a teacher of a local school or of a corporation set-up, owned or controlled by the Government, shall not be eligible to be a member of a Zakat Committee.

19. Person to preside at meetings in the absence of chairman.—

If the Office of Chairman of a Council or Committee established or constituted under this Act is for the time being vacant, or the Chairman is

absent from a meeting of the Council or Committee, the meetings thereof or as the case may be, the meeting from which the Chairman is absent, shall be presided

at—

- (a)
- (b)

(Cc)

(d)

in the case of the Provincial Council, by the Chief Administrator:

in the case of a District Committee, by the Deputy Commissioner:

in the case of a Tehsil, or Sub-Divisional Committee, by the ex-officio member, or, if the ex-officio member is himself the Chairman of the Committee, by the member elected by the

members present; and

in the case of Local Committee, by the member elected by the members present:

Provided that in case of temporary disability of the Chairman, District Committee, the Deputy Commissioner shall perform the functions of

the Chairman, District Committee.

20. Power of supersession and removal.— (1) If the Provincial Council in the case of a District Committee and the District Committee in the case of a Local Committee, is of the opinion that a Committee constituted under this Act—

(a)

- (b)
- (c)
- (d)
- (e)

is unable to discharge or persistently fails in discharging its duties: or

is unable to administer its affairs: or

acts in a manner contrary to public interest: or

otherwise exceeds or abuses its powers; or

has a majority of members who are not pious Muslims or who are engaged in political activities, —

the Provincial Council or, as the case may be, the District Committee may,

by a notification, declare the concerned Committee to be superseded for such period not exceeding one year as may be specified in the notification: Provided that the period of Supersession may, if the Provincial Council or the District Committee considers it necessary to do so, be extended, beyond a period of one year.

(2) When a declaration is made under sub-section (1) in respect of a Committee, —

(a) the persons holding office as Chairman and members of the Committee to which the resolution relates shall cease to hold office; .

(b) all functions of the District Committee shall, during the period of supersession, be performed by an Administrator appointed by the Provincial Council and in the case of Local Committee such functions shall be performed by the Administrator appointed by the District Committee; and

(c) before the expiry of the period of supersession, elections shall be held and selection or nomination made in accordance with the provisions of this Act, to reconstitute the Committee.

(3) If Provincial Council, in the case of District Committee, and the District Committee, in the case of Local Committee, is of the opinion that the Chairman or a member of a Committee constituted under this Act,—

(a) _ was at the time of his selection, election or nomination;
(i) not a pious Muslim-,
(ii) not an adult;
(iii) not a resident of the area within the jurisdiction of the Committee;

(b)

(c)

(d)

(e)

(f)

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(iv) an un-discharged insolvent:

(v) not of sound mind;

(vi) engaged in political Activity, or

has been, during the period of three years preceding the

date of his Selection, election of nomination:

(i) ordered to execute a bond under Section 108, 109 or 110 of the Code of Criminal Procedure, 1898 (Act V of 1898): or

(ii) convicted for an offence involving moral turpitude; or

(iii) | declared Goonda under the law relating to the control of Goondas;

has, after his selection, election or nomination, incurred

any of the dis-qualification referred to in sub-clause (i),

(iii), (iv), (v) or (vi) of clause (a), or sub-clause (i), (ii) or (iii) of

clause (b):

has, without reasonable excuse, absented himself from

three consecutive meetings of the Committee;

has been guilty of abuse of power or of misconduct in the

discharge of his duties as Chairman or member, or been

responsible for any loss or misapplication, misappropriation, © or misuse of any money or property of the Committee; or

has become physically disabled orsunable on any count

from performing functions as Chairman or member; the

Provincial Council in the case of District Committee,

and the District Committee, in the case of Local

Committee may, by a resolution, remove such Chairman or

member from office.

If, after such inquiry as may be considered necessary, the

Provincial Council, in the case of a District Committee, or the District committee

in the case of a Local Committee, is of the Opinion that the Chairman or a member of committee or an employee assigned to work with a committee or an institution receiving Zakat Funds under this Act, was guilty of misconduct in the discharge of his duties, or is responsible for the loss, misapplication or misuse of Zakat Funds, the Provincial Council or as the case may be, the District Committee shall initiate criminal proceeding against such Chairman, member, person or institution.

Explanation,— For the purpose of clause (e) of sub-section (3) and

“ Sub-section (4), the expression "misconduct" means bribery, corruption, jobbery, favoritism, nepotism, willful mal-administration or willful diversion of funds and shall include an attempt or abetment of such misconduct.

(5) When the Chairman or member of a Committee is removed from, or otherwise ceases to hold office, the vacancy in the office of such Chairman or member shall be filled within such time as the Provincial Council may determine, by the election, selection or nomination, as the case may be, in accordance with the provisions of this Act of a person qualified to hold the office.

(6) The Chairman or member elected, selected or nominated under sub-section shall hold office for the un-expired term of his predecessor.

(7) | The Provincial Council may delegate to the Chief Administrator all or any of its powers and functions under the preceding provisions of this section in respect of a District Committee or a Local Committee.

(8) The Chairman or a member of a Committee superseded under sub-section (1) or a Chairman or member removed from office under sub-section (3) may, within such time and in such form and manner as may be prescribed apply to the Provincial Council for a review of its decision and the decision of the Provincial Council in such review given after, after

giving to the applicant an Opportunity of being heard, shall be final and

shall not be called in question before any court or other authority.

21. Vote of no-confidence. — (1) Wherein case of a Local Committee, the District Committee after such enquiry as it may deem fit is of the opinion that the members of that Committee no longer have confidence in the Chairman, the District Committee may in the prescribed manner remove the Chairman from his office.

(2) Wherein the case of a member of a Local Committee or of a Local Committee, as a whole, the District Committee after such enquiry as it may, deem fit is of the opinion that the adult Muslim residents of the locality no longer have confidence in the member or in the Committee as a whole, the District Committee may, in the prescribed manner, remove the member from his office or dissolve the Committee as a whole.

(3) The vacancy in the office of Chairman or member or members so caused shall be notified by the District Committee and shall be filled in accordance with the provisions of this Act.

22. Administrative Organization. — (1) The administrative organization under this Act, shall be through the Religious Affairs and Inter-Faith Harmony Department, Government of Balochistan and may include such organizations as are performing social security and other complementary - functions and that of a Chief Administrator, a Department or a part of a Department of the Provincial Government.

(2) The Secretary of Religious Affairs and Inter-Faith Harmony Department, shall be the ex-officio Chief Administrator Zakat and Ushr. if the Government does not appoint Chief Administrator under section-1 3, Sub-section (1).

23. Certain Persons to be Public Servants. — Every person engaged in, or employed for, the administration of this Act, shall be deemed to be a public servant within the meaning of Section 21 of the Pakistan Penal Code

(Act No. XIV of 1860),

Explanation. —

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For the Purposes of this section, the Chairman and members of the District Committee and Local Committee shall be the persons engaged in the administration of this Act.

CHAPTER Vi — MISCELLANEOUS

24. Exemption. — The Provincial Government may, in consultation with the Council of Islamic Ideology, exempt, by notification in the official Gazette, any specified class of cases or persons from payment of compulsory levy of Zakat - or Ushr.

25. Certain Tax Concessions. Notwithstanding anything contained in any other law for the time being in force-----

(a) in determining the tax liability of an assessee for an assessment

year, —

(i)

(ii)

Under the income Tax Ordinance 2001 (Ordinance No. XLIX of 2001), his total income shall be reduced by the amount paid by him to a Zakat Fund, during the income year relevant to that assessment year:

Provided that the Zakat deducted at source in respect of the savings Bank Accounts on the 4th July, 1987 shall be deemed to have been deducted during the income year 1980-81: and

Under the Wealth Tax Act, 1963 (XV of 1963), his assets in respect of which Zakat or contribution in lieu thereof, has been deducted at source during the year relevant to that assessment year shall be excluded from his taxable wealth: and

(b) land revenue and development cess shall not be levied on

land on the produce of which Ushr or contribution in lieu thereof, has been charged on compulsory basis.

(2) Nothing in the preceding Sub-section shall be deemed to affect liability to pay income tax, wealth tax, land revenue or development cess in respect of any period preceding the enforcement of the relevant provisions of this Act.

26. Power to make rules. — The Provincial Council with approval of the Government by notification in the official Gazette may make rules for carrying out the purposes of this Act and in respect of administrative matters etc.

27. Power to call for information and issue directions. — The Provincial Council, a Chief Administrator, a District Committee, a Tehsil Committee, a Sub-divisional Committee, or a Local Committee, may, within its or his jurisdiction, call for such information or record from, and issue such directions to the concerned persons or agencies as may be necessary for the performance of its or his functions under this Act

28. Indemnity and bar of jurisdiction. — (1) No suit, prosecution or other legal proceeding shall lie against any person for anything done in good faith or intended to be done under this Act or any rule.

(2) No court shall call in question, or permit to be called in question, anything done or any action taken under this Act or any rule. :

(3) No court shall grant any injunction or make any order, nor shall any court entertain any proceedings, in relation to anything done or intended to be done or any action taken or intended to be taken under this Act or any rule.

29. Removal of Difficulties. — | The Provincial Government may make such provisions as may be necessary to remove any difficulty in carrying out the purposes of this Act.

30. Dissolution and reconstitution of Provincial Council and

Committees. — (1) The existing Zakat Council and all the District Zakat and Ushr Committees, Tehsil and Local Zakat and Ushr Committees shall stand dissolved and cease to function on such date as may be notified by the Government.

(2) On dissolution of the Council and Committees under sub-section (1) the new Council and Committees shall be constituted under the provision of this Act, within such time as may be notified by the Government.

31. Repeal and saving. — (1) The provisions of the Zakat and Ushr Act, 1980 (Act No-XVIII of 1980) applicable and to the extent of the Province of Balochistan, are hereby repeated.

(2): Notwithstanding the repeal of the provisions of Zakat and Ushr Act, 1980 under sub-section (1) (hereinafter referred as the repeal Act), and the Balochistan Zakat and Ushr Ordinance 2011 (Ordinance No.1of 2011) the rules, regulations, laws made or saved, order, notifications issued, anything done, action taken, obligation, liability, penalty of punishment incurred, inquiry or Proceeding commenced, persons appointed or person authorized, jurisdiction of powers conferred under any of the provisions of the repeal Act and the Ordinance, shall if not inconsistent with the provision of this Act continue in force and deemed to have been done, taken, incurred, commenced, appointed, authorized, conferred, made, imposed or assessed, released or issued under this Act.

Secretary,
Balochistan Provincial Assembly

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FIRST SCHEDULE

aie , (See sections 2 and 3)

ASSETS SUBJECT TO COMPULSORY LEVY OF ZAKAT THROUGH DEDUCTION - AT - SOURCE
FOR CREDIT TO THE ZAKAT FUND

Rate and basis for computing

The Deduction ;

the amount to be deducted as - The Deducting Agency

2 ate

Zakat

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2. 3. s 4. 5.

Assets

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1. | Saving Bank Accounts and

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2.5% of the amount standing to | As notified by the The Bank, Office, Centre or

similar accounts by whatever | the credit of an account at the Chief Administrator | institution as the case may name described with the commencement of the day on for the Zakat Year. | be, keeping the account.

Banks operating post the Valuation date (No

Offices, National Saving ~ | deduction shall be made in case

Centers and Financial the amount standing to the

Institutions keeping such credit of an account does not
accounts. exceed the amount notified by
the Chief Administrator

Notice Deposit Receipts and | 2.5% of the face value of a The date on which | The bank, office, Centre or

Accounts. and similar receipt or the amount standing the fist return is institution, as the case may

receipts and accounts by to the credit of an account. as paid or the date of | be issuing the receipt or
whatever name described the case may be at the encashment/ with keeping the account and

|

LL _|* withdrawal

| with the banks operating in post office, national savings centers and financial institutions issuing such receipts & keeping such

accounts.

Fixed Deposit Receipts and

Accounts and similar receipts and accounts and certificates (e.g. Khas, Deposit Certificates), by whatever name described, issued by the banks operating in post office, National Savings Centres and financial institutions, on which return is receivable by the holder periodically or is received earlier than maturity

commencement of the day on the Valuation Date, in each Zakat year.

drawl, whichever be earlier in the Zakat year

responsible for paying the return or the amount encashed/ with drawl.

2.5% of the face value of receipt or certificate, or the amount standing to the credit of an

account, as the case may be. As

at the Valuation Date, in each Zakat year.

|

The date on which

the first return is paid. Or the date of encashment / . redemption / with drawl, whichever

be earlier in the Zakat year.

(e.g. Defense Savings

: Certificates, National Deposit

Saas a a

Saving / deposit certificates 135% of the payable value of certificates or receipts or the amount standing to the credit of

Less, ee is een

The date on which the maturity value

is paid or of -

| certificate or keeping the

The bank, office, Centers or institutions, as the case may be, issuing the receipt or

account, and responsible for paying the return or encashment / redemption drawl.

The bank, office, center,

company, or corporation as

the case may be,

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= ei)

- Certificates), receipts and | an account 'as the case may be, | encashment / responsible for paying the |

accounts by whatever name _ | as on the valuation Date.

described, issued or kept by
the banks operating in post
offices, National Savings
Centres, financial
institutions, companies and

Statutory corporations on

which return is receivable
and is received, by the

holder, only on maturity or
encashment.

with-drawl return or the amount
withdrawn, or redeeming en-

cashing the certificates or
receipts.

a

Units of the National 2.5% of the face value or

Investment (Unit) Trust. repurchased value of the units
whichever be lower as on the
valuation date, in each Zakat
year.

The date on which | The Trustee of the National

the first return or Investment (Unit) Trust or its

the repurchase

authorized agent paying the

values is paid return on, or the repurchase

whichever be value of, the Units.

earlier in the Zakat

1.C.P Mutual Fund
Certificates

2.5% of the face value of the

market value based on the
closing rate at The Stock

Exchange, Whichever be lower

a

The Investment Corporation;
of Pakistan.

|

The date on which

the first return is
paid in the Zakat

year.

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cnet

Government securities (other

that prize bonds and
certificates mentioned at
serial number 3 and 4) on
which return is receivable by
the holder periodically.

Securities including shares
and debentures (other than
those mentioned at serial
number 5, 6 and 7 above), of
companies or statutory
corporations (excluding
those held in the name of a

'as on the Valuation Date, in
each Zakat year.

L

2.5% of the face value of the
Government securities as on

valuation Date, in each Zakat
year,

If listed on the stock exchange,
2.5%

The date on which
the first return is
paid on the date of
encashment /
redemption,
whichever be
earlier in the Zakat

year

The date on which
the first return is
paid, or the date of
encashment
redemption
whichever be
earlier in the Zakat

+

The bank, office or
institution, as the case may

Se eee

be, responsible for paying
the return or en-cashing /

redeeming the security.

The corporation, company or
institution, as the case may
be, responsible for paying
the return or en-cashing /
remedying the security.

annuity benefit in each Zakat

payment of the

company or a statutory year.

| corporation On which return
is payable periodically or
otherwise, and is paid.

| Annuities. 2.5% of the amount of The date of first The insurer or the bank

keeping and the amount in

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year and, in case of
surrender, 2.5% of the
surrender value on the
Valuation Date, as the case
may be.

and of the

surrender value.

Life insurance policies.

25% of the surrender value
as on the advance, date in
the Zakat year in which the
policy matures benefit
survival benefit or surrender
value is paid, as the case
may be.

11.

Provident funds.

In case of non-refundable
advance, 2.5% of the amount
drawn or, in case of final
settlement, 2.5% of the
balance standing to the credit
of the subscriber as on the
valuation date, excluding in
both cases the employer's
contribution and the return

accrued thereon.

The date of
payment of
(maturity value) or
of survival benefit

or of surrender

value.

The date of
payment of the
advance or of the

balance.

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| The insurer

The authority officer or
institution making payment
of the advance or of the

balance.

Note — 1. Deduction at source exceeding two and one-half per cent of the value of an asset specified in this Schedule, shall not be made in respect of that asset within the same Zakat year.

2: No Zakat shall be charged on the amount paid as premium of a life insurance policy of a persons from his provident Fund and, where the proceeds of a life insurance policy of a person are credited to the Provident fund during a Zakat year, to the extent of the proceeds so credited

3. ___. If the amount to be deducted at source as Zakat, in particular case, is less than a rupee, it shall not be charged, and, if it is more than a rupee but has fraction of a rupee, fifty paisas and more shall be treated as the next higher rupee and less than fifty paisas shall not be charged, where the entire amount of the return of balance is to be appropriated towards Zakat, and the amount contains a fraction of a rupee, this fraction shall not be so appropriated.

4. The Deduction Date shall be deemed to be a public holiday, for banks only, within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881) Banks shall, however remain open for their employees. :

5 in case the amount of the first return on any of the assets specified at S. No. 2, 3 and 5 to 8 18 is less than the Zakat due the entire amount of such return . shall be appropriated towards Zakat and the unrealized balance shall be deducted from the subsequent returns paid during the same Zakat year or as the case may be, from the encashment or surrender value.

SECOND SCHEDULE

[SEE SECTION 2, 3 (5) AND 5]

ITEMS NOT SUBJECT TO COMPULSORY LEVY OF ZAKAT BUT ON WHICH ZAKAT IS PAYABLE BY EVERYSAHIB-E-NISABACCORDING TO THE RELEVANT NISAB, ON SELF-ASSESSMETN BASIS, EITHER TO A ZAKAT FUND OR TO ANY INDIVIDUAL OR INSTITUTION ELIGIBLE, UNDER THE SHARIAH, TO RECEIVE ZAKAT

Rate And Basis For Self-Assessment

Gold and silver and manufactures thereof. 2.5% of the market value as on the Valuation Date.

Cash. 2.5% of the amount, as on the Valuation Date.

Prize bonds. 2.5% of the face value as on the Valuation Date.

Current Accounts and foreign currency

2.5% of the value of the asset, as on the Valuation Date.
accounts and to the extent not subject to

compulsory levy of Zakat under the First

Schedule, other accounts, certificates,

receipts, Units of national Investment (Unit)
Trust, {CP-Mutual Fund Certificates
Governmen securities, annuities, Life

Insurance Policies and Provident funds.

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Loans receivable excepting loans receivable

by banks, other financial institutions, statutory corporations and companies.

2.5% of the amount of loan receivable, as on the Valuation Date.

Securities including shares and debentures, to the extent not subject to compulsory levy of Zakat under the First Schedule.

If listed on the stock exchanges: 2.5% of the market value

i. e. the closing rate of the Stock Exchange as on the Valuation Date; and

If not listed on the stock exchange: 2.5% of the paid-up value as on the Valuation Date.

Stock in trade of:-

(a) Commercial undertakings including dealers

in real estate.

(b) Industrial undertakings.

(c) Precious metals and stones and

manufactures thereof.

(d) Fish and other catch / procedure of the

; sea, except catches by indigenous

' techniques.

(a) 2.45% of the book value or at option of Sahib-e-nisab, the market value as on the Valuation Date.

(b) 2.5% of the book value at the option of the Sahib-e-nisab the market value of raw material and finished goods as on the Valuation Date.

(c) 2.5% of the market value, as on the Valuation Date.

(d) 2.5% of the value, as on the Valuation Date. -

Agricultural / including horticultural and forest produce:

- (a) Tenant's share.
- b) other than the tenant's share.

|

(a) (i)

(b) (i)

(ti)

Animals (fed free in pastures)

(a) Sheep or goat.

10% of the produce as on the Valuation Date, in the Barani area: and

5% over and above the compulsory 5% in the Barani area, as on the valuation Date; and One-fourth of the value of produce allowed as an allowance for expenses on production.

As on the Valuation Date:

(a)

(i) For owners of one to 39 heads: nil;

(ii) For owners of 40 to 120 heads: one sheep / goats;

(iii) For owners of 121 to 200 heads: two sheep / goats;

(iv) For owners of 201 to 399 heads: three sheep / goats; and

(v) For owners of every complete additional

hundred heads: one sheep / goat.

(b) . Bovine Animals

(b) (i)

(ii)

{iti}

For owners of one to 29 head: nil:

For owners of 30 to 39 heads: one calf

between one year and two years old:

For owners of 40 to 59 heads: one calf

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1a

| (c)

Camels

(iv)

(v)

(vi)

between two year and three years old;
For owners. of 60 to 69 head: two calves
between one year and two years old;

For owners of 70 to 79 heads: one calf
between one year and two years old and
one between two years and three years
old;

For owners of 80 to 89 heads: two calves
between two years and three years old;
For owners of 90 to 99 heads: three calves
between one year and two years old: and

For owner of 100 and above 100 heads: as
in Shariah.

For owners of one to 4 heads: nil:

For owners of 5 to 24 head: one sheep /
goat for every five heads;

For owners of 25 to 35 heads; one she-
camel between one year and two years
old;

For owners. of 36: to 45 heads; one she-
camel between three years and four years

Wealth and financial assets other than
those listed in schedule on which Zakat is
payable according to Shariah.

(vi),

(vii)

(viii)

(ii)

(iii)

(iv)

(i)

For owners of 46 to 60 heads: one she-
camel between four years and five years
old;

For owners of 61 to 75 heads: two she-
camel between two years and three years
old;

For owners of 91 to 120 heads: two she-
camel between three years and four years
old; and

For owners of more than 120 heads: as in
Shariah as per Shariah.

for owners of one to 39 heads-nil;
or owners of 40 to 120 heads: one sheep/
goat;

for owners of 121 to 200 heads: two sheep/
goats; a

for owners of 201 to 400 heads: three
sheep/goats; and

for owners of every complete additional
hundred heads: one sheep/goat, as on the
valuation date.

For owners of one to 29 heads: nil

For owners of 30 to 39 heads: one year's old

calf;

(iii) For owners of 40 0 59 heads: two years old

calf;

(iv) | For owners 60 of heads and every additional 10 heads: one year old calf for each 30 heads- and two years old calf for each 40 each 40 heads as on the valuation date.

(c) (i) For owners of one to 4 heads: nil

(ii) | For owners of 5 to 25 heads: one.

(iii) For owners of 26 to 35 heads: one she-camel

between one year and two years old; and

(iv) For owners of 36 to 45 heads: one she-

camel between two and three years

old; and so on, as on the Valuation

Date. _

Fish and other catch/ produce of the sea,

2.5% of the value, as on the valuation Date.

except catches by indigenous techniques

Mineral Production 5% of Marked Value of the mineral excavated as on the

valuation date

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