

TAX RATES FOR THE TAX YEAR 2027

SALARY - Sec 149, Div I Part I 1st Schedule

Taxable Income		Rate of Tax	
From	To		
Up to 600,000		0%	
600,001	1,200,000	1% on amount exceeding Rs. 600,000	
1,200,001	2,200,000	6,000	11% on amount > Rs. 1.2M
2,200,001	3,200,000	116,000	20% on amount > Rs. 2.2M
3,200,001	4,100,000	316,000	25% on amount > Rs. 3.2M
4,100,001	5,600,000	541,000	29% on amount > Rs. 4.1 M
5,600,001	7,000,000	976,000	32% on amount > Rs. 5.6 M
Above 7,000,001	1,424,000		35% on amount > Rs. 7.0 M

Note: Salary rate applicable where salary income exceeds 75% of total taxable income

TAX RATE FOR AOP & BUSINESS INDIVIDUALS

Taxable Income		Rate of Tax	
From	To		
Up to 600,000		0%	
600,001	1,200,000	15% on amount exceeding Rs. 600,000	
1,200,001	1,600,000	90,000	20% on amount > Rs. 1.2 M
1,600,001	3,200,000	170,000	30% on amount > Rs. 1.6M
3,200,001	5,600,000	650,000	40% on amount > Rs. 3.2M
Above 5,600,000	1,610,000		45% on amount > Rs. 5.6M
Above 19 Million		Additional 10% on Tax imposed (As Calculated above)	

Tax Rates of Companies

Banking Company	39%
Public & Private Company	29%
Small Company	20%
Alternate Corporate Tax (On accounting profit)	17%

Turnover Tax - Sec113 Div IX, Part I, 1st Schedule

Minimum Tax	Rate
SSGCL, SNGPL, PIA and Poultry Industry	0.75%
Oil refineries & Oil Marketing Companies Motorcycle dealers registered under the ST Act, 1990 Distributors, dealers, sub-dealers, wholesalers appearing in ATL under Sales Tax and Income Tax	0.5%
Pharmaceutical, Fertilizer, Cigarette, Sugar, locally manufactured mobile phones, Fresh and frozen food in canned or packaged form, Electronics, Beverages and dairy products, Pasta, cereals, biscuits, nuts, snacks and similar packaged food items, Condiments and baking items in bottled or packaged form, Cosmetics, oral care, baby care, Cleaning agents, Toiletries, Trash bags, aluminum foil, air freshener and insect sprays.	0.25%
- Petroleum agents and distributors (Sales Tax Registered) - Rice mills and dealers; - Tier-I Retailers of FMCG (Integrated with FBR's software for real time reporting) - Person's turnover from supplies through e-commerce including running online market place. - Persons engaged in trading of used vehicles. - Flour mills.	0.25%
In all other cases	1.25%

Activity/ Nature of Payment		Tax Rate	Nature of Tax
From	To	ATL/Non-ATL	
PROPERTY INCOME/ RENTALS - Sec155, Div V Pt III 1st Sch			
Where recipient is a company	15%	30%	Adv. Tax
Other recipients	Advance Tax		
Annual Rent (Rs.)	Tax		
From	To	Rate of Tax will be doubled for Non ATL	
Up to 300,000		NIL	
300,001	600,000	5% of the amount exceeding 300,000	
600,001	2,000,000	15,000 + 10% of the amount above 600,000	
Above 2,000,000		155,000 + 25% of the amount above 2,000,000	

SALE/TRANSFER OF IMMOVABLE PROPERTY - S 236C, Div X P I 1st Sch		Not Applicable	N/A
Inheritance/ Gift			
To be collected from seller/transferor	Filer	Non-Filer	Adv. Tax
	2.75%	11.5%	

PURCHASE OF IMMOVABLE PROPERTY - S 236K, Div XVIII, P IV 1st Sch		Not Applicable	N/A
Inheritance/ Gift			
Other cases	Range	Filer	Non-Filer
	Up to 50M		10.5%
	From 50M to 100M	1.25%	14.5%
	Exceed 100M		18.5%

Note: CI 111AC, Part II, 2nd Sch; Enhanced Tax US 236C & 236K will not be applicable on Non Filer Non Residents bearing NICOP or POC Cards

CAPITAL GAINS ON DISPOSAL OF IMMOVABLE PROPERTY & SECURITIES					
Sec. 37, Division VIII, Sec. 37A Division VII - Part I, 1st Sch					
Disposal of Immovable property acquired on or after 1st July, 2024 (Irrespective of holding period)		Filer	15%		
		Non-Filer	NTR with minimum 15%		
Disposal of Immovable property acquired on or before 30th June, 2024					
Holding Period		Rate of Tax			
From	To	Open Plots	Constructed Property	Flats	Securities
Upto 1 Year		15%	15%	15%	15%
1 Year	2 Years	12.5%	10%	7.5%	12.5%
2 Years	3 Years	10%	7.5%		10%
3 Years	4 Years	7.5%	5%		7.5%
4 Years	5 Years	5%		0%	5%
5 Years	6 Years	2.5%	0%		2.5%
Exceeding 6 Years		0%			0%

Activity/ Nature of Payment	Tax Rate		Nature of Tax
	ATL	Non-ATL	
SUPPLY OF GOODS- Section 153(1)(a), Div III, Part III, 1st Sch. Clause 24A, 24C, 31, Part II, 2nd Sch. 45A Part IV 2nd Sch.			

Sale of rice, cottonseed & edible oil	1.5%	3%	Advance Tax for Listed companies and Companies Engaged in Manufacturing
Sale of Cigarettes by distributors	2.5%	5%	
Sale of pharma products, gold & silver	1%	2%	
Sale of FMCG, fertilizer, electronics excluding mobile phones, sugar, cement and edible oil by distributors, dealers, sub-dealers, wholesalers & retailers (If ATL in Sales Tax & Income Tax)	0.25%	N/A	
Sale of other goods by companies	5%	10%	
Sale of other goods by AOPs & Individuals	5.5%	11%	
Toll Manufacturing by companies	6%	18%	
Toll Manufacturing by AOPs & Individuals	11%	22%	
Sales & supplies by taxpayers in following sectors Textile & articles thereof - Carpets - Leather & articles thereof - Artificial leather - Footwear - Surgical goods - Sports goods	1%	2%	
Local supplies by yam traders to above mentioned sectors	0.5%	1%	

Note: No tax to be withheld in case where aggregate annual payment is below Rs. 75,000/-			
PAYMENTS FOR SERVICES - S. 153(1)(b), 153(2), Div III & Div IVP 1st Sch.			
Advertising services (elec. & print media)	1.5%	3%	
IT and IT enabled service	4%	8%	
Transport, Freight forwarding, Air cargo, Courier, Manpower outsourcing, Hotel services, Security guard services, Software development, Trading services, Share registrar services, Engineering Services including architectural services, Warehousing, Service by NBFC, Data Services provided under license issued by PTA, Telecom Infrastructure (Tower) Services Car rental, Building maintenance, Services by PSX & PMEX. Inspection services, Certification services, Testing & Training, Offshore services, Telecommunication, Collateral Management Services, Travel and Tour Services	7%	14%	Minimum Tax
Companies, AOPs & Individual providing other services	14%	28%	
Professional services such as doctors, lawyers, architects, accountants, software engineers or developers, (Working independently)	15%	30%	
Terminal and Port Services	12%	24%	
Stitching, dying, printing, embroidery, washing, sizing & weaving for Exporters	1%	2%	
Services by taxpayers in following sectors Textile & articles thereof - Carpets Leather & articles thereof - Artificial leather - Footwear - Surgical goods - Sports goods	1%	2%	
Note: No tax to be withheld for payments in case where payment is less than Rs. 30,000/- in aggregate, during a financial year.			

Activity/ Nature of Payment		Tax Rate	Nature of Tax
From	To	ATL/Non-ATL	
IMPORTS - Section 148 Part II, First Schedule			
Goods classified as per Twelfth Schedule			
Persons importing items (Materials & machinery) goods classified in Part I of the Twelfth Schedule	1%		Adjustable Tax Industrial undertaking importing goods other than i) edible oil, ii) packaging material, iii) paper & paper board or iv) plastics
Persons importing items (Parts & components) classified in Part II of the Twelfth Schedule	2%		
Persons importing items (Parts & components) classified in Part II of the Twelfth Schedule For Commercial Importer	3.5%		
Persons importing goods (all others) classified in Part III of the Twelfth Schedule	5.5%		
Persons importing goods (all others) classified in Part III of the Twelfth Schedule For Commercial Importer	6%		Minimum Tax All other cases
Manufacturers covered rescinded under S.R.O. 1126/1/2011 importing items covered under S.R.O. 1125/1/2011	1%		
Persons importing finished pharma products, not manufactured locally as certified by the DRAP	4%		
Import of CKD Kits of electrical vehicles for small cars or SUV's upto 30 kwh battery and LCV's upto 150 kwh battery	1%		

Activity/ Nature of Payment		Tax Rate	Nature of Tax
From	To	ATL/Non-ATL	
PS: Due care and caution has been taken in extracting this information. Any suggestion, error or mistakes found in this Document may please be sent to us. For further detail please consult the relevant Law			

Tax on Builders & Developers - Section 7F, 1st Sch, Part-I Div I & II		Taxable Profit
Construction & sale of residential, commercial or Other Building	10%	gross receipt
Development & sale of residential, commercial or Other Plots	15%	gross receipt
Above both (Construction & Development)	12%	gross receipt

TAX ON PAYMENTS FOR DIGITAL TRANSACTIONS IN E-COMMERCE Section 6A, (Charging Provision), Section 153 (2A) (Withholding Provision)		Tax Rates
Digital Means or banking channels by payment-intermediary	1%	of the gross amount
Cash on delivery by courier services	2%	of the gross amount

TAX ON SALES TO DISTRIBUTORS, DEALERS & WHOLESALERS BY MANUFACTURERS & COMMERCIAL IMPORTERS - Sec236G, Div XIV Pt IV 1st Sch		Tax Rates
Fertilizers (if on ATL under IT & ST)	0.25%	N/A
On sale of fertilizers	0.7%	1.4%
All sectors other than fertilizer	0.1%	2%

TAX ON SALES TO RETAILERS & WHOLESALERS BY MANUFACTURERS, DISTRIBUTORS, DEALERS, WHOLESALERS & COMMERCIAL IMPORTERS - Sec236H, Div XV Pt IV 1st Sch		Tax Rates
All Sectors	0.5%	2.5%

CASH WITHDRAWAL - Section 231AB		Tax Rates
Cash Withdrawal exceeding Rs. 50,000 Per Day	0%	0.8%

BROKERAGE & COMMISSION - Sec233, Div II Pt IV 1st Sch		Tax Rates
Advertising commission	10%	20%
Life Ins Comm. up to Rs. 0.5M p.a.	8%	16%
Others	12%	24%

PRIZES AND WINNINGS - Sec156, Div VI Pt III 1st Sch		Tax Rates
On prize bonds & crossword puzzle	15%	30%
Raffle, lottery, winning quiz & prizes on sales promotion schemes	20%	40%

PROFIT ON DEBT-Section 151, Div. IA Part II 1st Sch - WH Provision		Tax Rates
Profit on Debt / Yield	20%	40%

PROFIT ON DEBT-Section 7B, Div. IIA Part I 1st Sch - Charging Provision		Tax Rates
Where yield is up to Rs. 5,000,000	20%	40%
Where yield is above Rs. 5,000,000	Normal Tax Regime	

Telephone Users - Section 236, 1st Schedule, Part-IV Division V		Tax Rates
Land Line bills exceeding Rs. 1000		10%
Internet & Mobile Subscriptions	15%	75%

SPECIAL TAX REGIME FOR SMALL & MEDIUM ENTERPRISES Section 2(59A) & 100E, Fourteenth Schedule

- Manufacturer SMEs registered with FBR or SMEDA.
- Provisions of section 113 will not be applicable.
- Tax deducted under section 153 will not be minimum tax

Category	Opting NTR	Opting FTR
Annual turnover does not exceed Rs.100 M	7.5% of taxable income	0.25% of gross turnover
Annual turnover exceeds Rs. 100M but does not exceed Rs. 250M	15% of taxable income	0.5% of gross turnover
NTR or FTR once opted will be irrevocable for next 3 years		

SIMPLIFIED TAX REGIME FOR RETAILERS & SPECIFIED SERVICE PROVIDERS Section 99A & 235(1A) Div IV Part IV 1st Sch.

- Applicability: Specified Service providers & Other than Tier - 1 Retailers
- Tax will be in addition to WHT US/235
- Not applicable - where tax US/3(9) of ST Act, 1990 has been paid

Gross Monthly Bill		Tax
From	To	
Up to 30,000		Rs. 3,000/-
30,001	50,000	Rs. 5,000/-
50,001	100,000	Rs. 10,000/-
Specified retailers and service providers through ITGO		Rs. 200,000/-

The Punjab Agricultural Income Tax Act, 1997

From To		Rate of Tax
Up to 600,000		0%
600,001	1,200,000	15% of amount exceeding Rs. 600,000
1,200,001	1,600,000	90,000
1,600,001	3,200,000	170,000
3,200,001	5,600,000	650,000
Above 5,600,000	1,610,000	45% on amount > Rs. 5.6M

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