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ISLAMABAD, SATURDAY, JUNE 30, 1990

PART 1

Act, Ordinances, President's Orders and Regulations including Martial Law
Orders and Regulations

NATIONAL ASSEMBLY SECRETARIAT
Islamabad, the 30th June, 1990

The following Act of Majlis-e-Shoora (Parliament) received the assent of the
President on the 30th June, 1990, and is hereby published for general information:

Act No. VII of 1990

An Act to give effect to the financial proposals of the Federal Government for the year
beginning on the first day of July, 1990 and to amend certain laws

WHEREAS it is expedient to make provisions to give effect to the financial
proposals of the Federal Government for the year beginning on the first day of July,
1990, and to amend certain laws for the purposes hereinafter appearing;

It is hereby enacted as follows:—

1. Short title, extent and commencement.—(1) This Act may be called the
Finance Act, 1990,

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

2. Amendment of Act XVI of 1931.—The following amendments shall be
made in the Provisional Collection of Taxes Act, 1931 (XVI of 1931), namely:—

(1) in the long title, preamble and section 3, for the words “or increase” the
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comma and words “, increase or reduction” shall be substituted: and
(2) for section 5 the following shall be substituted, namely :—

“5. Certain refunds to be made, or demands to be raised, when
declarations cease to have effect —(1) Where a declared provision comes
into operation as an enactment in an amended form before the expiry of
the sixtieth day after the day on which the Bill containing it was
introduced,— -

(a) refunds shall be made of all duties or taxes collected which
would not have been collected if the provision adopted in the
enactment had been the declared provision; or

(b) demands shall be raised of all duties or taxes not collected
which would have been collected if the provision adopted in
the enactment had been the declared provision :

Provided that the rate, at which refunds of any duty or
tax may be made, or demand may be raised, under this sub-
section shall not exceed the difference between the rate of
such duty or tax proposed in the declared provision and the
rate of such duty or tax in force when the Bill was
introduced.

(2) Where a declared provision ceases to have the force of law
under clause (b) or clause (c) of sub-section (2) of section 4.—

(a) refunds shall be made of all duties or taxes which would have
not been collected if the declaration in respect thereof had
not been made; or

(b) demands shall be raised of all duties or taxes not collected
which would have been collected if the declaration in respect
thereof had not been made.”.

3. Amendment of Act XVII of 1933.—The following amendment shall be
made in the Wireless Telegraphy Act, 1933 (XVII of 1933), namely:—

(1) in section 2, in clause (2), after the word “apparatus”, occurring for the
third time a comma and the words “,television broadcast receiving
satellite antenna” shall be inserted; and

(2) in section 5,

(i) in sub-section (1) in the proviso, after the word “apparatus”,
occurring for the first time, a comma and the words “television
broadcast receiving satellite antenna’, shall be inserted; and

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(ii) in sub-section (2), after the word “apparatus” the words “or television broadcast receiving satellite antenna”, shall be inserted.

4, Amendment of Act I of 1944.—The First Schedule to the Central Excises and Salt Act, 1944 (1 of 1944), shall be amended in the manner specified in the First Schedule to this Act.

“4A. Amendments in the Banking Companies Ordinance, 1962.—The following amendments shall be made in the Banking Companies Ordinance, 1962 (LVII of 1962), namely :—

(1) In section 3A, for the figures, commas and letters “25, 25A, 25AA and 41” the figures, commas, letters and word “6, 25, 25A, 25AA, 32, 33, 40, 41, 42, 83, 84 and 94” shall be substituted;

(2) In section 8, in the second proviso, the words “wholly or partly owned or controlled by it or by the State Bank” shall be omitted ;

(3) After section 25A, the following new section shall be inserted, namely :—

“25AA. Preparation of special reports—The State Bank shall prepare, and submit to the Federal Government, a special report every

year on cases of write off of loans, mark-up and other dues, or financial relief through rescheduling and restructuring of loans and subsidised loans provided by the banking companies, in which established banking practices or authorised procedures have been departed from with a view to causing wrongful loss to the bank or conferring wrongful gain on any constituent or such departure has caused wrongful loss to the bank or conferred wrongful gain on any constituent. If the matters raised in the report relate to public interest, the Federal Government may submit the report, or such part of it as relates to public interest, to Parliament or to the Standing Committee of a House of Parliament dealing with Finance.”:

(4) For section 27A the following shall be substituted, namely:—

“27A. Prohibition of advertising for deposits and collection —Notwithstanding anything contained in any other law for the time being in force, no company, firm or person, not being a banking company or a corporation or authority established by the Federal Government or a company duly authorised in this behalf by the Controller of Capital Issues or the Corporate Law Authority or the Registrar Cooperative Societies, shall solicit or invite deposits of money from the public through advertisements in the public media or by postal circulars, handbills, displays in public places or by any other means, or collect or receive any deposits.of money in pursuance thereof.

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Explanation.—For the purposes of this section, “deposits of

money?’ shall be deemed to include money called, invited or collected for the purpose, or declared object, of investment or borrowing in any business carried on, or proposed to be-carried on, by the company, firm or person by whom, or on whose behalf. such money is called, invited, collected or received irrespective of the nature of the relationship, arrangement or terms offered or provided by such company, firm or person to the person making the investment, deposits of money or payment or of the basis or understanding on which the money is so called, invited, Collected or received.”;

(5) In section 40, in sub-section (4), after the words “banking company”,

wherever occurring, the words, figure and letter “or any company or firm or person referred to in section 27A” shall be inserted;

In section 43A,—

(a), -afier the word “company”, wherever occurring, the comma and word, “firm” shall be inserted; and

(b) after the figure and comma “27,” the words, figures, letter and comma “or is receiving or has received deposits of money in contravention of section 27A,” shall be inserted;

(7) After section 43A\the following new section shall be inserted, namely :—

“434A. Special provisions. —{1) Where the Stave Bank has called for information under section 43A from a company, firm or person and it appears to the State Bank that, in the interest of the persons from whom the deposits of moneys were received, it is necessary that the moneysreceived and other assets of the company, firm or person, whether held in the name of that company, firm or person or of any other person, are protected and preserved, the State Bank may, without prejudice to any other action or proceedings which may be taken against such company, firm or person under any other provisions of this

Ordinance or any other law for the time being in force, make an order in writing

{a) appointing one or more persons as interim receivers authorising Ein or, as the case may be, each one of them to—

~ (i) enter and search any premises and seize books of accounts or other documents or records of such deposits of money: and

(ii) take in’his custody, on behalf of the State Bank, all moneys, cash securities, title deeds, properties, whether movable or immovable, belonging to such company, firm or person, including those being held on behalf, or in the name, of any director, manager, officer, partner, employee, agent,

beneficiary or transferee of such company, firm or person or their dependants;

(b) directing any bank, financial institution or person to freeze all moneys deposited with it or him on behalf of the company, firm or person or of any director, manager, officer, partner or employee, agent, beneficiary or transferee of such company, firm or person appointed by it under clause (a);

(c) authorising a person appointed under clause (a) to take all necessary steps and measures for identifying the assets and Properties of the company, firm or person and for realisation, protection and preservation thereof;

(d) _ restraining any company, firm or person or any director, manager, officer, partner of employee or agent, beneficiary or transferee of such company, firm or person of their dependants or any other person deriving or claiming title through any of them from alienating, transferring, selling, assigning, disposing of or parting with possession of any property, movable or immovable, or deriving any benefit, rent or income therefrom; and

(e) making such orders for realisation, protection and preservation of deposits of money and othet.assets and properties of the company, firm or person as it may deem fit.

(2) Anorder made under sub-section (1) shall, unless it is earlier withdrawn in pursuance of the proviso to sub-section (1) of section 43B, remain in force until possession of the moneys, cash securities, title deeds, properties, books of account, documents or record to which the order relates to taken over by the official liquidator or, as the case may be, the High Court, in pursuance of an order of the High Court under section 43F;

Provided that any order made under sub-section (1) shall not prevent the High Court from determining the right of a person claiming to have acquired the property or asset from the company, firm or person, bona fide and for valuable and adequate consideration which such person shall be required to prove as paid from his own resources.

(3) An order made under sub-section (1) may be served on the Registrar of Joint Stock Companies or such other officer or authority or person as the State Bank may deem proper.

(4) [Pany person authorised under sub-section (1) requires assistance of the police or any other civil authorily in the exercise of his powers or discharge of his functions thereunder, he may send a requisition to the officer incharge of a police station or to such authority who shall on such requisition render the assistance required:”

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(8) In section 43B.—

(a) in sub-section (1),—

(i) after the word “company”, wherever occurring, the comma and word “firm”, shall be inserted;

(ii) after the figure and comma “27”, the words, figure, letter and comma “or is receiving or has received deposits of money in contravention of section 27A,” shall be inserted ; and

(ii) for the full-stop at the end a colon shall be substituted and thereafter the following proviso shall be added, namely: —

“Provided that, in a case in which the State Bank has made an order under sub-section (1) of section 43AA in respect of a company, firm or person, the State Bank shall make a declaration under this sub-section in respect of such company, firm or person within three ménths of the making of such order or within such further time, not exceeding three months in the aggregate, as the High Court may allow, or withdraw such order.”; and

(b) for sub-section (2) the following shall be substituted, namely:—

“(2) The State Bank shall publish, or cause to be published, a declaration made under sub-section (1) in two newspapers having wide circulation in the area in which the registered office of the company or firm, or the principal office of the person, to which or to whom the declaration relates is situated; and, upon such publication, the company, firm or such person or the chief executive, by whatever name called, or directors, managers, officers, employees or agents of the company or partners, managers, officers, employees or agents of the firm, or such person, or any other person referred to in sub-sections (1), (3) or (4) of section 43D or section 43E, shall not be heard to plead ignorance of the making of the declaration.” ;

9. In section 43C,—

(a) in sub-section (1), after the word “company”, wherever occurring, the comma and word “, firm” shall be inserted; and

(b) in sub-section (2), after the word “company”, occurring for the second. time, the comma and word “, firm” shall be inserted ;

“10. In section 43D.—

(a) in sub-section (1), after the word, “““company””, wherever occurring, the comma and word “firm” shall be inserted -

(b)

(c)

for sub-section (3), the following shall be substituted, namely —

“(3) Until such time as an official liquidator, official assignee, interim receiver, receiver or official receiver, as the case may be appointed by the Court on an application made under section 43F takes over the possession, custody or control of any books, documents, records and assets of a company, firm or person in respect of which or whom a declaration under sub-section (1) of section 43B has been made, including any actionable claims to which such company, firm or person is, or appears to be, entitled, the chief executive, by whatever name called, and a director, manager, officer, employee and agent of such company, or a partner, manager, officer, employee and agent of such firm or person, and every other person who may have in or under his possession, custody or control such books, documents, records, assets or claim, shall preserve, and aid in preserving, such books, documents, records, assets and claims and shall, without prejudice to any other liability that he may incur, be jointly and severally liable for any loss or damage.”; and

in sub-section (4), after the word “company”, the comma and word “firm” shall be inserted;

11. for section 43E the following shall be substituted, namely >—

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“43E, Statement of assets and liabilities to be submitted to State Bank.—Within three days of the publication of a declaration under sub-

‘section (1) of section 43B in respect of a company, firm or other person,

or within such further time as the State Bank may, by order in writing, allow, the chief executive, by whatever name called, and every director, manager, officer, and agent of the company, and every partner of the firm and the manager, officer and agent of the firm or such person, and every other person having a claim or liability against or towards the company, firm or such person shall submit to the State Bank a statement showing the assets and liabilities of the company, firm or such person so far as may be known to him.”;

12. In section 83 —

(a)

in sub-section (1C).—

(i) for the word, figure and letter “section 43A” the words, figures and letters “section 27A or section 434” shall be substituted; and

(ii) after the figure and letter “43A”, the comma, words, figure and letters “*, or obstructs or hinders any person in the exercise of his powers or discharge of his functions under section 43AA,” shall be inserted; and

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{b) for sub-section (1D) the following shall be substituted, namely --

“(1D) If any company, firm or person contravenes the provisions of section 27A, the chief executive of the company and its directors, every partner of the firm and such person shall be guilty of an offence punishable with imprisonment of either description for a term which may extend to ten years and with fine the amount of which shall not be less than twice the amount of deposits received in contravention of the said section and forfeiture of whole or part of the property of such company, firm or person and the chief executive of the company and its directors, every partner of the firm and person.”;

13. In section 84, for sub-section (1) the following shall be substituted, namely —

“(1) No court shall take cognizance of any offence punishable under sub-sections (1), (1A), (1B), (1C) and (1D) of section 83 except on a complaint in writing made by an officer of the State Bank generally or specially authorised in writing in this behalf by the State Bank and no court other than the High Court shall try any such offence.” ;

14. In section 90.—

(a) after the figure and comma “25,”, the figure and comma “27,” shall be inserted ; and

(b) after the figure, letter and comma “43A,”, the figure, letters and comma “43AA.” shall be inserted ;

15, In section 91A,—

(a) after the figure, letter and comma “26A,”, the figure, letter and comma “27,” shall be inserted: and

(b) after the figure, letter and comma “43A,”, the figure, letters and comma “43AA.” shall be inserted ;

5. Amendment of the Natural Gas (Development Surcharge) Ordinance, 1967.—In the Natural Gas (Development Surcharge) Ordinance, 1967 (1 of 1967). in section 2. in clause (4), for the word “twenty” the word “forty” shall be substituted.

6. Amendment of Act IV of 1969.—The following amendments shall be made in the Customs Act, 1969 (IV of 1969), namely:—

(1) for section 12 the following shall be substituted, namely —

“12. Power to appoint or licence public warehouses—(1) At any

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warehousing station, the Collector of Customs may, from time to time, appoint or licence public warehouses wherein dutiable goods may be deposited without payment of customs-duty,

(2) Every application for a licence for a public warehouse shall be made in such form as may be prescribed by the Collector of Customs.

(3) A licence granted under this section may be cancelled by the Collector of Customs for infringement of any condition laid down in the licence or for any Violation of any of the provisions of this Act or any rules made thereunder, after the licensee has been given proper opportunity of showing cause against the proposed cancellation.

(4) Pending consideration whether a licence be cancelled under sub-section (3), the Collector of Customs may suspend the licence.” ;

(2) after section 21, the following new section shall be inserted, namely :—

“21A. Deferment of collection of customs-duties—Subject. to such conditions, limitations or restrictions as it thinks fit to impose, the Board may, in such general cases as may. be prescribed by rules or in particular cases by special order, defer the collection of customs-duties either in whole or in part.”;

(3) in section 31-A, in sub-section (2), after the words ‘on the date”, wherever occurring, the words “immediately preceding the date” shall be inserted;

(4) in section 79, after sub-section (3), the following new sub-section shall be added, namely :—

“(4), An officer of Customs not below the rank of Assistant Collector of Customs may in case of goods requiring immediate release allow release thereof prior to presentation of a bill of entry or bill of export, in such cases and subject to such conditions and restrictions as may be prescribed by the Board.”:

(5) in section 84, for the full-stop at the end a colon shall be substituted and thereafter the following proviso shall be added, namely: —

“Provided that the Collector of Customs, for reasons to be recorded in writing, may disallow the warehousing of goods or any class of goods or goods belonging to a particular importer.”;

(6) in section 86, in sub-section (1), in clause (b), for the word “interest” the word “surcharge” shall be substituted ;

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(7) for section 98 the following shall be substituted, namely :—

“98. Period for which goods may remain warehoused.—(1) ,
Warehoused goods, other than consumer goods notified by the ,

Central Board of Revenue, may remain in the warehouse for a
period of six months following the date of their admission into the
warehouse and consumer goods so notified may remain in the
warehouse for a period of three months following the said date:

Provided that the said period may, in case of non-perishable

goods, be extended, on sufficient cause being shown by the
owner of the warehoused goods and subject to the condition
that he pays in advance surcharge on the duty and taxes
involved at two per cent per month for the extended
period,—

(a) by the Collector of Customs, for a period not
exceeding six months; and

(b) by the Federal Government or the Board, for
such period as it may deem fit.

(2) .The Federal Government may, ‘subject to such
conditions or restrictions as it may deem fit to impose, by
notification in the official Gazette, remit the whole or a part of the
surcharge in case of any goods or category of goods and the Board,
in circumstances of exceptional nature, may, subject to such
conditions, limitations or restrictions, if any, as it may think fit to
impose, by a special order in each case recording such
circumstances, remit the whole or a part of the surcharge.

(3) Notwithstanding anything contained in sub-section (1),
the Federal Government may, by notification in the official
Gazette, limit the period for which any consumer goods or class of
consumer goods may remain in the warehouse :

Provided that such period shall not be less than one
month.

(4) When the licence of any warehouse is cancelled. the
owner of any goods warehoused therein shall, within ten days of
the date on which notice of such cancellation is given, or within
such extended period as the appropriate officer may allow, remove *
the goods from that warehouse to another warehouse or clear
them for home-consumption or exportation.”;

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(8) in section 115, in the proviso, the word "private" shall be omitted;

(9) in section 156, in sub-section (1), in the Table —

(a) in clause 53,—

(i) in column 1, for the word "keeper" the word "licensee" shall be substituted;

(ii) in column 2, the words "keeper or" shall be omitted ;

(b) in clause 58,—

(i) in column 1, for the word "keeper" the word "licensee" shall be substituted; and

(ii) in column 2, the word "keeper" shall be omitted;

(10) "the amendments set out in the Second Schedule shall be made in the First Schedule to the Customs Act, 1969 (IV of 1969).

7. Amendment of Ordinance XXXI of 1979.—(1) The following amendments shall be made in the Income Tax Ordinance, 1979 (XXXI of 1979), namely:—

(1) in section 12, in sub-section (18), for the word "fifty" the words "one hundred" shall be substituted,

"(1A) in section 20, in sub-section (1) after clause (g), the following new clause shall be inserted, namely,—

(gp) any expenditure incurred by the assessee on legal services acquired to defend title of the property or any suit connected therewith in a court of law;"

(2) in section 24,—

(a) after clause (c), the following new clause shall be inserted, namely ;—

"(bc) any expenditure or allowance which results directly or indirectly in the provision of salaries of directors of a domestic company, not being a public company as defined in the First Schedule, which exceeds thirty per cent of total income of the company before the charge of such expenditure or allowance:

Provided that the deduction in respect of the aggregate of

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such expenditure or allowance in respect of any director shall not

(i) where such expenditure or allowance relates to a period exceeding eleven months comprised in an income year, the amount of two hundred and forty thousand rupees; and

(ii) where such expenditure or allowance relates to a period not exceeding eleven months comprised in an income year, an amount calculated at the rate of twenty thousand rupees for each month or part thereof comprised in that period.”; and

(b) after clause (f), the following new clause shall be inserted,

namely —

“(ff) any expenditure incurred in respect of which payment is made on or after the first day of July, 1990, for a sum exceeding fifty thousand rupees otherwise than by “a crossed cheque drawn on a bank or by a crossed bank’ draft.”;

(3) in section 50,—

(a):

(b)

in sub-section (6A), for the word “fifteen” the word “ten” shall be substituted; and

after sub-section (7B), the following new sub-section shall be inserted, namely :—

“(7C) Any person responsible for making any payment of twenty-five thousand rupees or more or value thereof to any person (hereinafter called the ‘recipient’) by way of a prize on prize bond or on account of winnings from a raffle, lottery or cross-word puzzle shall deduct from the said payment (in case the payment is made in cash) or collect from the recipient (in case the payment is made in any other form) advance tax at the time of such payment at the rate specified in the First Schedule.”;

(4) in section 53, in sub-section (1), for the words “one hundred” the words “one hundred and fifty” shall be substituted ;

(5) in section 59.—

(a)

in sub-section (1), after the word “assessee”, occurring for the first time, the words and commas “being an individual, an unregistered firm, a registered firm, an association of persons or a Hindu undivided family” shall be inserted;

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(b) sub-section (1B) shall be omitted: and

(c) sub-section (5) shall be omitted;

in section 59B, in sub-section (1), after the figure and comma "1988," the words, commas and figure "and ending on or before the thirtieth day of June, 1990," shall be inserted;

in section 107, in sub-section (1), after the figure "1988", the words, commas and figures "or between the first day of July, 1990, and the" thirtieth day of June, 1993," shall be inserted;

in section 116, for the full stop at the end a colon shall be substituted and thereafter the following proviso shall be added, namely:—

"Provided that where a notice for hearing is given on or after the first day of July, 1990, no order of penalty shall be passed after the expiration of two years from the end of the financial year in which such notice was served.";

in the First Schedule —

(i) in Part I,—

(a) in paragraph A—

(i) in sub-paragraph (1), for the words and comma "or the Investment Corporation of Pakistan," the commas and words ", the Investment Corporation of Pakistan, income by way of a prize on a prize bond or income representing winnings from a raffle, lottery or cross-word puzzle," shall be inserted; and

(ii) in sub-paragraph (2), for the words and comma "or the Investment Corporation of Pakistan," the commas and words ", the Investment Corporation of Pakistan, income by way of a prize on a prize bond or income representing winnings from a raffle, lottery or cross-word puzzle," shall be inserted;

(b) for paragraph CC the following shall be substituted, namely:—

"CC. In the case of every individual, unregistered firm. association of persons, Hindu undivided family and every artificial juridical person referred to in clause (32) of section 2, not

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(ii)

being a case to which paragraph B of this Part applies—

(a) on the dividend income from a Seven and one company listed” on a_ stock half per cent of exchange in Pakistan, the Nation- such amount.

al Investment (Unit) Trust or the Investment Corporation of Pakis-
tan: and

(b) on the income by way of prize bond or income representing half per cent of winnings from a raffle, lottery or such amount.”;
cross-word puzzle.

(c) for paragraph DD, the following shall be substituted,
namely :—

“DD. Rate of income tax for purposes of deduction under sub-section (2A) of section 50,—

(a). where the sum does not exceed Rs. Nil
50,000 in any financial year; and

(b) where the sum exceeds Rs, 50,000 Seven and one
in any financial year. half per cent of
such sum,”;

(d) after paragraph HH, the following new paragraph shall be
added, namely:—

“HHH. Rate of deduction or collection Seven and one
of income tax under sub-section (7C) of half per cent of
section 50. such amount,”;

in Part II, in paragraph A, in sub-paragraph (1), for the entry
under the heading “Rates” the following shall be substituted,
namely;—

(i) in the case of a banking company, 35 per cent of such income
and, in respect of an assessment year commencing on or after
the first day of July, 1988, 30 per cent of such income;

(ii) in the case of a company, not being a banking company, if it
is a public company, 25 per cent of such income, and in
respect of an assessment year commencing on or after the
first day of July, 1988, 15 per cent of such income; and

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(iii) in the case of any other company,—

(a) in respect of an assessment year ending on or before the thirtieth day of June, 1988, 25 per cent of such income;

(b) in respect of an assessment year commencing on or after the first day of July, 1988, and ending on or before the thirtieth day of June, 1990, 15 per cent of such income; and

(c) in respect of an assessment year commencing on or after the first day of July, 1990, 20 per cent of such income.”;

(iii) for Part IML, the following shall be substituted, namely —
“PART IIL

RATES OF SURCHARGE

A. Where the total income of any person for the income year relevant to the assessment year commencing on or after the first day of July, 1988 and ending on or before the thirtieth day of June, 1990, exceeds two hundred thousand rupees, the surcharge shall be payable at the rate of ten per cent of the income tax and super-tax, if any, payable for that year:

Provided that the surcharge shall not exceed the amount equal to fifty per cent of the amount by which the total income exceeds two hundred thousand rupees.

B. In respect of the income year relevant to the assessment year commencing on or after the first day of July, 1990,—

(a)

(b)

where the total income of any person, not being a person to whom sub-paragraphs (b) and (c) apply, exceeds one hundred thousand rupees, the surcharge shall be payable at the rate of ten per cent of the income tax and super-tax, if any, payable for that year :

Provided that the surcharge payable under this sub-paragraph shall not exceed the amount equal to fifty per cent of the amount by which the total income exceeds one hundred thousand rupees;

where the total income of any person exceeds two hundred thousand rupees and consists of, or includes, any income chargeable under the head ‘Salary’ and such income constitutes more than fifty per cent of the total income, surcharge shall be payable at the rate of ten per cent of the income tax payable for that year :

(c)

(10)

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not exceed the amount equal to fifty per cent of the amount by which the total income exceeds two hundred thousand rupees; and

where the total income of any person (not being a person whose total income consists of, or includes, any income chargeable under the head 'Salary' and such income constitutes more than fifty per cent of the total income) does not exceed one hundred thousand rupees and the return of total income qualifies for acceptance under a scheme of self assessment made under sub-section (1) of section 59 for that year, the amount of surcharge payable shall be three hundred rupees.”;

(iv) in Part IV, in paragraph A, in sub-paragraph (2), in clause (a), in the proviso, for the semi colon at the end a colon shall be substituted and thereafter the following new proviso shall be added, namely ;—

“Provided further that where a firm or an association of persons is entitled to a reduction in tax under this clause, a partner of such firm or a member of such association of persons, as the case may be, shall not be entitled to the reduction of tax under this clause in respect of his income from share in the firm or association of persons;”;

in the Second Schedule,—

G) in Part I— .

(a) in clause (65), after the word “nature”, comma and words ‘if such receipts are less than twenty-five thousand rupees’ shall be added;

(b) in clause (80),—

(i) in sub-clauses (a) and (aaa), for the word “fifteen”, wherever occurring, the word “ten” shall be substituted;

(ii) sub-clause (cc) shall be omitted; and

(ii) in sub-clauses (d), (e) and (f) for the word “fifteen”, wherever occurring, the word “ten” shall be

substituted;

{c) in clause (95A), for the full stop at the end a colon shall be substituted and thereafter the following proviso shall be

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added, namely:—

“Provided that exemption under this clause shall not apply in respect of any assessment year commencing on or after the first day of July, 1991.”;

in clause (95B), for the full stop at the end a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that exemption under this clause shall not apply in respect of any assessment year commencing on or after the first day of July, 1991.”;

in clause (96), for the figure “1993” the figure “1990” shall be substituted;

for clause (103), the following shall be substituted, namely :—

“Income of certain cooperative societies. —{ 103) In the case

of a cooperative society,—

(a) so much of its income, profits and gains as is derived by it as a result of its dealings with its members involving sale of goods for the personal use of such members;

(b) the entire amount of its income, profits and gains from a business carried on by it, if it is engaged in—

- (i) agricultural or rural credit; or
- (ii) a cottage industry; or

(iti) the marketing of agricultural produce of its members; or

(iv) the purchase of agricultural implements, seeds, livestock or other articles intended for agriculture or for the purpose of supplying them to its members; or

{v) the processing of the agricultural produce of its members to the extent to which such process is ordinarily employed by a

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cultivator to render the agricultural
produce raised by him fit to be taken to the
market and is not a society engaged in the
performance , of any manufacturing
operations with the aid of power; and

(vi) any income derived from the letting of
godowns or warehouses for the purposes of
storage, processing or facilitating the
marketing of commodities belonging, or
meant for sale, to its members :

Provided that nothing contained in
this clause shall apply to a cooperative
society carrying on the business of
insurance in respect of its profits and gains
to which rule 6 of the Fourth Schedule
applies." .

(ii) in Part TV, in clause (7), the words, brackets, figures and comma
"sub-section (18) of section 12," shall be omitted;

(11) in the Third Schedule —

(a) in rule 2, in sub-rule (1), in the Table, in column 1, after serial No.
VI, the following new entry and the entries relating thereto in
columns 2 and 3 shall be inserted, namely :—

"VIA. Laboratory equipment used in educational 25";
institutions:

(b) in rule 5, in sub-rule (1),—

(i) after clause (aa), the following new clause shall be inserted,
namely :—

"(aaa) in the case of a building 25 per cent of the
owned and used by an educational written down
institution. value."; and

(ii) after clause (d), the following new clause shall be added,
namely :—

"(e) in the case of library books 25 per cent of the
owned and used by an educational written down
institution. value." ,

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(c) in rule 8, —

(i) in sub-rule (5), in the second proviso for the words “one hundred and seventy five thousand” twice occurring, the words “two hundred and fifty thousand” shall be substituted; and

(ii) in sub-rule (8) in sub-clause (a) for the words “tone hundred and seventy five thousand” the words “two hundred and fifty thousand” shall be substituted; and

The provisions of —

sub-clause (a) of clause (2) of sub-section (1) shall, for the purposes of assessment of income and determination of tax thereon, take effect from the assessment year commencing on or after the first day of July, 1991 and sub-clause (3) (c) and (d) of clause (9) of sub-section (1) shall, for the purposes of deduction or collection of advance tax, take effect on the first day of July, 1990; and

sub-clause (iv) of clause (9) of sub-section (1) shall, for the purposes of assessment of income and determination of tax thereon, in respect of any assessment year commencing on or after the first day of July, 1990, take effect in respect of exports made on or after the first day of July, 1989.

8. Amendment of the Zakat and Ushr Ordinance, 1980.—The following amendments shall be made in the Zakat and Ushr Ordinance, 1980 (XVIII of 1980),

namely;—

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in section I, after sub-section (2), the following new sub-section shall be inserted, namely:

“(2A) The Federal Government may, by notification in the official Gazette, direct that this Ordinance shall also apply to any other territories or areas specified in the notification, subject to such exceptions and modification as may be so specified”,

for section 6 the following shall be substituted, namely:

6. Mode of assessment and collection of Ushr—(1) The Provincial Revenue Department shall assess and collect Ushr in respect of a land-owner, guarantee, lessee, lease-holder or land holder in the prescribed tanner, and maintain the record containing such information for a crop season as may be required for the purposes of this Ordinance.

In the case of lease in force immediately before the commencement of this Ordinance, or, after the commencement of the Finance Act, 1990,

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the liability of the lessor and lessee to pay Ushr shall be equitably apportioned between them by the Tehsildar or, as the case may be, An assesste 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 Local Zakat Fund not less than fifty per cent of his liability as assessed or apportioned by the Provincial Revenue Department.

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 being heard.

The Assistant Commissioner or Sub-divisional Magistrate to whom an 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.

The demand as determined under sub-section (1) or, as the case may be, under sub-section (4) 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 Local Zakat Fund.

Where the recovery of Ushr compulsorily realizable under this Ordinance falls into arrears, the Tehsildar or, as the case may be,

Mukhtiarkar shall proceed to recover the amount so specified as if it were an arrear of land revenue.;

in section 7,—

(a) in clause (b),—

(i) after sub-clause (ii), the following new sub-clause shall be

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inserted, namely :—

“(iia) the transfers, if any, from the District Zakat Funds;” and

(ii) the ‘word “and” at the end shall be omitted; and

(b) after clause (b), amended as aforesaid, the following new clause shall be inserted, namely:—

“(bb) a District Zakat Fund for each District to which shall be credited—

(i) the transfers to it from the Provincial Zakat Fund;

(ii) the Zakat paid into it voluntarily;

(iii) the transfers, if any, from the Local Zakat Funds; and

(iv) the grants, atiyat and any other receipts; and

(c) clause (c), after sub-clause (ii), the following new sub-clause shall be inserted, namely :—

“(iia) the transfers to it from the District Zakat Fund”;
in section 9,— ‘

(a) in sub-section (2), after the words “transfer funds to”, the words “District Zakat Fund and”—shall be inserted, and

(b). in sub-section (3), in the proviso.—

(i) after the words “Provincial Council”, the words “or the District Committee” shall be inserted; and

(ii) after the words “Provincial Zakat Fund”, the words and commas “or, as the case may be, the District Zakat Fund” shall be inserted;

in section 12, in sub-section (2), after clause (c), the following new clause shall be inserted, namely:

“(cc) two women, who shall not be less than forty-five years of age, to

be nominated by the President”;

in section 14,—in sub-section (2) after clause (b), the following new clause shall be inserted, namely:

“(bb) two women who shall not be less than forty-five years of age, to be nominated by the Federal Government;”;

in section 16,— in sub-section (3),

(i) after the word “district”; the words “and two women from within the district who shall not be less than forty-five years of age” shall be inserted; and 9 ;

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in the first proviso, for the words and commas Deputy Commissioner, shall be raised to five” the words and comma “and the women members, shall be raised to seven” shall be substituted;

(8) in section 17, in sub-section (3),—

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(b)

after the words “Assistant Commissioner’, the commas and words “two women members,” shall be inserted; and

in the proviso, for the full stop at the end a colon shall be substituted and thereafter the following further proviso shall be

added, namely: F

“Provided further that the two women members shall be nominated by the District Committee in consultation with the Chairman of the Tehsil, Taluqua of Sub-divisional Committee Concerned and shall not be less than forty-five years of age”;

(9) in section 18,—

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(b)

in sub-section (3) for the words “seven members” the words and commas “nine members, of whom two shall be Muslim women who are not less than forty-five years,” shall be substituted; and

in sub-section (4), in the second proviso, for the full stop at the end a colon shall be substituted and thereafter the following further proviso shall be added, namely :—

“Provided further that the team constituted by the District Committee shall organise 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”; and not engaged in political activity.

(10) in section 22,—

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(b)

for the words “Provincial Government” the words “Federal Government” shall be substituted; and

for the full stop, at the end a colon shall be substituted and thereafter the following proviso shall be added, namely:—

“Provided that, notwithstanding anything contained in any other law, the Administrator-General may make such provisions, and issue such orders, in respect of persons serving in the administrative organisation of a Chief Administrator immediately before the commencement of the Finance Act 1990, as may be necessary to remove any difficulty arising out of the amendments made in this Ordinance by the said Act.”

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9, Amendment of Ordinance No. XII of 1982.—The following further amendments shall be made in the Finance Ordinance, 1982 (XII of 1982).
namely:— :

(1) in section 2, in sub-section (1),—

(a) for the word “seven” the word “ten” shall be substituted;
and

(b) after the figure “25”, the words, commas, figure and letter.
“or, as the case may be, fixed under section 25B” shall be
inserted; and

(2) after sub-section (2), the following new sub-sections shall be
added, namely:—

“(3) Under circumstances of exceptional nature, the Central
Board of Revenue may, subject to such conditions,
limitations or restrictions, if any, as it thinks fit to impose, by
a special order in each case recording such circumstances,
exempt any goods from payment of the whole or any part of
the additional customs duty chargeable thereon.

(4) Subject to such conditions, limitations or restrictions as it
thinks fit to impose, the Central Board of Revenue may, in
such general cases as may be prescribed by rules or in
particular cases by special order, authorise—

(a) the delivery without payment of the additional customs
duty chargeable thereon of goods which are imported
only temporarily with a view to subsequent exportation;

(b) the delivery without payment of the whole or any part
of the additional customs duty chargeable thereon of
imported goods of such classes or descriptions as it
“may prescribe, intended to be used in the production,
manufacture, processing, repair or refitting in Pakistan
of goods of such classes or descriptions as it may
prescribe; and

(c) the repayment in whole or in part of the additional
customs duty paid on the importation of any goods of
such classes or descriptions as it may prescribe, which
have been used in the production, manufacture,
processing, repair or refitting in Pakistan of goods of
such classes or descriptions as it may prescribe.”.

“9A. Amendments in the Banking Tribunals Ordinance, 1984 LVIII of
1984.—The following amendments shall be made in the Banking Tribunals

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In section 6,—

(a) for sub-section (6) the following shall be substituted.

{b)

namely:—

“(6)All suits filed in the Banking Tribunal shall be disposed of within ninety days of the filing of the plaint and, in case the proceedings continue beyond the said period, the defendant shall be asked to furnish a bank guarantee acceptable to the Banking Tribunal to the extent of the claim in suit and, on failure of the defendant to furnish such bank guarantee within a period of fifteen days, the Banking Tribunal shall pass a decree in favour of the banking company as prayed for in the plaint:

Provided that, where the claim of the banking company is based on default of the defendant in payment of agreed instalments, the bank guarantee shall be to the extent of the amount of instalments in default:

Provided further that. in case the proceedings continue beyond a further period of one hundred and twenty days, the defendant shall deposit with the Banking Tribunal in cash the amount claimed in the plaint and, on failure of the defendant to make such deposit within fifteen days. the Banking Tribunal shall pass a decree in favour of the banking company as prayed for in the plaint.”; and in sub-section (7), after the brackets and figure “(6)”, the words, commas and figure “before the commencement of the Finance Act, 1990,” shall be inserted: and

(2) Insection 11, sub-section (1), after the word “written”, the words “or oral” shall be inserted.”

10. Amendment of Act I of 1985.—The following amendments shall be made in the Finance Act, 1985 (1 of 1985), namely :—

(1) in section 5, in sub-section (1), after the figure 25”, the words, commas, figure and letter, “or, as the case may be, fixed under section 25B” shall be inserted; and

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after sub-section (2), the following new sub-sections shall be added, namely :—

(3)

Under circumstances of exceptional nature, the Central Board of Revenue may, subject to such conditions,

limitations or restrictions, if any, as it thinks fit to impose, by a special order in each case recording such circumstances, exempt any goods from payment of the whole or any part of the additional customs duty chargeable thereon.

(4) Subject to such conditions, limitations or restrictions as it thinks fit to impose, the Central Board of Revenue may, in such general cases, as may be prescribed by rules or in particular cases by special order, authorise—

(a) the delivery without payment of the additional customs duty chargeable thereon of goods which are imported only temporarily with a view to- subsequent exportation;

(b) the delivery without payment of the whole or any part of the additional customs duty chargeable thereon of imported goods of such classes or descriptions as it may prescribe, intended to be used in the production, manufacture, processing, repair or refitting in Pakistan of goods of such classes or descriptions as it may prescribe; and

(c) the repayment in whole or in part of the additional customs duty paid on the importation of any goods of such classes or descriptions as it may prescribe, which have been used in the production, manufacture, processing, repair or refitting in Pakistan of goods of such classes or descriptions as it may prescribe. ”.

11. Amendment of Act VI of 1987 (VI of 1987).—in the Finance Act, 1987 (VI of 1987), in section 12, in sub-section (1), for the words “two hundred and fifty” the words “two hundred and eighty” shall be substituted. ‘

12. Amendment of Act V of 1989.—In the Finance Act, 1989 (V of 1989), in .

section 7,—

(1) in sub-section (1),—

(a) for the word “who”.commas and words“, association of persons, firm or a company which” shall be inserted; and

(b) after sub-section (1), amended as aforesaid, the following Explanation shall be added, namely:—

“ Explanation —For the purpose of this section, the expressions—

(a) “association of persons” and “firm” shall have the same meaning as contained in the Income Tax Ordinance, 1979 (XXXI of 1979); and

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(b) "company" shall have the same meaning as defined in the Companies Ordinance, 1984 (XLVII-of 1984).";

(2) in sub-section (2),—

(a) in clause (a),—

(i) after the word "property", the commas, brackets and words

"not being a property to which clause (aa) applies," shall be inserted; and

Gi) the word "and" at the end shall be omitted: and

(b) after clause (a), amended as aforesaid, the following new clause shall be inserted, namely :—

"(aa) urban immovable commercial property; and";

(2A) in sub-section (4), for the full stop at the end a colon shall be substituted

and thereafter the following proviso shall be added, namely,—

"Provided that in the case of motor vehicle not plying for hire when purchased from a manufacturer in Pakistan, the capital value tax shall be collected by such manufacturer before making the delivery of

the said vehicle." and

(3) in sub-section (5), for the word "who" commas and the words *, an association of persons, a firm or a company which" shall be inserted.

13. Amendment of Act II of 1951.—(1) In the Sales Tax Act, 1951 (II of 1951), hereinafter referred to as the said Act, for Chapters I to XVI the Chapters set out, in the Third Schedule shall be substituted.

(2) Notwithstanding the substitution of the provisions of the said Act by the provisions in the Third Schedule, the provisions of the said Act shall apply in respect of the charge, levy and collection of any arrears of the sales tax payable under the said Act that was unpaid on the date on which the provisions in the Schedule come into force by virtue of a notification under sub-section (3) of section 1 in Chapter 1 set out in the

Schedule.

14. AMENDMENTS IN THE BANKS NATIONALIZATION ACT, 1974.

The following amendments shall be made in the Banks Nationalization Act, 1974 (XIX of 1974) namely :—

j. Amendment of section 3, Act XIX of 1974.—In the Banks (Nationalization) Act, [1974 (XIX of 1974), hereinafter referred to as the said Act, in section 3,—

(1) after clause (1), the following new clause shall be inserted, namely +

“(LA) “Board” means Board of Directors constituted under this Act.”;

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(2) for clause (4) the following shall be substituted, namely ~

“(4y “Executive Committee” means the Executive Committee of a Bourd constituted under this Act:”;

2. Amendment of section 5, Act XIX of 1974.—In the said Act. in section 5, after sub-section (5), the following new sub-section shall be added, namely ——

“(6) The Federal Government or a corporation owned or controlled by the Federal Government may, from time to time, sell all or any of its shares in the capital of a bank, other than the State Bank, to such persons. and on such terms and conditions, as it may determine”.

3. Amendment of section 9, Act XIX of 1974.—In the said Act, in section 9.—

(1) in sub-section (2), in clause (iv),
(a) after the word “three”, the words “full time” shall be inserted }
(6) for the colon ut the end a full stop shall be substituted: and
(c) the proviso shall be omitted ;
{2) for sub-section (4) the following shall be substituted. namely ——
“(4) The functions of the Council shall be—
(i) laying down policy guidelines and performance criteria and
formulating performance targets for banks and development

financing institutions controlled by the Federal Government.
hereinafter referred to as the said institutions ;

(ii) monitoring progress nade by banks and the said institutions in
achieving performance targets. profitability and efficiency and
,advising the Boards for taking corrective action;

(iii) periodic evaluation of the achievements of banks and the said
institutions and submission of evaluation reports to the Board, the
State Bank and the Federal Government:

(tv) requiring banks and the said institutions to formulate annual
budgets, expenditure regulations and procedures relating to
sanction of fund based and non-fund based facilities with the
approval of their Boards ;

(v) monitoring the cost of operations of banks and the said
institutions;

(vi) acting as arbitrator in the settlement of inter-bank disputes and
disputes between the said institutions:

(vi) watching the progress of implementation of the rulings and

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recommendations and removal of objections made in the State Bank's Inspection Reports and remedial and corrective measures taken by the banks and the said institutions ;

assisting the State Bank in establishing a Credit Information Bureau;

conducting such surveys, inquiries and appraisals as may be necessary for the purpose of this Act as may be required by the Federal Government;

making recommendations to the Federal Government for framing policy for recruitment of officers for banks and the said institutions and the Council on competitive basis;

establishing a Central Training Institute for advanced specialised training of officers at management level ;

formulating schemes under section 15:

carrying out inspection of the banks and the said institutions including their subsidiaries as may be necessary:

Provided that inspection of branches or subsidiaries of a bank or any of the said institutions located in a foreign country shall be carried out in keeping with the laws of that country:

advising banks and the said institutions on the following matters without in any way interfering in their management by their respective Boards, namely :— :

(a) area of co-ordination between banks and the said institutions and planning their operations;

(b) appointment of lead banks and the apportionment of share of advance amongst the banks in respect of consortium

loans, keeping in view the resource availability of each bank or as may be directed by the Federal Government ;

(c) removal of imbalances in banking facilities provided to customers both with regard to commodities as well as regions ;

(d) development of management information systems and schemes for modernization of banks and the said institutions, including installation of computers, telefax and other modern technology; *

(e) establishment of a research department;

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(f)) devising policy for pre-service and in-service training of the
* personnel of banks-and the said institutions ; and

(g) devising policy for promotion, incentives and salary
structure for officers ; and

(xv) exercising and performing such powers and functions of the
Federal Government under this Act, and such other functions, as
the Federal Government may, from time to time, assign to the
Council”.

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after sub-section (4), substituted ‘as aforesaid, the following new sub-
section shall be inserted, namely :—

“(4A) When the Council advises a bank or one of the said
institutions on any matter, the President of the bank or, as the case may
be, the head of the institution shall promptly place such advice before
the Board or Executive Committee for consideration”; and

after sub-section (5), the following new sub-section shall be inserted,
namely :—

“(5A) In the discharge of its functions, the Council shall act on
sound business principles and be guided by such directives in matters of
policy involving the public interest as may be given to it by the Federal
Government, which shall be the sole judge as to whether or not any
matter is a matter of policy involving the public interest.”

4. Substitution of section 11, Act XIX of 1974.—In the said Act, for section 11

the following shall be substituted, namely :—

“II. General provisions pertaining to management of banks.—(1) A bank shall

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have a Board of Directors consisting of the President and six other
members to be nominated by the Federal Government.

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The general direction and superintendence of the affairs and business of
a bank, and overall policy making in respect of its operations, shall vest

in its Board which may exercise all such powers and do all such acts, deeds and things as the bank was competent, immediately before the

commencing day, to exercise or do in a meeting of the Board of Directors.

A bank shall have an Executive Committee consisting of the President and four other members being executive of the bank to be nominated by the board; and the Executive Committee shall conduct the day-to-day affairs and business of the bank under the guidance and supervision of the Board. , .

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A bank shall have an Evaluation Committee consisting of the President and such members as may be appointed by the Board from among its members as are not executives of the bank; and the Evaluation Committee shall—

(a) recommend to the Board the criteria that should be laid down for different categories of employees for carrying out a fair assessment of the merit of the executives and other employees; and

(b) monitor and assess the performance of the employees of the bank, other than the President, and report its findings to the Board—

The President shall be the Chief Executive of a bank and shall preside at the meetings of the Board, the Executive Committee and the Evaluation Committee and direct, manage and control the affairs of the bank.

The Chairman and members of the Council, and the President and members of the Board shall be appointed by the Federal Government and shall hold office during the pleasure of the Federal Government on such terms and conditions as may be approved by it.

No person shall be eligible for appointment as the Chairman or a member of the Council, or the President or a member of the Board or the Executive Committee, if—

(i) he is or has at any time been adjudged an insolvent or has suspended payment or has compounded with his creditors. or

(ii) he is a minor or is found lunatic or of unsound mind. or

(iii) he is not a citizen of Pakistan; or

(iv) he was at any time in the service of the Federal Government or a Provincial Government or of a statutory body or corporation or Board owned or controlled by any such Government or in the service of a bank and was dismissed ; or

(v) he is a person against whom any action has been taken or any proceedings are pending under section 412 of the Companies Ordinance, 1984 (XLVII of 1984), or section 83 of the Banking Companies Ordinance, 1962 (LVI of 1962): or

(vi) he is or has been convicted of any offence of tax evasion under any law for the time being in force:

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Provided that the Federal Government shall, before appointing any person, satisfy itself that the person will have no such financial or other interest as is likely to affect prejudicially the performance by him of the functions of the office to which he is being appointed.

The Chairman and a member of the Council and the President and a member of the Board and the Executive Committee shall be liable to such disciplinary action and penalties, to be awarded in such manner and by such authorities, as may be prescribed.

In the discharge of their functions, the President and members of the Board and the members of the Executive Committee shall act on sound business principles and be guided by such directives in matters of policy involving the public interest as may be given to the bank by the Federal Government, which shall be the sole judge as to whether or not any matter is a matter of policy involving the public interest.

In the exercise of their powers, the Board of Directors, the Executive Committee and the President of a bank incorporated by or under any special law shall not be subject to any restrictions which do not apply to the Board of Directors, the Executive Committee or the President of a bank registered under the Companies Ordinance, 1984 (XLVII of 1984).

The banks shall furnish to the Council such information, returns or reports as may be required of them.

Except as provided in sub-section (3) of section 12, the Federal Government, the Council, the President, the Board or the Executive Committee shall not issue any directive or take any decision in contravention of the provisions of the State Bank of Pakistan Act, 1956 (XXXII of 1956), or the Banking Companies Ordinance, 1962 (LVII of 1962).

The Federal Government may constitute such consultative bodies at the

Provincial and other levels as may, in its opinion, be necessary for gathering information from the public to identify areas of improvement in service and facilities to customers and the public, including measures for meeting regional credit requirements.”

5. Amendment of section 12, Act XIX of 1974.—In the said Act, in section 12,—

(i) in sub-section (1), for the words ‘members of its board of management’

the words and commas “the President, members of the Board, members of the Executive Committee” shall be substituted ; ©

(iii)

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THE GAZETTE OF PAKISTAN, EXTRA., JUNE 30, 1990 [Part 1

a

management” the words and commas “the President, members of the Board and members of the Executive Committee” shall be substituted ; and

after sub-section (2), amended as aforesaid, the following new sub-section shall be added, namely :—

“(3) Notwithstanding anything contained in sub-sections (1) and (2), the State Bank shall prepare, and submit to the Federal Government, a special report every year on cases of write off of loans. mark-up and other dues, or financial relief through rescheduling and restructuring of loans and subsidised loans provided by the nationalised commercial banks, in which established banking practices or authorized procedures have been departed from with a view to causing wrongful loss to the bank or conferring wrongful gain on any constituent or such departure has caused wrongful loss to the bank or conferred wrongful gain on any constituent. If the matters raised in the report relate to public interest, the Federal Government may submit the report, or such part of it as relates to public interest, to Parliament or to the Standing Committee of a House of Parliament dealing with Finance.”

6. Amendment of section 18, Act XEX of 1974,—In the said Act, in section 18,

for the words “members of the Executive Board” the words and commas “or members of the Board, or members of the Executive Committee, of a bank” shall be substituted.

7, Amendment of section 21, Act XLX of 1974.—In the said Act, in section 21,

for the words, figure and comma “Companies Act, 1913” the words, figures, comma and brackets “Companies Ordinance, 1984 (XLVI of 1984)” shall be substituted.

144. Amendment of Act IV of 1938.—The following amendments shall be

made in the Insurance Act, 1938 (IV of 1938), namely:—

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(2)

in section 6, in sub-section (1) for the words “ten lakhs” the words “three hundred lakhs” shall be substituted; and
in section 7, in sub-section (1),—

(a) in clause (a) for the words “two hundred thousand” the words “sixty hundred thousand” shall be substituted; and

(b) in clause (e):—

(i) for the words “three hundred thousand” the words “sixty-

one hundred thousand", shall be substituted; and

(u) for the words "two hundred thousand"

the words "sixt
hundred thousand" shall be substituted, ,

Pays [THE GAZETTE OF PAKISTAN, EXTRA., JUNE 30, 1990 39
a EATAR EXTRA. JUNE 30,1990 39

14B. Omission of Article 32, P.O. No. 10 of 1972.—In the Life Insurance (Nationalisation) Order, 1972, (P.O. No. 10 of 1972), Article 32, shall be omitted.”

THE FIRST SCHEDULE

(See clause 4)

In Part L.—

(1) in SECTION II, in item No, 02.01 in column 1, in sub-item A—

(a) in clause (i), against sub-clauses (a) and (b), for the words “One rupee”

and “Ten paisa” in column 3 the words “Three rupees” and “Thirty paisa” respectively shall be substituted; and

(b) in clause (ii), against sub-clauses (a) and (b), for the words “One rupee” and “Ten paisa” in column 3 the words “Three rupees” and “Thirty paisa” respectively shall be substituted ; and

(2) after SECTION XII, the following new SECTION shall be inserted, namely :—

“SECTION XIII

ARMS AND AMMUNITIONS, PARTS AND ACCESSORIES THEREOF

13.01 Arms and ammunition 5 per cent ad-valorem,”

In Part 1,—

(1) for the existing SECTION XIII the following shall be substituted, namely —

"SECTION XIV

EXCISABLE SERVICES

14.01 SERVICES PROVIDED OR RENDERED BY HOTELS AND RESTAURANTS—

A, All services, facilities and utilities, including outdoor Catering, 30 per cent of the supplies and merchandise provided or rendered by a hotel, charges,

Explonation. “Hotel” means an establishment, Organisation or place where rooms or suites of rooms are let out on rent, whether or not it has any arrangement for catering or provides any other services, facilities or utilities, by whatever name called.

B. All Services, facilities and utilities, including outdoor catering, 30 per cent of the supplies and merchandise, provided or rendered by a restaurant, charges.

Explonation.—“Restaurant” means an establishment, organisa~tion or place where food or drinks are sold, whether or not it provides any other services, facilities or utilities, by whatever name called, and includes a night club, cabaret and estabfishments meant for holding ceremonies.

othg Name of Service Rate of duty

No.

14.02. ADVERTISEMENTS—

Advertisements published in newspapers, magazines, journals or 10 per cent of the periodicals or displayed on cinema screen, broadcast over radio or charges. telecast on television,

14.03 FACILITIES FOR INLAND TRAVEL—

A. Travel by air 20 per cent of the charges.

8. Travel by train 20 per cent of the charges.

C. Others 20 per cent of the charges.

14.04 SERVICES PROVIDED OR RENDERED FOR INLAND CARRIAGE

OF GOODS—

A, Carriage of goods by air S per cent of the - charges,

B. Carriage of goods by train 5 per cent of the charges. :

Cc Others S per cent of the charges,

14.05 SERVICES PROVIDED OR RENDERED BY PERSONS AUTHORISED TO TRANSACT BUSINESS ON BEHALF OF OTHERS—

A, Shipping Agents 5 per cent of the Charges.

Explanation.—"Shipping agent" means a person who represents a ship or a shipping line and transacts all or any of the business in a port on behalf of ship owners or charterers,

B. Stevedores S per cent of the charges.

C. Freight Forwarding Agents 5 per cent of the charges,

Explanation.—"Freight forwarding agent" means a person who in the ordinary course of business assembles and consolidates small shipments into a single lot and assumes responsibility for transportation of such property from point of receipt to point of destination,

D. Customs Agents S per cent of the charges.

— Travel Agents S\$ per cent of the charges.

F. Recruiting Agents § per cent of the charges.

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Item ¥

Name of Service Rate of duty

No.

a ee ee eee er Sos ae a

ce G. Advertising Agents 5 per cent of the charges.

H. Ship Chandlers 5 per cent of the i charges.

1, Others 5 per-cent of, the charges,

14.06 SERVICES PROVIDED OR RENDERED IN MATTERS OF HIRE, a PURCHASE OR SALE OF MOVEABLE OR IMMOVEABLE GOODS OR PROPERTY--

A. Property Dealers \$ per cent of the F ; charges.

- B. Car Dealers 5 per cent of the charges.

Cc. Others 5 per cent of the charges.

14.07 SERVICES PROVIDED OR RENDERED BY PROPERTY DEVELOPERS AND PROMOTERS IN RESPECT.OF

A. Housing Scheme S per cent of the charges.

B. Plaza S per cent of the charges,

C. Shopping Centre 5 per cent of the

charges.

~ D. Commercial Centre S per cent of the ; charges.

E. Others _5 per cent of the charges.

14.08 COURIER SERVICES 10 per cent of the charges.

14.09 SERVICES PROVIDED OR RENDERED BY PERSONS ENGAGED }N CONTRACTUAL EXECUTION OF WORK OR FURNISHING SUPPLIES—

A. Construction Contractors S per cent of the charges.

Explanation.—"Construction contractor" means a contractor doing any one or all of the following categories of work:—

(i) Building and road works;

(ii) Electrical and Mechanical works;

(iii) Air-conditioning works;

(iv) Water-supply and Sanitary works;

(vy) Furniture works;

(vi) Horticulture works; and

J: 3 4

14,10

14.11

14.12

14,13

(vii) Multi-discipline works fe, buildings, water supply and sanitary installations, electrification etc,

B. Others 5 per cem of the charges.

PERSONAL SERVICES PROVIDED OR RENDERED BY—

A. Beauty clinics or parlours and slimming clinics 5 per cent of the charges,

B. Others 5 per cent of the charges.

SERVICES PROVIDED OR RENDERED BY LAUNDRIES, DRY 5 per cent of the CLEANING AND DYEING PLANTS— charges,

SERVICES PROVIDED OR RENDERED BY INSURANCE

COMPANIES—

A. Life insurance 5 per cent of the premium paid.

B. Casualty Insurance 5 per cent of the premium paid.

C. Goods Insurance 5 per cent of the premium paid.

D. Others 5 per cent of the premium paid,

SERVICES PROVIDED OR RENDERED BY PAKISTAN TELE-GRAPH AND TELEPHONE DEPARTMENT IN RESPECT OF—

A, Telephone x 5S per cent of the charges,

B. Telegraph 45 per cent of the charges.

Cc. Telex 5 per cent of the

charges.

D. Telefax connection S per cent of the charges.

E, Others S per cent of the charges.”.

THE SECOND SCHEDULE
(See clause.6)

AMENDMENTS IN THE CUSTOMS ACT, 1969 (IV OF 1969)

In the Customs Act, 1969, in the First Schedule, against Heading Nos, and sub-

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heading Nos. as the case may be, specified in the first and second column of the Table below, for the entries relating to the "Description of Goods" and "Statutory rate of duty" the following corresponding entries in the third and fourth columns of the table shall be substituted. (

TABLE

Heading Sub- Description of goods Statutory

No. — heading No. Rate of duty

| 2 3 4

08041000 - Dates " 20% ad val.

1604.3000 - Caviar and Caviar substitutes ° 100% ad vai,

1806.1000 + Cocoa powder, containing added sugar or other 100% ad val.
sweetening matter

1806.2090 --- Other 100% ad var.

1806,3100 -- Filled 100% ad val,

1806.3200 --+ Not filled 100% ad vat,

1806.9000 - Other . 100% ad var.

1905,1000 - Crispbread 100% oa vol.

1905,2000 - Gingerbread and the like 100% od val.

1905.3000 - Sweet biscuits; waffles and wafers 100% ad val.

1905.4000 - Rusks, toasted bread and similar toasted products 100% ad val,

1905.9000 - Other 100% ad val.

2102.1000 - Active yeasts 60% od val.

2102.2000 - Inactive yeasts; other single-cell micro-organisms, dead 60% od val,

2106.9010 ---Flavouring powders and concentrated extracts for 100% od vol,
breparation of food and beverages °

2402.1000 + Cigars, cheroots and cigarillos, containing tobacco 100% a0 vol.

2402.2000 + Cigarettes containing tobacco 100% od val,

2402,9000 - Other 100% ad vat,

3302.1000 - Ofakind used in the food or drink industries 100% ad val.

3302.9000 - Other 100% ad vat.

33.03 Perfumes and toilet waters. 100% ad val.

3304.1000 - Lip make-up preparations 100% ad val,

1 2 3 4

3304.2000 » Eye make-up preparations. 100% ad val.

3304.3000 Manicure or pedicure preparations. 100% ad val.

3304.9100 + Powders, whether or not compressed 100% ad val,

3304.9900 -- Other 100% ad val,

3305.1000 Shampoos 100% ad val,

3305.2000 Preparations for permanent waving or straightening ' 100% ad val.

3305.3000 Hair lacquers 100% ad val,

3305.9000 - Other 100% ad val,

3306.1010 ---Tooth powder 100% ad val,

3306.1020 +~+-Denture cleaners 100% ad val,

3306.1090 + --Other 100% ad val,

3306.9090 ---Other 100% ad val.

3307.1000 - Preshave, shaving or aftershave preparations 100% ad val,

3307.2000 Personal deodorants and antiperspirants 100% ad val

3307.3000 Perfumed bath salts and other bath preparations 100% ad val.

3307.4100 - "Agarbati" and other odoriferous preparations which 100% ad val.
operate by burning

3307.4900 -- Other 100% ad val.

3307.9000 Other 100% ad val,

3604.1000 Fireworks 100% ad val.

3901.1000 Polyethylene having a specific gravity of less than 0.94 50% ad val.

3901.2000 - Polyethylene having a specific gravity of 0.94 or more 50% ad val.

. 3901.3000 Ethylene-vinyl acetate copolymers 50% ad val.

3901.9000 Other 50% ad val.

3902.1000 - Polypropylene 50% ad val.

3902.2000 - Polyisobutylene 50% ad val,

3902.3000 Propylene copolymers 50% ad val,

3902.9000 Other 50% ad val,

3903.1100 --+ Expansible 50% ad val,

3903.1900 -- Other 50% ad val.

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3903.2000 - Styrene-acrylonitrile (SAN) copoly mers 50% ad vol,

3903,3000 - Acrylonitrile-butadiene styrene (ABS) copolymers 50% oc val,

3903.9000 - Oiher 50% od val.

3904.1000 - Polyvinyl chloride, not mixed with any other substances 50% ad vai.

3904.2100 -- Non-plasticised 50% ad vat.

3904.2200 ++ Plasicised 50% ad vat.

3904.3000 - Vinyl chloride-viny! acetate copolymers 50% od vel,

3904.4000 - Other viny! chloride copolymers : \$0% ad val.

3904.5000 - Vinyliçene chloride polymers 50% ad val,

39046100 -- Polytetafl uoroethylene 50% od val.

3904.6900 -- Other 50% ad val.

3904,9000 - Other ' 50% ad val,

3905.1100 -- In aqueoys dispersion 50% ad val,

3905,1900 -- Other 50% ad val,

3905,2000 - Polyvinyl alcohols, whether or not containing un- 50% ad vat.
a hydrolysed acetate groups

3905.9000 - Other 50% od val.

3906,1000 + Polymethy! methacrylate 50% ad val.

39069000 - Other 50% ad vat.

3907.1000 - Polyacetals 50% ad val.

3907.2000 - Other polyethes 50% of val.

3907.3000 - Epoxide resins 50% ad vai.

3907.4000 - Polycarbonates 50% ad val.

3907,5000 + Alkyd resins 50% od var.

39076000 - Polyethylene temohthalate : 50% ad val.

3907.9100 -- Unsaturated 50% ad val.

3907.9900 -- Other 50% ad var.

3908.1000 ' Polyamide -6,-11, -12, 6,6, 6,9, -6, 10 or 6, 12 50% ad val.

3908.9000 + Other 50% ad var.

3909.1000 - Urea resins; thiourea.resins 50% od val.

1 2 3 4

3909.2000 Melartine resins \$0% od val.

3909,3000 Other amino-resins 50% od val.

3909,4000 Phenolic resins 50% od val.

3909.5000 Polyurethanes \$0% ad val,

39.10 Silicones in primary forms, 50% od val.

3911,1000 Petroleum resins, caumarone, indene or Coumarone- 50% od val,
indene resins and polyterpenes

3911.9000 Other 50% od val.

3912.1100 ++ Non-plasticised 50% ad val.

3912,1200 -- Plasticised 50% ad val.

3912.2000 Cellulose nitrates {including collodions) 50% ad val.

3912.3100 -- Carboxylmerthytcellulose and its salts \$0% od vol.

391 2.3900 + Other 50% od val.

3912.9000 Other 50% ad val.

3913.1000 + Alginic acid, its salts and esters 100% ad val.

3913.9000 - Other 50% ad vai,

39,14 Ion-exchangers based on polymers of headings Nos. 39.01 50% ad vai,
to 39.13, in primary forms.

3915.1000 Of polymers of ethylene 100% ad vol.

3915.2000 - Of polymers of styrene 100% ad val.

3915.3000 - Of polymers of vinyl chloride 100% ad val.

3915,9000 Of other plastics 100% ad vel.

3916,1000 - Of polymers of ethylene 100% ad val.

3916,2000 - Of polymers of vinyl chloride 100% ad val.

3916.9000 Of other plastics 100% ad val,

3917,1000 - Artificial gutsy (sausage casings) of hardened protein 100% ad vai.
or of cellulosic materials

3917.2100 - Of polymers of ethylene 100% ad val,

3917.2200 -- Of polymers of propylene 100% ad vai.

3917,2300 -- Of polymers of vinyl chloride 100% od val,

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3917,2900

3917,3100

3917.3200

3917.3300

3917.3900

3917.4000

3918.1000

3918,9000

3919,1000

3919,9000

3920.1000

3920.2000

3920,3000

3920.4100

3920.4200

3920.\$190

3920.5990

3920.6100

3920.6200

3920.6300

3920.6900

3920.7100

3920.7200

3920.7300

3920.7900

3920.9100

3920.9200

3920.9300

-- Of other plastics

-+ Flexible tubes, pipes and hoses, having a minimum

+ - Other, not reinforced or otherwise combined with

~+ Other, not reinforced or otherwise combined with

burst pressure of 27.6 MPa

other materials, without fittings

other materials, with fittings

+ Other

Fittings

Of polymers of vinyl chloride

Of other plastics

In roll of a width not 'exceeding 20cm

Other

Of polymers of ethylene

Of polymers of propylene

Of poly mers of styrene

- Rigid

- + Flexible
- ++ Other
- ++ Other
- + Of polycarbonates
- « Of polyethylene terephthalate
- ++ Of unsaturated polyesters
- «= Of other polyesters
- ++ Of regenerated cellulose
- ++ Of vulcanized fibre
- + Of Cellulose acetate
- ~ Of other cellulose derivatives
- + - Of polyvinyl! butyral
- + Of polyamides
- +> Of amino-resins

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100% ad vor.
100% ad vot.

100% ad vai,

100% ad var.

100% ad va/,
100% ad val.
100% ad vat,
100% od val.
100% od val.
100% ad' val.
100% ad val.
100% aø val.

ay

100% ad vai.
100% ad vai.
100% od val,
100% ad vat.
100% ad val.
100% ad vel,
100% od voi,
100% ad val,

100% od vat.

100% ad val.

100% ad val.

100% od vai.

100% ed vai,

100% ad vat,

100% ad vai,

100% ad vol.

1 2

3

4

3920,9400

3920,9900

3921.1100

3921,1200

3921,1300

3921.1400

3921.1900

39219000

3923.4000

4011.1000

4011,2000

40171.9990

4012,1090

4012.2000

4012.9000

4013,1000

4013,9090

\$2.07

4202.1100

4202.1200

4202.1900

4202.2100

4202.2200

4202.2900

4202,3100

-- Of phenolic resins

+» Of other plastics

-- Of polymers of styrene

-+ Of polymers of vinyl chloride

++ Of polyurethanes

«+ Of regenerated cellulose

++ Of other plastics

+ Other

- Spools, cops, bobbins and similar supports

- Of a kind used on motor cars (including station wagons and racing cars)

Of a kind used on buses or lorries

Other

Other

+ Used pneumatic tyre

> Other

Of a kind used on motor cars (Including station wagons and racing cars), buses or lorries

+++ Other

Saddlery and harness for any animal (including traces, leads, knee pads, muzzles, saddle clocks, saddle bags, dog coats and the like) of any material

++ With outer surface of leather, of composition leather or of patent leather

~+ With outer surface of plastic or of textile materials

+> Other

++ With outer surface of leather or composition leather

or of patent leather

+» With outer surface of plastic sheeting or of textile

materials

++ Other

++ With outer surface of leather, of composition leather

or of patent leather

100% od val.

100% ad ver.

100% od vol,

100% ad val.

100% od vol.

100% od val.

100% od vol.

100% ad val,

60% ad vel.

100% od val.

100% ad vaj.

100% od val.

100% od val.

100% od val,

100% ed vol,

100% ed val.

100% ed val.

100% od val.

100% gd vai.

100% ad vai.

100% oç val.

100% ad val.

100% ad vai.

100% od vai.

100% ad val,

—

4202.3200 -- With outer surface of plastic sheeting or of textile 100% of val,
materials

4202.3900 -- Other 100% ad val.

4202.9100 --- With outer surface of leather, of composition leather 100% ad val.
of patent leather = | -

4202.9200 -- With outer surface of plastic sheeting or of textile 100% ad val.

materials

4202.9900 -- Other 100% ad val,

4203.1000 - Articles of apparel 100% ad val,

4203.2100 -- specially designed for use in sports 100% ad val,

4203.2900 -- Other , 100% ad val.

4203.3000 - Belts and bandoliers 100% ad val.

4203.4000 -- - Other clothing accessories 100% ad val,

42.05 Other articles of leather or of composition leather. 100% ad val.

4206.1000 - Catgut 100% ad val,

4206.9090 - Other 100% ad val.

4302.1100 -- Of mink 100% ad val,

4302.1200 -- Of rabbit or hare 100% ad val,

4302.1300 ++ Of lamb, the following:

Astrakhan, Broadtail, Caracul, Persian and similar lamb, 100% ad val.

Indian, Chinese, Mongolian or Tibetan lamb

4302.1900 -- Other 100% ad val,

4302.2000 - Heads, tails, paws and other pieces or cutting, not 100% ad val,
assembled

4302.3000 + Whole skins and pieces or cutting thereof, assembled 100% ad val,

4303.1000 - Articles of apparel and clothing accessories _ 100% ad val,

4303.9000 - Other 100% ad val,

4304.0010 --- Artificial fur 100% ad val

4304.0090 --- Other 100% ad val,

4403.1010 --+ Teakwood 100% ad val,

4403.3310 ++ » Teak 100% ad val,

4404.2010 == Of teak wood 100% ad val.

4406.1010 -- Of teak wood 100% ad val,

{Part I

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100% ad vai.

100% ed var.

100% ad val,

100% ed val.

100% ed vai.

00% ad val,

100% ad val.

100% ad val.

100% ad val,

100% ad val.

100% ad val.

100% ad vol.

100% ad val.

100% ad vai.

100% gd vol.

100% od vai,

100% ad vol.

100% og val.

100% od val.

100% ed vol.

100% od vol,

100% ad! val.

100% od val,

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1 2 3

4406.9010 *-- Of teak wood

4408.1000 - Coniferous

4408.2000 - Of the following tropical woods: Dark Red Meranti,

Light Red Meranti, White Luran, Sipo, Limba,

Okoume, Obeche, Acajou d'Afrique, Sapelli, Baboen,

Mahogany (Swietenia spp.), Palissandre du Bresil and

Bols de Rose femelle

4408.9000 -- Other

4410.1000 - Of wood

4410.9000 + Of other ligneous materials

4412.1100 -- With at least one outer ply of the following tropical

woods: Dark Red Meranti, Light Red Meranti,

White Lavan, Sipo, Limba, Okoume, Obeche, Acajou

d'Afrique, Sapelli, Baboen, Mahogany (Swietenia

spp.), Palissandre du Bresil or Bols de Rose femelle

4412.1200 -- Other, with at least one outer ply of non-coniferous
wood

4412.1900 -- Other

4412.2100 -- Containing at least one layer of particle board

4472.2900 -- Other
4412.9100 -- Containing at least one layer of particle board
4412.9900 -- Other
44.13 Densified wood, in blocks, plates, strips or profile shapes,
44.14 Wooden frames for paintings, photographs, mirrors or
similar objects.
4417.0020 --- Other
4418.1000 - Windows, French«windows and their frames
* 4418.2000 » Doors"and their frames and thresholds
4418.3000 - Parquet panels
* 4418.4000 Shuttering for concrete constructional work
4418.5000 - Shingles and shakes
4418.9000 - Other
44g f Tableware and kitchenware of wood.
“
4420.1000 - Statuettes and other ornaments, of wood —

100% ed val,

--

4421.1000

442.9090

4601,2000

4601.9100

4601.9900

4602.1000

4602.9000

47.01

47,02

4703.1100

4703,1900

4703,2100

4703.2900

4704.1100.

4704.1900

4704.2100

4704.2900

47.05

4706.1000

4706.9100

So

4706.9200

4706.9300

4814.1000

4814.2000

4814,3000

4814.9000

Clothes hangers

++ Other

Mats, matting and screens of vegetable materials

> Of vegetable materials.

> Other

Of vegetable materials

Other

Mechanical wood pulp.

Chemical wood pulp, dissolving grades.

Coniferous

Non-coniferous

- Coniferous

Non-coniferous

+ Coniferous

- Non-coniferous

Coniferous

Non-coniferous

Semi-chemical wood pulp,

+ Cotton linters pulp

> Mechanical

-- Chemical

-- Semi-chemical

+ "Ingrain" paper

Wallpaper and similar wall coverings, consisting of Paper coated or covered, on the face side, with a grained, embossed, coloured, design-printed or otherwise decorated layer of plastics :

Wallpaper and similar wall coverings consisting of Paper covered, on the face side, with: plaiting material, whether or not bound together in parallel strands or woven

100% a veal.

100% ad vor.

100% od vol.

100% od vai.

100% od ver.

100% ad val,

100% ad val.

100% ad vat,

10% ad val.

10%.ad val,

10% od val.

10% od var.

10% ad ver.

10% ad vol,

10% ad vol.

10% ad vel.

10% ad vat,
10% ad vai.
10% ad var.
10% ad vat.
10% od var,
10% ad val,
10% ad val.

100% ad vo/,
100% ad vai.

100% ad vel,

43,15 Floor coverings on a: base of paper or of paperboard,
whether or not cut to size.

4818.2000 Handkerchiefs, cleansing or facial tissues and towels

4818.3000 - Tablecloths and serviettes

4818.4000 - Sanitary towels and tampons, napkins and napkin
liners for babies and similar sanitary articles

4818.5000 - Articles of apparel and clothing accessories

48189000 - Other

4819.3000 - Sacks and bags, having 2 base of a width of 40cm or
more

4819,4000 - Other sacks & bags, including cones

4819,5000 Other packing containers, including record sleeves

4819.6000 - Box files, letter trays, storage boxes and similar
articles of a kind used in offices, shops or the like

48201000 + Registers, account books, note books, order books,
receipt books, letter pads, memorandum pads, diaries
and similar articles

4820.2000 Exercise books

4820.3000 - Binders, folders and the file covers

4820.4090 --- Other

4820.5000 - Albums for samples or for collections

4820.9000 + Other

4823.6000 + Trays, dishes, plates, cups and the like, of paper or
paperboard

4823.9090 --- Other

49.09 Printed or illustrated postcards; printed cards bearing
personal greetings, messages or announcements,
whether of not illustrated, with or without envelopes
or trimmings.

49.10 Calendars of any kind, printed, including calendar blocks.

49349100 -- Pictures, designs and photographs

491.9990 --- Other

6910,1000 - Of porcelain or china

6910,9000 + Other

6911,1000 Tableware and kitchenware

100% ad val.

100% ad val,

100% ad val,

100% ad val,

100% ad val,

100% ad val.

80% od vol.

80% od val.

100% od vol,

100% ad vol.

100% ad val.

100% od val.

100% ad val.

100% ed val,
100% ac val.

100% ad vel.
100% ed vei.

100% ad var.
100% ad vai,

100% ad val,
100% ad val.
100% ad val.
100% ad var.
100% ad val.
100% ad val.

69119000 |
6912.0010
6912.0090
6913.1000
6913,9000
6914.1000
6914.9020
6914,9090
7013.1000
7013.2100
7013.2900
7013.3100
703.3200

7013.3900
7013.9100
7013.9900
7019.9090
7020,0090
7101.1000
710.2200

7102.3100

7102,3900
7103.1000

7103,9100
7103.9900
7104.9000
7106.1000
7106.9290

--- Tableware and kitchenware
~++ Other

- Of porcelain or China

Other

Of porcelain or China

ote Filter elements

+++ Other

- Of glass-ceramics

++ Of lead crystal

>> Other

++ Of lead crystal

-- Of glass having a linear coefficient of expansion not exceeding 5x10 per Kelvin within a temperature range of 0°C to 300°C.

-- Other

-- Of lead crystal

++ Other

+++ Other

--> Other

- Natural pearls

-- Worked

++ Unworked or simply sawn; cleaved or bruted

+> Other

Unworked or simply sawn or roughly shaped

«+ Rubies, sapphires and emeralds

+> Other

+ Other

Powder

+++ Other

100% ad vol.

100% ad val.

100% od val,

100% od val.

100% ad var.

100% ad vol.

100% ad val.

100% ad voi.

100% ad val.

100% ad val.

100% od val.

100% ad vol.

100% ad vol.

100% ad ver.

100% ad val,

100% ed val,

100% ad val,

100% ad var.

100% od vai,

100% od var.

100% od ver.

100% ad val,

100% ad vol.
100% ad va,
100% ad val,
100% ad val,
100% ad val,

100% ad val,

83,10 Sign-plates, name plates, address plates and similar 100% gd vol.
plates, numbers, letters and other symbols, of base
metal, excluding those of heading No. 94.05. ,

84484100 -- Shuttles 80% ad val.

8483,1000 - Transmission shafts (including cam shafts and crank 60% ad val.

shafts) and cranks

pn a rr reer ee teint ee mene eee

nt 6G

LJ

Ld Gs Es) fh €) Co io

EJ &€3 LJ

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C42 &

A

8483.2000 - Bearing housings, incorporating ball or roller bearings = 60% ad val.

8483.3000 - Bearing housings, not incorporating ball, or roller bearings; plain shaft bearings 60% ad val.

8483.4000 - Gears and gearing, other than toothed wheels, chain sprockets and other transmission elements presented separately; ball screws; gear boxes and other speed changers, including torque converters 60% ad val.

8483.5000 - » Flywheels and pulleys, including pulley blocks. 60% ad val.

8483.6000 - Clutches and shaft coupling (including universal joints) 60% ad val.

8601.1000 - Powered from an external source of electricity 20% ad val.

8601.2000 - Powered by electric accumulators 20% ad val.

8602.1000 - Diesel-electric locomotives 20% ad val.

8602.9000 - Other 20% ad val.

8603.1000 - Powered from an external source of electricity. 20% ad val.

8603.9000 - Other 20% ad val.

86.04 Railway or tramway maintenance or service vehicles, | 20% ad val.

whether or not self-propelled {for example, workshops, cranes, ballast tampers, trackliners, testing coaches and track inspection vehicles),

86.05 Railway or tramway passenger coaches, not self-propelled; luggage vans, post office coaches, and other special purpose railway or tramway coaches, not self-propelled (excluding those of heading No. 86.04). 20% ad val.

8606.1000. - Tank wagons and the like 20% ad val.

8606.2000 - Insulated or refrigerated vans and wagons, other than those of sub-heading No. 8606.1000_ 20% ad val.

8606.3000 - " Self-discharging vans and wagons, other than those of sub-heading No. 8606.1000 or 8606.2000 20% ad val.

8606.9100 -- Covered and closed 20% ad val.

8606.9200 -- Open, with non-removable sides of a height exceeding 60 cm, 20% ad val.

8606.9900 -- Other 20% ad val.

8607.1100 -- Driving bogies and bissel-bogles 20% ad val.

8607.1200 -- Other bogies and bissel-bogles 20% ad val.

8607.1900. -- Other, including parts 20% ad val.

8607.2100 -- Air brakes and parts thereof 20% ad val.

1 4

3

8607.2900

8607,3000

8607.9100

8607.9900

86.08

86,09

8703,2220

8703.2310

8703.2320

8703.2400

8703.3130

8703,3210

8703.3220

8703,3300

3703,9000

8711,1000

8711.2000

711.3000

8711.4000

8711,5000

8711,9000

804.0020

9003.1910

+> Other

- Hooks and other coupling devices, buffers, and parts thereof

+ - Of locomotives

-- Other

Railway or tramway track fixtures and fittings; mechanical {including electroymechanical} signalling, safety or traffic control equipment for railways, tramways, roads, inland waterways, parking facilities, port installations or airfields; parts of the foregoing.

Containers {including containers for the transport of fluids} specially designed and equipped for carriage by one or more modes of transport,

«++ Exceeding 1,300 cc.
«++ Not exceeding 1,600 cc.
-+ Exceeding 1,600 cc,
-- Of a cylinder capacity exceeding 3,000 cc.
«++ Exceeding 1,300 cc.
+++ Not exceeding 1,600 cc,
--- Exceeding 1,600 cc,
++ Of a cylinder capacity exceeding 2,500 cc.

Other

- With reciprocating internal combustion piston engine
of a cylinder capacity not exceeding 50 cc

> With reciprocating internal Combustion piston engine
of a cylinder capacity exceeding 50 cc but not ex-
ceeding 250 cc

With reciprocating Internal combustion piston engine
of a cylinder capacity exceeding 250 cc but not excee-
ding 500 cc

With reciprocating internal combustion piston engine
of a cylinder capacity exceeding 500 cc but not ex-
ceeding 800 cc

With reciprocating internal combustion piston engine
of a cylinder capacity exceeding 800 cc

Other

++ Unserviceable parachutes of silk or of man made fibres

-++ Of precious metals of rolled precious metals

[Part I

4

20% ad val,
20% ad vol.

20% ad vol.
20% od var.
20% od val.

20% od val.

235% ad val,
235% ad val,
435% ad vol.
435% ad vol.
235% ad val,
235% ad vol,
435% ad val.
435% ad val.

435% ad val.
100% ad val.

100% ad val.

100% ad vel,

100% ad val.

100% ad val,

100% aa var.
100% od val.

100% ad val,

1 2 3 4

5004.1010 --- Of precious metals or rolled precious metals 100% od val.

9004.9020 --- Of precious metals or rolled precious metals 100% od val.

9006,1000 - Cameras of a kind used for preparing printing plates 50% od val,

or cylinders

9006.3000 + Cameras specially designed for underwater use, for 50% ad val.

aerial survey or for medical or surgical examination

of internal organs; comparison cameras for forensic

or criminological purposes

9006.4000 + Instant print cameras \$0% ad val,

9006.5100 -- With a through-the-lens viewfinder (single lens reflex \$0% od var,
(SLR), for roll film of a width not exceeding 35 mm

9006.5200 -- Other, for roll film of a width less than 35 mm \$0% ad val,

9006.5300 --- Other, for roll film of a width of 35 mm 50% ad val.

9006.5900 -- Other 50% ad val.

9006.6100 -- Discharge lamps ("electronic") flashlight apparatus 50% od val.

9006.6700 -- Flashbulbs, flashcubes and the like 50% ad val,

9006.6900 -- Other 50% ad val.

9006.9100 -- For cameras 50% ad val,

9006.9900 -- Other \$0% ad val.

9007.1100 -- For film of less than 16 mm width or for double-8 50% ad val.

mm film

9007.2100 -- For film of less than 16 mm width 50% od val.

9007.9100 -- For cameras 50% ad val.

9007.9200 -- For projectors 50% ad val,

9008,1000 - Slide projectors 50% ad val,

9008.3000 - Other image projectors 50% od val,

9008.4000 - Photographic (other than cinematographic) enlargers 50% ad val,

and reducers

9008.9000 - Parts and accessories 50% od val.

9010.1090 --- Other 50% ad val.

9010.2090 --- Other 50% ad val,

9010.3000 - Projection screens 50% ad val,

9010.9000 - Parts and accessories 50% ad val,

91039000 - Other 100% cxf val. «4

9104,0090 --+ Others 100% ad vel.

9105.1100 -- Battery, accumulator or mains powered 100% od val. .

91051900 --- Other 100% ad val,

9105,2100 -- Battery, accumulator of mains powered 100% gd val,

9105.2900 -- Other : 100% ad val. r

9105.9100 -- Battery, accumulator or mains powered 100% ad val.

9105.9900 ++ Other 100% ad val, -

9111,1000 - Cases of precious metal or of metal clad with pre- 100% ad vei,
cious metal

9112.8010 ---Of precious metal or of metal clad with precious 100% ad vel, ~
metal

9113.1000 - Of precious metal or of metal clad with precious 100% ad val:
metal -=

9201,]000 - Upright pianos 100% ad vai,

9201.2000 - Grand pianos 100% ad val, =|

9201.9000 - Other 100% ad vai,

9202.1000 - Piayed with a bow * 100% ga val.

9202.9000 - Other 100% od var.

92,03 Keyboard pipe organs; harmaniums and similar key- 100% ag vol.
board instruments with free metal reeds, ,

9204,1000 - Accordions and similar instruments 100% ad vel, .

9204.2000 - Mouth organs 100% ad vai,

9205.1000 - Brass-wind instruments 100% ad val.

9205.9000 - Other 100% ad vai.

92.06 Percussion musical instruments (for example, drums, 100% oø val. =

xylophones, cymbals, castanets, maracas),

9207.1000 - Keyboard instruments, other than accordions 100% ad val.

92079000 - Other 100% od val. c

9208.1000 - Musical boxes 100% od val.

92089000 - Other 100% ad val, -

9209.1000 . Metronomes, tuning forks and pitch pipes 100% of val.

9209, 2000
9209,3000
9209.9100

9209,9200.

9209.9300

9209.9400

9209,9900

9401.1000

9401,2000

94013000

94014000

9401.5000

94016100

9401,6900

9401.7100

9401,7900

94018000

9401.9000

9403.1000

9403,2000

9403.3000

9403.4000

9403,.5000

9403,6000

9403.7000

9403.8000

9403.9000

Mechanisms for musical boxes

Musical instrument strings

- Parts and accessories for pianos

Parts and accessories for the musical instruments of
heading No. 92.02

Parts and accessories for the musical instruments of
heading No, 92.03

Parts and accessories for the musical instruments of
heading No, 92.07

- Other

Seats of a kind used for aircraft

Seats of a kind used for motor vehicles

Swivel seats with variable height adjustment

Seats other than garden seats or campifig equipment,
convertible into beds

Seats of cane, osier, bamboo or similar materials

Upholstered

Other

>» Upholstered

Other

Other seats

Paris

Meial furniture of a kind used in offices

Other metal furniture

Wooden furniture of a kind used in offices

Wooden furniture of a kind.used in the kitchen

Wooden furniture of a kind used in the bedroom

; i} '

Other wooden furniture

Furniture of plastics.

Furniture of other' materials, including cane, osier,
bamboo or similar materials

Parts

100% ad val.

100% ed val,

100% ad val,

100% ad war.

100% ad vat.

100% od vol.

100% ed val.

100% ad val.

P 100% od val,

100% ad vol,

te

100% od voi,

100% od vol,

100% ad val.

100% ad vai.

100% ed val,

100% ad val,

100% ed val,

100% ud val.

100% ad vol,

100% od bat.

100% ad vor,

100% od val.

100% od vol.

100% ed var.

100% ad rok

100%' ad vos.

100% ad vai,

ra 2

94041000

9404.2100

94042900

94063000

9404,9000

9505,.1000

9\$05.9000

95.08

9601.9000

96,05

9613.1000

9613, 2000

9613.3000

96138000

96 13.9000

9614.2000

9614,9000

9615.1100

9615.1900

9615.9000

9616.1000

9616.2000

tics or toilet preparations

1. Short title extent and commencement.—(1) This Act may be called the Sales

3

- Mattress supports

-. Of cellular rubber of plastics, whether or not covered

» Of other materials

Sleeping bags

+ Other

Articles for Christmas festivities

Other

Roundabouts, swings, shooting galleries and other fair-ground amusements; travelling circuses, travelling menageries and travelling theatres,

other

Travel sets for personal toilet, sewing of shoe or clothes cleaning,

Pocket lighters, gas fuelled non-refillable

Pocket lighters, gas fuelled, refillable

Table lighters

Other lighters

Parts

Pipes and pipe bowls

Other

+ Of hard rubber or plastics

-- Other

Other

Scent sprays and similar toilet sprays, and mounts and heads therefor

= Powder-puffs and pads for the application of cosme-

THE THIRD SCHEDULE

(See clause 13)

"CHAPTER I

PRELIMINARY

Tax (Amendment) Act, 1990.

{Part |

4

100% ad val,

100% ad val.

100% of val.

100% ud val.

100% ad vol.

100% ad val.

100% od vol.

100% ad vai.

100% ad val.

100% od vul.

100% ad vol,

100% ad vai,

100% ed vai.

100% ad vat,

100% ad val,

100% od val.

100% ad val.

100% ad vas.
100% ad wal,
100% ad val-

100% ad vai,

100% ad val.

a l hee ca ee eee ee ald be ie de

(2) It extends to the whole of Pakistan.

(3) It shall come into force on such date as the Federal Government may, by notification in the official Gazette, appoint.

2. Definitions—In this Act; unless there is anything to the contrary in the subject or context—

(1) “Appellate Tribunal” means the Customs, Excise and Sales Tax Appellate Tribunal constituted’ under section 194 of the Customs Act, 1969 (IV of 1969);

(2) “appropriate officer” means an officer of Sales Tax authorised by the Board by notification in the official Gazette to perform certain functions under the Act.

(3) “Board” means the Central Board of Revenue constituted under the Central Board of Revenue Act, 1924 (IV of 1924);

(4) “Collector” means the Collector of Sales tax appointed under section 30;

(5) “document” includes any electronic data, computer programmes, computer tapes, computer disks or any other medium for the storage of such data ;

(6) “due date” in relation to the furnishing of a return means the 20th day of the month following the end of the tax period, or such other date as the Federal Government may, by a notification in the Official Gazette, specify ;

(7) “exempt supply” means a supply which is exempt from tax under section [By

(8) “goods” means every kind of moveable property other than Actionable claims, money, stocks, shares and securities ;

(9) “input tax”, in relation to a registered person, means—

(a) the tax levied under this act on the supply of goods received by that person;

(b) the tax levied under this Act on imported goods entered for home consumption under section 79 or section 104 of the Customs Act, 1969 (IV of 1969), by that person; and

(c) in case of purchase from a non-registered person of second-hand goods or such other goods as the Federal Government may by notification in’ the official Gazette specify, an amount equal to the tax fraction of the value of that supply.

THE GAZETTE OF PAKISTAN, EXTRA., JUNE 30, 1990 [Part I]

SUCN O[Mer OFNCe as INE Board May, Oy HOLINCANON I Ue Ulliua! Wazetic, spruy,

(11) °

(a)

(b)

(c)

“manufacture” or “produce” includes—

any process in which an article singly. or-in combination with other

-articles, materials, components, is either converted into another distinct article or product or is so changed, transformed or reshaped that it becomes capable of being put to use differently or distinctly and includes any process incidental or ancillary to the completion of a manufactured product ;

process of printing, publishing, lithography and engraving; and

process and operations of assembling, mixing, cutting, diluting, bottling, packaging, repacking or preparation of goods in any other manner. :

(12) “manufacturer” or “producer” means a person who engages, whether exclusively or not, in the production or manufacture of goods whether or not the raw material of which the goods are produced or manufactured are owned by him; and shall include—

(a)

(b)

(c)

a person who by any process or operation assembles, mixes, cuts, dilutes, bottles, packages, repackages or prepares goods by any other manner; ;

an assignee or trustee in bankruptcy, liquidator, executor, or curator, or any manufacturer, or producer and any person who disposes of his assets in any fiduciary capacity; and

any person, firm or company which owns, holds, claims or uses any patent, proprietary, or other right to goods being manufactured, whether in his or its name, or on his or its behalf, as the case may be, whether or not such person, firm or company sells, distributes, consigns, or otherwise disposes of the goods;

(13) “Officer of Sales Tax” means an officer appointed under section 30;

(14) "open market price" means the consideration in money which that supply or a similar supply would generally fetch in an open market;

(15) *

'output tax" in relation to any registered person means the tax charged

under this Act in respect of a supply of goods made by that person;

(16) *

"person" includes a company, an association, a body of individuals

whether incorporated or not, a public or local authority, a Provincial Government or the Federal Government ;

(17) "prescribed" means prescribed by rules made-under this'Act; -

(18) "registration number" means the number allocated to the registered
_ person for the purpose of this Act; c

«| (19) "registered: person" means epee whois cegrani or is liable to be
registered under'this 'Act; | } TEPERIAS at Ft i

Tots

(20) "return" means = return required to be iraenies under Chapter-V of
this:Actys

eb "second haat aide' means goods which hase been 'eid: ee are not
veto

15 (22) "supply" means sale, fanart, lease or other Sagas of goods i in the
course or furtherance of business carried out for consideration and includes—' :

(a) putting to private, business or non-business use of goods acquired,
produced or manufactured in the course of business;

(b) - auction or disposal of goods to satisfy a debt owed by a person;

© Pp possession of taxable goods held immediately. before a person ceases to
be a registered person;

: é' (d)_ removal of goods from the manufacturing premises to the sale point or
place of ie 'owned or operated shar the S manuferiiret or his agent ;
and ue 3

© 'such other transaction as the Federal Government may, by a
notification in the Official Gazette, specify ;

(23) "tax" means the sales tax, and includes additional tax or any other sum
payable under any of, the provisions of this Act or the rules made thereunder ;

(24) "taxable activity" means any activity which is carried on bis any person
whether or not for a pecuniary profit, and involves in whole or in part, the supply of
goods to any other person for a consideration and includes any activity carried on in
the form of a business, trade or manufacture ;

"Qsy "tax fraction" means the amount worked out in accordance with the
oe ae —
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100+a

('a' is the rate of tax specified in section 3);

al

(26) "taxable goods" means all goods other than those which have been exempted under section 13;

(27) "tax invoice" means a document required to be issued under section 23;

(28) "taxable supply" means a supply of taxable goods made in Pakistan other than a supply of goods which is exempt under section 13, and includes a supply of goods chargeable to tax at the rate of zero per cent under section 4;

(29) "tax period" means a period of one month or such other period as the Federal Government may, by notification in the official Gazette, specify ;

(30) "time of supply" (1) A supply made in Pakistan shall be deemed to take place at the earlier of the time of delivery of goods or the time when any payment is received by the supplier in respect of that supply :

Provided that—

(a) where any goods are supplied by a registered person to an associated person and the goods are not to be removed, the time of supply shall be the time at which these 'goods are made available to the recipient;

(b) where the goods are supplied under hire purchase agreement, the time of supply shall be the time at which the agreement is entered into; and

(c) where the goods are removed from the manufacturing premises to the sale point or place of storage owned or operated by the manufacturer or his agent, the time of supply shall be the time of removal of goods from the manufacturing premises;

(31) "value of supply" —(a) in respect of a taxable supply, means the consideration in money including the excise duty, if any, which the supplier receives from the recipient for that supply but excluding the amount of tax:

Provided that.--

vu

(i) in case the consideration for a supply is in kind or is partly in kind and partly in money, the value of the supply shall mean the open market price of the supply excluding the amount of tax; and

(ii) in case the supplier and recipient are associated persons and the supply is made for no consideration or for a consideration which is lower than the open market price, the value of supply shall mean the open market price of the supply excluding the amount of the tax;

(b) in case of trade discounts, the value of supply shall mean the discounted price excluding the amount of tax ; provided the tax invoice shows the discounted price

Pd

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Oe

and the related tax one the discount allowed is in' voluntarily wane normal business practices; — © OISE 10 JERI 3G! 46 Fei OF Paes [og Batwullo

*\ (c)° in case where for any special nature of a transaction it is difficult to ascertain the value of supply, the value of supply means the open market price; and

“dy. in case of imported 'goods, the, v 'of supply 'shall mean the value determined under section 25 or 25 B of the Customs Act, 1969 B(V of 190), including the amount of customs-duties levied 'thereon: °°

, (32), “zero-rated supply” means a taxable goods which is charged to tax at the rate of zero per cent under section 4, F

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CHAPTER II

SCOPE of PAYMENT 'OF TAX”

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yn “Scope 'of tax. uf) sisbjeat! to” the provisions of this Act, there shall be a tax levied and paid a tax known as sales tax at the rate of twelve and half per cent of the value of — = , : 3

(a) taxable goods made in Pakistan by a person in the course or as furtherance' of any business carried on' 'by him; cane”

my goods imported into Pakistan

ice Notwithstanding t the provisions of, 'Sub-section w: the Federal Government may, by notification in the, official Gazets, declare that —

fa) in respect of any goods or sorts of goods imported into or produced in 'Pakistan“or any taxable Supplies: made by registered persons the tax shall be charged at such 'rate or rates as may be specified in the 'notification ;” vA emotes. '

“* (b) “in respect of any goods) or. class of goods the tax shall be charged « on the Total “Whole value or the Net Price as may” be specified. ;

0

(3) The person liable to pay the tax shall be, —

-@ in the case, of, supply of goods in, Pakistan, of the person who supplies, and

ey (by in the case of goods, imported: into 'Pakistan, of the person importing the goods.

ne 30

shall be Charged to tax at the rate of zero per cent:—

- (a) goods exported or deemed to, have been exported out of Pakistan;
- (b) supply of stores and provisions for consumption aboard a conveyance proceeding to a destination outside Pakistan as specified in section 24 of the Customs Act, 1969, (IV of 1969);
- (c) such other goods as the Federal Government may, by notification in the official Gazette specify :
Provided that nothing in this section shall apply in respect of a supply of goods which—

(i) are exported, but have been or are intended to be re-imported into Pakistan; or

(ii) have been entered for export under section 131 of the Customs Act, 1969, (IV of 1969), but are not exported within thirty days of the date of filing of bill of export or such extended period as the Collector may allow.

5. Change in the rate of tax—(1) If there is a change in the rate of tax—

- (a) a taxable supply made in Pakistan by a registered person shall be charged to tax at such rate as is in force at the time of supply;
- (b) imported goods shall be charged to tax at such rate as is in force, —

(i) in case the goods are entered for home consumption, on the date on which a bill of entry is presented under section 79 of the Customs Act, 1969, (IV of 1969);

(ii) in case the goods are cleared from warehouse, on the date on which a bill of entry for clearance of such goods is presented under section 104 of the Customs Act, 1969 (IV of 1969):

Provided that where a bill of entry is presented in advance of the arrival of the

conveyance by which the goods are imported, the tax shall be charged as is in force on the date on which the manifest of the conveyance is delivered :

Provided further that if the tax is not paid within seven days of the presenting of the bill of entry the tax shall be charged at the rate as is in force on the date on which tax is actually paid.

6. Time and manner of payment.—(1) The tax in respect of goods imported into Pakistan shall be charged and paid in the same manner and at the same time as if it were a duty of customs payable under the Customs Act, 1969 (IV of 1969).

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(2) The tax in respect of taxable supplies made in Pakistan during a tax period shall be paid by the registered person at any time before filing the return in respect of that period under Chapter-V.

(3). The tax due on taxable supplies made in Pakistan shall be paid by any of the following modes :—

(a) by way of adjustment in the account current which the registered person may maintain with the Sales Tax Department for this purpose; or

(b) through deposit in an authorised bank; or

(c) such other mode as the Federal Government may specify,

(4) Where the payment is made through deposit in an authorised bank, the registered person shall enclose a copy of the bank receipt with the return.

7. Determination of tax liability.—(1). For the purpose of determining his tax liability in respect of taxable supplies made during a tax period, a registered person shall be entitled to deduct input tax from the output tax that is due from him in respect of that tax period and to make such other adjustments as are specified in section 9.

(2) A registered person shall not be entitled to deduct input tax from output tax unless,—

(i), in case of a claim for input tax in respect of a taxable supply made in Pakistan, he holds a tax invoice in respect of such supply for which a return is furnished ;

(ii) in case of goods imported into Pakistan, he holds the bill of entry duly cleared by the customs under section 79 or section 104 of the Customs Act, 1969 (IV of 1969);

(iii) in case of purchase from a non-registered person of second-hand goods or such other goods as the Federal Government may, by notification in

the Official Gazette specify, he keeps the records as prescribed in section 22.

8. Tax credit not allowed. —(1) Notwithstanding any other provision of this Act, a registered person shall not be entitled to reclaim input tax paid on—

(a) goods used for making exempt supplies under section 13; and

(b) any other goods which the Federal Government may, by a notification in the official Gazette, specify.

(2) If a registered person deals in taxable and non-taxable supplies, he can reclaim only such proportion of the input tax as is attributable to taxable supplies.

9. Debit and credit notice —Where a registered person has issued a tax invoice in respect of a supply made by him and as a result of cancellation of supply or return of goods or a change in the nature of supply or change in the value of the supply or some such event the amount shown in the tax invoice or the return needs to be modified, the registered person may, subject to such conditions and limitations as the Board may impose, issue a debit or credit note and make corresponding adjustment against output tax in the return.

10. Excess amount to be carried forward —(1) Subject to the provisions of sub-section (2), if in relation to a tax period the total deduction of input tax and other adjustments as specified in section 9 exceed the output tax, the excess amount shall be carried forward by the registered person to the next tax period and shall be treated as input tax for that tax period :

Provided that if the excess amount is not fully covered by the tax payable during a period of six months following the tax period in which the credit first arose, the balance outstanding at the end of that period shall be refunded to the registered person as may be prescribed:

Provided further that the tax charged on the acquisition of plant and machinery shall be adjustable against the output tax in five equal yearly instalments in such manner that none of the instalment exceeds twenty per cent of the total input tax.

(2) In case of exports the amount of input tax not covered by the output tax shall be refunded to the exporter in such manner as the Board may prescribe.

11. Assessment of tax —If a registered person does not file a return or the amount of tax shown as payable in the return is not correct, an officer of the Sales Tax Department not below the rank of Superintendent Sales Tax, shall, make an assessment of the tax and the registered person shall, subject to any other liability under the Act, pay the amount so assessed within fourteen days of the communication of the assessment order.

12. Appeal against assessment order,—A registered person not satisfied with the assessment made under section 11 may, within fourteen days of the communication of the assessment order, file an appeal specifying in writing the grounds of objection against the assessment before an officer of Sales Tax next above the officer who made the assessment:

Provided that where an assessment is made by the Collector, there shall be no right of appeal.

13. Exemption.—(1) The Federal Government may, by notification in the official Gazette, exempt any taxable supplies made by a registered person in Pakistan or any goods or class of goods, from the whole or any part of the tax chargeable under this Act, subject to such conditions and limitations as may be specified.

(2) The Board may, by special order in each case stating the reasons, exempt any supply from the payment of the whole or any part of the tax chargeable under this Act.

CHAPTER III REGISTRATION

14. Requirement of registration—(1) Every person who makes a taxable supply in Pakistan (including a zero-rated supply) shall get himself registered under this Act.

(2) Notwithstanding the provisions, of sub-section (1), the Federal Government may, with reference to the nature of business activity, annual turnover or capital employed in business exempt any person or class of persons from the requirement of registration under this Act subject to such conditions which the Federal Government may, by a notification in the official Gazette, specify.

15, Application for Registration —(1) A person who is required to be registered under this Act shall make an application, in the prescribed form to the Collector of the area where his business premises are located :

Provided that, in case of manufacturer whose business office and manufacturing unit are located in different areas, he shall apply to the Collector of the area in whose jurisdiction his manufacturing unit is located.

(2) The person required to be registered on the commencement of this Act shall apply for registration by such date as the Federal Government may, by notification in official Gazette, specify.

(3) If at any time after the commencement of this Act a person becomes liable for registration he shall make an application in the prescribed form to the Collector within thirty days of his liability to be registered.

16, Registration of branches, divisions etc—Where a person liable for registration conducts his business activity distinctly divisible in different branches, divisions or manufacturing units which are located in different collectorates, such branches, divisions or manufacturing units shall be registered separately with the collectorate in whose jurisdiction those are located :

Provided that on an application made by the registered person, the Board, if satisfied that there would be no loss of revenue may, subject to such conditions and restrictions as it deems fit to impose, allow a single registration in respect of such branches, divisions or manufacturing units.

Ve GULWOFISCU by IHN IT UNS Oehall Is saLisnea inal lne application Tor registration 1s complete in all respect, he shall register the applicant and issue a certificate of registration (to person) indicating the registration number assigned to the applicant.

18. Voluntary Registration—If any person not otherwise liable for registration opts for registration he may make an application for registration in the prescribed manner to the Collector and on receipt of his application that person may be registered for the purposes of this Act,

19, Compulsory Registration —If a person who is required to be registered under this Act does not apply for registration and the Collector or such other officer as may be authorised by him in this behalf, after such inquiry as he thinks fit, is satisfied that such person was required to be registered, the Collector or such other officer shall register that person and that he shall be deemed to have been registered from the date he became liable for registration.

20, Change in the particulars of registration —In case there is a change in the name, address or other particulars as stated in the registration application, the registered person shall notify the change to the Collector or the local Sales Tax Office within fourteen days of such change.

21, De-registration—(1) Every registered person who ceases to carry on his business shall communicate this fact to the Collector or the local Sales Tax Office within fourteen days of the date of cessation, and the Collector or such other officer as may be authorised by him may, after satisfying himself that no tax liability is outstanding against that person, cancel the registration of that person from such date as may be determined by him.

(2) A registered person who ceases to be liable for registration under this Act, may apply to the Collector for the cancellation of his registration, and the Collector if satisfied that he has so ceased may, on an application made by that person, cancel the registration of that person from such date as he may specify:

Provided that if such liability ceases during the currency of a financial year the cancellation shall take effect from the beginning of next financial year.

(3) The obligations and liabilities of the person whose registration is cancelled under sub-section (1) or sub-section (2) relating to the period when he conducted business as a registered person shall not be affected by the fact that his registration has been cancelled or that he has ceased to be a registered person.

BOOK KEEPING AND INVOICING REQUIREMENTS

22. Records.—(1) A registered person shall maintain eis keep: at his ince premises in English or Urdu language thé following records of goods purchased and supplies' (including zero-rated and supplies exempted from tax) made by'him or by his agent' acting on his behalf'in 'such 'form "and manneras":would? tiga ready!

ascertainment of his tax liability'during'atax'petiod p=" © ho. 20 6 iiBITOD

(a) records of supplies made shall indicate the description,-quantity and value of goods, name and address of the person to whom sipplick were
“* iade'and the' amount of the'tax charged; c

a "(by fecords of goods purchased shall'show the 'description, quantity and 1°) Gyalue of goods, name, address and registration number of the supplier and dg amount of the tax paid on Purchases

©, d records of zero-rated and exempt "supplies; and,

AND sinter

“(d)| invoices, credit notés, debit notes, bank statements, inventory records and such other records as may be prescribed :

Provided that in case of manufacturer, the,records. shall be kept, at- the.

manufacturing premises.

(2) In case of purchase from a non-registered person of second-hand goods or 'such other goods as the Federal Government may specify by notification in the official Gazette, the recipient shall keep such records as would permit the following Particulars to be Teadily garters a —

- the name and adie of the 6 supplier; “idk

6) the date on ich the goods were acquired; st 5, ‘ ‘ ma

©) description ¢ of goods; and

(a) quantity and value: of. goods. or it SE arn

2. Tax Invoices.—(1) A registered person making a taxable iy shall' issue a serially numbered tax invoice at the time of sary of goods cenneeing the following particulars, namely :—

“a 'name, address a and ta se no of the supplier; ee

({b) " name and address of the recipient ; DY

“yp 6), date of issue of the invoice;

°8(d)” description and 'quantity of goods ;

(c) value exclusive of tax ;
(f) amount of sales tax; and

{g} value inclusive of tax:

Provided that the Federal Government, keeping in view the nature of a business activity or value of a supply, may, by notification in the official Gazette, dispense with the requirement of the issuance of tax invoice or prescribe a modified invoice containing such particulars as may be specified therein :

Provided further that—

(i) not more than one tax Invoice shall be issued for a taxable supply ; and

(ii) where a person claims to have lost the original tax invoice, the supplier may provide a copy clearly marked “copy only” to that person.

24. Retention of records for 5 years —A registered person required to maintain records. under sub-section (1) of section 23 shall retain such records in Pakistan for a period of five years after the end of the tax period to which those relate.

25. Access to records, documents etc,—A registered person shall, as and when required by an officer of sales tax, produce records which are in his possession or control as may be required by such officer.

CHAPTER, V RETURNS

26. Monthly Return—(1) Every registered person shall furnish not later than the due date a true and correct return in the prescribed form to the local Sales Tax Office indicating the purchases and the supplies made during a tax period and the tax payable in respect of that period.

(2) If there is a change in the rate of tax during a tax period there shall be furnished a separate return in respect of each portion of tax period showing the application of different rates of tax.

(3) In case a registered person has more than one branch, division, or manufacturing unit within the jurisdiction of a Collector, he shall furnish a separate return in respect of each branch, division or manufacturing unit to the respective Sales Tax Office;

Provided that the Board may, if satisfied that there will be no loss of revenue, on an application made by a registered person, allow him to furnish a single return in

respect of hisiall branches, divisions or manufacturing. units,to any.local Sales Tax Office within the jurisdiction of a Collector.

27. Special Return —In addition to the return specified in section 26, the Collector may require any person whether, registered or not, to-furnish a return (whether on his.own behalf or as an agent or trustee) in a prescribed form and such person shall furnish the return not later than the date specified in this regard.

2k, Final Return.—If'u person ceases to be a registered person he shall, not later than one month after such cessation furnish.a final return to the local Sales Tax Office in a prescribed form in respect of the last tax period or pare thereof during which he conducted his taxable activity before he ceased to be a registered person.

29. Return deemed to have heen made.—A return purporting to be made-on behalf of a persin shall, forall purposes, be deemed to have been made by such person or under his authorily unless proved to the contrary.

CHAPTER VI

APPOINTMENT OF OFFICERS OF SALES TAX AND THEIR POWERS

30. Appointment of officers. —For the purposes of this Act. the Board may, by notification in the official Gazette, appoint, in relation to any area, any case or class of cases specified in the notification, any person to be;

(a). a Collector of Sales Tax ,

(b) a Collector of Sales Tax (Appeals);

(c) a Deputy Collector of Sales Tax ;

(d) an Assistant Collector of Sales Tax ;

{c) a Superintendent of Sales Tax; or

(1) an officer of sales tax with any other designation.

31, Powers.—An officer of sales tax appointed under section 30 shall exercise such powers and discharge such duties as are conferred or imposed on him under this

Act: and he shall also be competent to exercise all powers and discharge all duties conlerred or imposed upon any officer subordinate to him:

Provided that, notwithstanding anything contained in this Act or the rules, the Board may, by general or special order, impose such limitations or conditions on the exercise of such powers and discharge of such duties as it deems fit.

THE GAZETTE OF PAKISTAN, EXTRA., JUNE 30, 1990 [Part 1
Delegation of powers—(1). The Board may, by notification in the official

32,
therein, empower by name or designation ;

- (a)
- (b)
- (c)

any Deputy Collector of Sales Tax or Assistant Collector of Sales Tax to
exercise any of the powers of a Collector of Sales Tax under this Act;

any Assistant Collector of Sales Tax to exercise any of the powers of a
Deputy Collector of Sales Tax under this Act;

any other officer of sales tax to exercise any of the powers of an Assistant
Collector of Sales Tax under this Act.

(2) Unless the Board in any case otherwise directs, the Collector may authorise
any officer subordinate to him to exercise throughout his jurisdiction, or within any
specified area, any of the powers of the Collector or of any other officer of sales tax
under this Act.

(3) The officer to whom any powers are delegated under this section shall not
further delegate the said powers.

- 33.
- (a)
 - (b)
 - (c)
 - (d)

CHAPTER VII OFFENCES AND PENALTIES

General Penalties.—(1) Any person who—

is required to apply for registration under this Act fails to apply for
registration ; or
fails to furnish a return within the due date; or
fails to notify the change in the particulars of registration ; or
contravenes any other provision of this Act;

shall be liable to a penalty of five thousand rupees,

(2) Any person who—

- (a)
- (b)
- (c)

does not issue a tax invoice or issues a tax invoice which is incorrect in material particulars; or

furnishes a return which is incorrect in material particulars; or

submits a false or forged document to any office of the Sales Tax and thereby evades or attempts to evade payment of tax; or

Part I]

(d)

(e)

(fh

(g)

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'does not maintain records required under'the Act or the rules made

thereunder, or destroys, alters, mutilates or falsifies any such records or
does not retain the records as required under the! Act: or

knowingly makes false statement, false declaration or gives any false
information; or ;

is not a registered person and issues an invoice in which an amount of tax
is specified ; or

attempts to commil or abets the commission of any of the acts specified
at (a) to (f) above; shall be liable to a penalty of twenty-five thousand
rupees or twice the amount of tax involved whichever is greater,

(3) Where any of the acts specified in clauses (a) to (g) of sub-section (2) is
committed by a corporate body or an association of persons whether incorporated or
not, the Chief Executive of that body shall be liable to a penalty of ten thousand rupees.

34. Additional Tax.—Notwithstanding the provisions of section 11, if a
registered person fails to pay the tax within the time specified in section 6, he shall, in
addition to the tax due, be liable to pay additional tax and surcharge at the following

rates :—

{a)

(b)

(c)

(a)

5 per cent of the tax due during the first month or part thereof :

10 per cent of the tax due for the next month or part thereof;

100 per cent of tax due for the succeeding period ;

surcharge at the rate of | percent for every month or part thereof on the
total accumulated amount that remains unpaid after the expiry of three
months.

Explanations. —

(1) For the purpose'of calculating additional tax, the period of default
shall be reckoned from the 21st of a month (following the due date)
to the day preceding the date on which the tax is actually paid;

(2) In this section, the expression “tax due” includes the additional
fax,

35. Removal of goods without transport permit.—(1) If a manufacturer makes
a taxable supply from his business premises without the cover of a transport permit as
may be prescribed such supply shall be liable to confiscation and the registered person,
his agent or any other person concerned with such supply shall be liable to a penalty of
twenty five thousand rupees or twice the amount of the tax involved, whichever is
greater.

(2) Where any goods are confiscated under this section, the officer imposing the penalty, shall give the owner of the goods an option to pay in lieu of confiscation of such goods redemption fine as the officer may deem fit in addition to any tax and other charges due in respect of the goods.

36. Recovery of tax short levied —{ 1) When for any reason the tax due has not been levied or paid or has been short-levied or short-paid or any tax has been erroneously refunded, the person liable to pay the tax or to whom such refund has been erroneously made shall pay the tax due on written demand made within five years from the date on which the tax became due or was paid or adjusted in the account-current, if any, or from the date of making the refund.

(2) In case the person liable to pay tax objects in writing, to the demand of tax, he shall be provided an opportunity of being heard.

37. Power to summon persons to give evidence and produce documents in inquiries under the Act.—(1) Any officer of sales tax shall have powers to summon any person whose attendance he considers necessary either to tender evidence or to produce documents or any other thing in any inquiry which such officer is making for any of the purposes of this Act.

(2) Any person summoned under sub-section (1) shall be bound to attend either in person or by an authorised agent, as the officer of sales tax may direct:

Provided that a person who is exempt from personal appearance in a court under sections 132 and 133 of the Code of Civil Procedure (Act V of 1908), shall not be required to appear in person.

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(3) Any inquiry before an officer of sales tax shall be deemed to be a judicial, proceeding within the meaning of section 193 and section 223 of the Pakistan Penal Code (Act XIV of 1860).

38. Authorised officers to have access to premises, stocks accounts and records.—(1) Any officer authorised by the Collector in this behalf shall have free access to the business premises of a registered person, and such officer may, after due notice to the registered person, inspect the stocks and accounts, and may at any time check his records.

(2) If the authorised officer makes any query the registered person shall furnish such information or explanation as may be sought by him.

39. Seizure of goods liable to confiscation—Any officer of Sales Tax empowered by the Collector in this behalf may seize any goods liable to confiscation and any documents or things which in his opinion will be useful as evidence in any proceeding under this Act and where it is not practicable to seize any such goods or things, he may serve on the owner of the goods or any person holding them in his

possession or charge an order that he shall not remove, part with, change or otherwise deal with the goods except with the prior permission of such officer.

40. Searches how to be made.—All searches made under this Act or the rules made thereunder shall be carried out in accordance with the relevant provisions of the Code of Criminal Procedure, 1898 (Act V of 1898).

~ 41. Goods seized how dealt with —(1) All goods seized under section 39 shall be given in the custody of the owner to be kept at a safe place, and the owner shall be responsible for the safe custody of the said goods:

Provided that if the owner refuses to take custody of the goods, the same shall be deposited in a State warehouse appointed by the Collector for this purpose.

(2), When any goods liable to confiscation under this Act are seized, under section 39, the Collector or any other officer authorised by him in this behalf may, notwithstanding that the case is pending adjudication under sections 43, 45 or 46, a proceeding in any court, cause the goods to be sold and have the proceeds kept in deposit pending adjudication of the case or the final judgement by the court.

(3) For final adjudication of the case, the goods sold under sub-section (2) are found not liable to confiscation, the sales proceeds, after necessary deduction of taxes or dues leviable thereon shall be paid to the owner in the prescribed manner.

42. Disposal of confiscated goods.—Goods confiscated under this Act, shall be disposed of in such manner as may be prescribed.

CHAPTER VITI ADJUDICATION OF CASES

43. Adjudication —Cases relating to confiscation of goods or imposition of a penalty under this Act shall be adjudicated by such officer of Sales Tax as the Board may, by a notification in the official Gazette, authorise.

44. Issue of show cause notice before confiscation of goods or imposition of penalty.—No order under this Act shall be passed for the confiscation of any goods or for imposition of any penalty unless the owner of the goods, if any, or the concerned registered person :—

(a) is served a notice in writing (unless the owner or the registered person accepts the notice orally) of the grounds on which it is proposed to confiscate the goods or to impose the penalty;

(b) is given an opportunity, of making a representation against such confiscation in writing (unless the owner or registered person indicates

a

in writing his preference to present an oral representation) within such
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(c) is given a reasonable opportunity of being heard in person or through a
counsel or duly authorised agent.

45, Appeals—(1) Any person including the Sales Tax Department aggrieved by
any decision or order made under this Act by an officer of Sales Tax lower in rank than
a Collector may, within thirty days of the date of communication of such decision or
order, appeal to the Collector (Appeals):

Provided that an appeal preferred after the expiry of thirty days may be
admitted by the Collector (Appeals) if he is satisfied that the appellant has sufficient
cause for not preferring the appeal within that period, ~

(2) The Collector (Appeals) may, after making such further inquiry as may be
necessary and after giving the appellant an opportunity of being heard, pass such
order as he thinks fit, remanding, confirming, altering or annulling the decision or
order appealed against.

(3) Any person desirous of appealing under sub-section (1) against any
decision or order relating to any tax demanded or any penalty levied under the Act
shall, before filing the appeal, deposit the tax demanded or the penalty levied or both
the tax and penalty.

46, Appeals to Appellate Tribunal—(1) Any person including the Sales Tax
Department aggrieved by any decision or order passed by a Collector of Sales Tax or
by Collector of Sales Tax (Appeals), may appeal to the Appellate Tribunal within
thirty days of the date of communication of such decision or order,

(2) The Appellate Tribunal may admit an appeal preferred after the period of
limitation specified in sub-section (1) if it is satisfied that there was sufficient cause for
not presenting it within the specified period.

(3) The appeal shall be accompanied by a fee of one hundred rupees.

(4) The Appellate Tribunal, after giving the parties to the appeal, an
opportunity of being heard may pass such orders in relation to the matter before it as it
thinks fit.

(5) The Appellate Tribunal shall send a copy of its order disposing the appeal
to the appellant and to the Collector of Sales Tax or the Collector of Sales Tax
(Appeals), as the case may be.

47. Reference to High Court.—(1). Within sixty days of the date on which an
order of the Appellate Tribunal is communicated to him under sub-section (5) of

section 46, the aggrieved person or the Collector may present an application in the prescribed form, and where the application is by the aggrieved person, it should be accompanied by a fees of one hundred rupees, to the Appellate Tribunal requiring it to refer to the High Court any question of law arising out of such order, and the Appellate Tribunal shall draw up a statement of the case and refer it to the High Court.

(2) The statement to the High Court shall set out the facts, the determination of the Appellate Tribunal and the question of law which arises out of the case.

(3) If the High Court is not satisfied that the statement in a case referred to it is sufficient to enable it to determine the question of law raised thereby, it may require the Appellate Tribunal to make such amendments in the statement as it may direct.

(4) If, on an application made under sub-section (1), the Appellate Tribunal refuses to state the case on the ground that no question of law arises, the aggrieved person or the Collector, as the case may be, within ninety days from the date on which the order refusing to state the case is passed, apply to the High Court, and the High Court may, if it is not satisfied with the decision of the Appellate Tribunal, frame the question of law and proceed to hear the case.

(5) The High Court upon hearing of any such case shall decide the question of law raised thereby and shall deliver judgement thereon specifying the grounds on which such judgement is based and shall send a copy of the judgement under the seal of the Court to the Appellate Tribunal which shall pass such orders as are necessary to dispose of the case in conformity with such judgement. ;

(6) The cost of any reference to the High Court shall be in the discretion of the Court.

(7) Notwithstanding that a reference has been made to the High Court, the tax shall be payable in accordance with the assessment made in the case:

Provided that, if the amount of tax is reduced as a result of the judgement in the reference, the amount of overpaid tax shall be refunded unless the High Court, on intimation given by the Collector within thirty days of the receipt of the judgement of the High Court that he intends to seek leave to appeal to the Supreme Court, makes an order authorising the Collector to postpone the refund until the disposal of the appeal by the Supreme Court. ‘

(8) Section 5 of the Limitation Act, 1908 (IX of 1908), shall apply to an application made to the High Court under sub-section (1). ‘

CHAPTER IX

RECOVERY OF ARREARS

48. Recovery of arrears of tax.—(1) Where any amount of tax levied, penalty imposed or demand raised under any bond or other instrument executed under this Act is due from any person, the officer of Sales Tax may:—

(a) deduct the amount from any money owing to person from whom such amount is recoverable and which may be at the disposal or in the control of such officer or any officer of Income Tax, Customs or Central Excise Department;

(b) require by a notice in writing any person who holds or may subsequently hold any money for or on account of the person from whom tax may be recoverable to pay to such officer the amount specified in the notice;

(c) stop removal of any goods from the business premises of such person till such time the amount of tax is paid or recovered in full;

(d) seal the business premises till such time the amount of tax is paid or recovered in full;

(e) attach and sell or sell without attachment any movable or immovable property of the registered person from whom tax is due.

(2) For the purpose of recovery of tax, penalty or any other demand raised under this Act, the officer of sales tax shall have the same powers which under the Code of Civil Procedure, 1908 (V of 1908), a Civil Court has for the purpose of recovery of an amount due under a decree.

CHAPTER X

MISCELLANEOUS

49. Transfer of ownership.—When the ownership of the business of a registered person is transferred, the tax payable, if any, in respect of such business that remains unpaid at the time of such transfer, shall be the first charge on the assets of the business and shall be payable by the transferee,

50. Power to make rules.—The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this Act.

51. Bar of suits, prosecution and other legal proceedings.—(1) No suit shall be brought in any Civil Court to set aside or modify any order passed, any assessment made, any tax levied, any penalty imposed or collection of any tax made under this Act.

(2) No suit, prosecution or other legal proceeding shall lie against the Federal

Government or against any public servant in respect of any order passed in good faith under this Act.

52. Appearance by authorised representative —A registered person required to appear before the Appellate Tribunal or an officer of Sales Tax in connection with any proceedings under this Act may, in writing, authorise any person to represent him or appear on his behalf. '

53. Estate of deceased person,—The tax liability of a deceased registered person under the Act shall be the first charge on his estate in the hands of his successors.

54. Estate in bankruptcy.—(1) If a registered person is declared bankrupt, the tax liability under this Act shall pass on to the estate in bankruptcy if it continues to operate the business.

(2) If tax liability is incurred by an estate in bankruptcy, the tax is deemed to be a current expenditure in the operations of the estate in bankruptcy and shall be paid before the claims preferred by other creditors-are settled.

55. Removal of difficulties.—If any difficulty arises in giving effect to the provisions of this Act, particularly in relation to the transition from the enactments repealed by this Act to the provisions of this Act, the Federal Government may, by a general or special order, made during the period of one year from the commencement of this Act, direct such action to be taken as it considers necessary or expedient for the purpose of removing the difficulty.

56. Service of order, decisions, etc.—Any adjudication order or decision made or any summons or notice issued under this Act shall be served:

(a) by tendering the adjudication order, decision, summons or notice or sending it by registered post to the person for whom it is intended or to his agent; or

(b) if the adjudication order, decision, summons or notice cannot be served in any manner provided in clause (a), by affixing it on the notice board of the local Sales Tax Office.

57. Correction of clerical errors, etc.—Clerical or arithmetical errors in any assessment, adjudication, order or decision may, at any time, be corrected by the officer of Sales Tax who made the assessment or adjudication or passed such order or decision or by his successor in office.

58. Liability for payment of tax in the case of private companies.—Notwithstanding anything contained in the Companies Ordinance, 1984 (XLVII of 1984), where any private company is wound up and any tax chargeable on the company, whether before, or in the course of, or after its liquidation, in respect of any tax period cannot be recovered from the company, every person who was a director of the

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59. Tax paid on stock acquired before registration —Tax paid under the: provisions of Sales Tax Act, 1951 (III of 1951), on the imported or locally produced goods, which a person acquires before he is registered under this Act, and which is liable to adjustment of refund under section 27 of the said Act, shall be treated as input tax for the purposes of this Act.

60. Power to deliver certain goods without payment of tax.—Subject to such conditions, limitations or restrictions as it thinks fit to impose, the Board may authorise the delivery without payment of the whole or any part of the tax payable thereon of goods which are imported only temporarily with a view to subsequent exportation,

61. Repayment of tax in certain cases.—Subject to such conditions limitations or restrictions as it thinks fit to impose, the Board may authorise the repayment in whole or in part of the tax paid on the importation of any goods of such class or description as it may determine, which have been used in the production, manufacture, processing, repair or refitting in Pakistan of goods of such class or description as it may determine.

62. Drawback allowable on re-export.—When any goods which have been imported into Pakistan and on which tax has been paid on importation are re-exported outside Pakistan and such goods as are capable of being identified, seven-eighth of such tax shall, except as otherwise hereinafter provided, be repaid as drawback, and the provisions of Customs Act, 1969 (IV of 1969), relating to drawback of customs duties shall, so far as may be apply to such tax, as they apply for the purposes of that Act:

Provided that no such drawback shall be repaid unless the re-export is made within a period of two years from the date of importation as shown in the records of the Custom House;

Provided further that the Board may, on sufficient cause being shown, in any case extend the said period by a further period of one year.

63. Drawback on goods taken into use between importation and re-exportation. —Notwithstanding anything contained in section 62, the repayment of sales tax as drawback in respect of goods which have been taken into use between importation and re-exportation shall be subject to such orders, conditions or limitations as may be passed or imposed by the Board in each case—

(a) modifying the amount of tax which shall be repaid as drawback on any such goods or class of goods; or

(b) prohibiting the repayment of tax as drawback on any such goods or class of such goods or:

fc} varying the condition for the grant of drawback on any such goods or class of such goods' by restricting the période after § importation within which the goods-must be ré-exported,

64 Fomet to declare what goods are identifiable and to prohibit drawback in case of specified foreign territory.—The Federal Government may, from time to time, by notification in the official Gazette, prohibit the payment of drawback upon the exportation of goods or any specified goods or class of goods to any specified foreign port or territory,

65. Exemption of tax not levied or short levied as a result of general practice — Notwithstanding anything contained in this Act, if in respect of any supply the Federal Government is satisfied that inadvertently and as a general practice:— ,

(a) tax has not been charged in any area on any supply which was otherwise taxable, or according to the said practice the amount charged was less than the amount that should have actually been charged:

(b) the registered person did not recover any tax prior to the date it was discovered that the supply was liable to tax; and

(c) the registered person started paying the tax from the date when it was found that the supply was chargeable to tax;

It may, by a notification in the official Gazette, direct that the tax not levied or short levied as a result of that inadvertent practice, shall not be required to be paid for the period prior to the discovery of such inadvertent practice.

66. Refund to be claimed within one year.—No refund of tax claimed to have been paid or over paid through inadvertance, error or misconception shall be allowed, unless the claim is made within one year of the date of payment.

67, Delayed Refund.—Where a refund due under sections 10, 61 and 66 is not made within one hundred eighty' days of receipt of a claim complete in all respects, there shall be paid to the claimant, in addition to the amount of refund due to him, a further sum equal to 10% per annum of the amount of refund due, from the date following the expiry of one hundred eighty days to the day preceding the date of payment of refund

68 Liability of the registered person for the acts of his agent.—When any person is expressly or impliedly authorized by a registered person 'o be his agent for all or any of the purposes of this Act, the registered person shall be responsible for the act done by his agent

69. Issuance of certificate & duplicate of Sales Tax documents—A certificate or a duplicate of any certificate, tax invoice, monthly return or other sales tax documents may, on payment of a fee of ten rupees, be furnished to the registered person applying for the same.

70. Computation of limitation period —In computing the period of limitation prescribed for any appeal or application under this Act, the day on which the order complained of was served and, if the concerned person was not furnished with a copy of the order, the time requisite for obtaining a copy of such order shall be excluded.

K. A. GORAYA,
Secretary,

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