

TAX RATES FOR THE TAX YEAR 2025

SALARY - Sec 149, Div I Part 1 1st Schedule			
Taxable Income		Rate of Tax	
From	To		
Up to 600,000		0%	
600,001	1,200,000	5% on amount exceeding Rs. 600,000	
1,200,001	2,200,000	30,000	15% on amount > Rs. 1.2M
2,200,001	3,200,000	180,000	25% on amount > Rs. 2.2M
3,200,001	4,100,000	430,000	30% on amount > Rs. 3.2M
Above 4,100,000	700,000	35,000	35% on amount > Rs. 4.1 M
Above 10 Million		Additional 10% on Tax Imposed (As Calculated above)	

Note: 25% Reduction in tax for full time teacher except practicing doctors.
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%	45% on amount > Rs. 5.6M
Above 10 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%

Note: Super Tax - Section 4B & 4C - Div IIA & IIB Part 1, 1st Sch

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 S T Act, 1990	0.5%
• Distributors of pharmaceutical products, FMCGs and cigarettes; • Petroleum agents & distributors registered under the ST Act, 1990; • Rice mills and dealers, Flour mills • Tier-1 Retailer of FMCGs with POS integrated with Board • E-commerce business including running on online marketplace defined in Sec 2(38B) • Sale and purchase of used vehicles • Distributors, dealers, sub-dealers, wholesalers and retailers of steel	0.25%
In all other cases	1.25%

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, 24D, 31, Part II, 2nd Sch. - 45A Part IV 2nd Sch.		
Sale of rice, cottonseed & edible oil	1.5%	3%
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 steel & 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%
Toll Manufacturing by companies	9%	18%
Sale of other goods by AOPs & Individuals	5.5%	11%
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 yarn 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 IV Part III 1st Sch.

Advertising services (elec. & print media)	1.5%	3%
Transport, Freight forwarding, Air cargo services, Courier, Manpower outsourcing, Hotel, Security guard, Software development, IT and IT enabled service, Warehousing Tracking services, Advertising (other than by print or electronic media), Share registrar services, Car rental, Building maintenance, Services of PSX & PMEL, Inspection, Certification, Testing & Training, Oilfield, Telecommunication, Collateral management, Travel & tour services, Engineering Services, Services by AMCs.	4%	8%
Companies providing other services	9%	18%
AOPs & Ind. providing other services	11%	22%
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.

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

Activity/ Nature of Payment		Tax Rate	Nature of Tax
		ATL	Non-ATL
PROPERTY INCOME/ RENTALS - Sec155, Div V Pt III 1st Sch			
Where recipient is a company		15%	30%
Other recipients		Adv. 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 IV 1st Sch				
By NRPs where the property acquired via FCVA or NRVA			3%	Final Tax (In lieu of CGT)
Acquired in same year			3%	6%
Inheritance/ Gift			Not Applicable	
Range			Filter	ATL (Late Filer)
Other cases	Upto 50M		3%	6%
	From 50M to 100M		3.5%	7%
	Exceed 100M		4%	8%
				10%
PURCHASE OF IMMOVABLE PROPERTY - S 236K, Div XVIII, P IV 1st Sch				
Inheritance/ Gift			Not Applicable	
Range			Filter	ATL (Late Filer)
Other cases	Upto 50M		3%	6%
	From 50M to 100M		3.5%	7%
	Exceed 100M		4%	8%
				20%

Note: C1 111AC, Part IV, 2nd Sch. Enhanced Tax U/S 236C & 236K will not be applicable on Non Filer Non Residents bearing NICOP or POC Cards

CAPITAL GAINS ON DISPOSAL OF IMMOVABLE PROPERTY & SECURITIES

Disposal of Immovable property acquired on or after 1st July, 2024 (Irrespective of holding period)		15%
Disposal of Immovable property acquired on or before 30th June, 2024		15%

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%			5%
5 Years	6 Years	2.5%	0%		2.5%
Exceeding 6 Years		0%			0%

EXPORTS - Sec154, Div IV, Sec 154A, Div IVA - Part III 1st Schedule, Clause 47C Part IV 2nd Schedule, Sec. 147

Proceeds against Export of Goods	1% minimum + 1% advance Tax
Proceeds against Export of Services	1%
Proceeds against Export of IT & IT Enabled Services by Person Registered with PSEB	0.25%

Note: Exemption to Cooking oil or Ghee exported to Afghanistan If Tax U/S 148 is paid.

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%	
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	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	6%	
Manufacturers covered rescinded under SRO: 1125(I)/2011 importing items covered under SRO: 1125(I)/2011	1%	
Persons importing finished products, not manufactured locally as certified by the DRAP	4%	
Import of CKD Kits of electrical vehicles for small cars or SUVs upto 50 kwh battery and LCVs upto 150 kwh battery	1%	

Note: On the import value as increased by customs-duty, sales tax and FED.
Note: No tax to be collected on the import of items covered in Clauses (12F) to (12M) of Part IV of Second Schedule.

TAX ON SALES TO DISTRIBUTORS, DEALERS & WHOLESALERS BY MANUFACTURERS & COMMERCIAL IMPORTERS - Sec236G, Div XIV Pt IV 1st Sch

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

All Sectors	0.5%	2.5%
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CASH WITHDRAWAL - Section 231AB

Cash Withdrawal exceeding Rs. 50,000 Per Day	0%	0.6%
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Tax on Builders & Developers - Section 7F, 1st Sch, Part-I Div I & II

Business Activity	Taxable Profit
Construction & sale of residential, commercial or Other Building	10% of gross receipt
Development & sale of residential, commercial or Other Plots	15% of gross receipt
Above both (Construction & Development)	12% of gross receipt

Note: Taxable Profits as mentioned above will be Taxed as per NTR.

Telephone Users - Section 236, 1st Schedule, Part-IV Division V

Land Line bills exceeding Rs. 1000	10%
Internet & Mobile Subscriptions	15%
	75%

Activity/ Nature of Payment		Tax Rate	Nature of Tax
		ATL	Non-ATL
EXECUTION OF CONTRACTS - Sec153(1)(c), Div III Pt III 1st Sch.			
Received by Listed Companies	7.5%	15%	Adv. Tax
Received by Other Companies	7.5%	15%	
Received by sportspersons	10%	20%	Minimum Tax
Received by others	8%	16%	

BROKERAGE & COMMISSION - Sec233, Div II Pt IV 1st Sch

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

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 III 1st Sch - WH Provision

Profit on Debt / Yield	15%	35%
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PROFIT ON DEBT-Section 7B, Div. IIA Part I 1st Sch - Charging Provision

Where yield is up to Rs. 5,000,000	15%	30%
Where yield is above Rs.5,000,000	Normal Tax Regime	

PETROLEUM PRODUCTS - Sec156A, Div VIA Pt III 1st Sch

Commission/ discount to petrol pump operators on petroleum products	12%	24%
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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

TAX ON DEEMED INCOME Section 7E, Division VIII Part 1, 1st Schedule

Applicability: Effective Rate of Tax 1% of FMV of Capital Assets

- Resident Person
- Capital Assets situated in Pakistan aggregating value exceeding Rs. 25M held on last day of Tax year
- Applicable for Tax year 2022 & Onwards

Exceptions For Filer Only:

- One Capital Asset
- Property whose income is chargeable U/S 15
- First year of property on which tax U/S 236K is paid
- And others as specified in section 7E

General Exceptions:

- Self owned business premises in business use
- Self owned agri land & Specified farm houses

Note: Property will not be transferred unless Tax U/S 7E has been Paid. Section 236C (2A)

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

- Specified Service providers & Other than Tier - 1 Retailers
- Tax will be in addition to WHT U/S 235
- Not applicable- where tax U/S 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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