

**THE <sup>1</sup>[KHYBER PAKHTUNKHWA]  
FINANCE ACT, 1999.**

**(<sup>2</sup>[KHYBER PAKHTUNKHWA] ACT NO. V OF 1999)**

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<sup>1</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>2</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>3</sup>Deleted vide Khyber Pakhtunkhwa Ordinance No. IV of 2000

<sup>4</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>5</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>6</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

**THE <sup>7</sup>[KHYBER PAKHTUNKHWA]  
FINANCE ACT, 1999.**

**(<sup>8</sup>[KHYBER PAKHTUNKHWA] ACT NO. V OF 1999)**

*[First published after having received the assent of the Governor of the <sup>9</sup>[Khyber Pakhtunkhwa] in the Gazette of the <sup>10</sup>[Khyber Pakhtunkhwa] (Extraordinary), dated the 5th July, 1999].*

**AN  
ACT**

*to continue, levy and revise rates of certain taxes, duties and fees in the <sup>11</sup>[Khyber Pakhtunkhwa].*

**Preamble.**---WHEREAS it is expedient to continue, levy and revise rates of certain taxes, duties and fees in the <sup>12</sup>[Khyber Pakhtunkhwa];

It is hereby enacted as follows:

**1. Short title, extent and commencement.**---(1) This Act may be called the <sup>13</sup>[Khyber Pakhtunkhwa] Finance Act, 1999.

(2) It shall extend to whole of the <sup>14</sup>[Province of the Khyber Pakhtunkhwa].

(3) It shall come into force on the 1st. day of July, 1999.

**2. Definitions.**---In this Act, unless the context otherwise requires,-

(a) “Government” means the Government of the <sup>15</sup>[Khyber Pakhtunkhwa];

(b) “prescribed” means prescribed by rules made under this Act; and

(c) “Schedule” means a Schedule to this Act.

**3. Enhancement of rate of fee in respect of motor vehicles.**---Not- withstanding anything to the contrary contained in the Provincial Motor Vehicles Ordinance, 1965 (W.P. Ord. XIX of 1965), the rules made thereunder or any other law for the time being in force,-

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<sup>7</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>8</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>9</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>10</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>11</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>12</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>13</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>14</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>15</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

- (a) for any change in the registration certificate of a motor vehicle specified in column 2 of Schedule I, a fee at the rate specified against each in column 3 thereof shall be charged;
- (b) for the existing rate of registration and token tax in respect of a motor vehicle specified in column 2 of Schedule II, or such other vehicles as may be notified by Government, a tax at the rate specified against each in columns 3 and 4 shall respectively be charged; and
- (c) for the existing tax in respect of motor vehicles specified in column 2 of Schedule II against Serial No. 3, and such other motor vehicles as Government may notify, the tax specified against each in column 4 thereof shall be charged.

**4. Registration of private educational institutions.**---(1) All private educational institutions in the <sup>16</sup>[Khyber Pakhtunkhwa], specified in column 2 of Schedule III, shall be registered with such authority as Government may notify and in such manner as may be prescribed on payment of a registration fee specified in column 3 thereof against the respective educational institutions.

(2) The certificate of registration issued under sub-section (1) shall be valid for a period of one year only and shall be renewed on payment of a renewal fee specified in column 4 of Schedule III in respect of the educational institution concerned.

(3) Section 3 of the <sup>17</sup>[Khyber Pakhtunkhwa] Finance Ordinance, 1983 (<sup>18</sup>[Khyber Pakhtunkhwa] Ord. VII of 1983), shall be deleted.

<sup>19</sup>[**5. Deleted**].

**6. Amendment of Act II of 1899.**---In the Stamp Act, 1899 (II of 1899), in Schedule I, in Article 5, in clause (a), for the figures “200.00”, “500.00”, “1000.00”, “2000.00”, and “4000.00”, the figures “250”, “575”, “1200.00”, and “4400.00” shall respectively be substituted.

**7. Amendment of W.P. Act V of 1958.**---In the West Pakistan Urban Immovable Property Tax Act, 1958 (W.P Act V of 1958),-

(a) in section 3,-

- (i) in sub-section (2), the full-stop appearing at the end of second proviso shall be replaced by a colon and thereafter the following new proviso shall be added, namely:

“Provided also that a surcharge at the rate of 10% of the tax shall be levied in addition to the tax in respect of each commercial

<sup>16</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>17</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>18</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>19</sup>Deleted vide Khyber Pakhtunkhwa Ordinance No. IV of 2000.

building the annual tax whereof has been assessed to one lac rupees or more.”; and

- (ii) after sub-section (2), as so amended, the following new sub-section (2a) shall be inserted, namely:

“(2a) A rebate at the rate of 10% of the tax assessed under sub-section (2) shall be admissible to those assesses who pay the tax in advance for the whole year by the 31st day of August of the year to which it relates.”; and

- (b) in section 4, in clause (c), between the words “buildings and lands” and the words “the area whereof” the commas and the words “,other than the commercial buildings,” shall be inserted; and

- (c) in the Schedule,-

- (i) after PART-I the following new PART-IA shall be inserted and shall be deemed to have been so inserted with effect from the 1st day of July, 1997, namely:

**“PART - IA  
EDUCATIONAL BUILDINGS**

Sl.No.	Location	Rate for ground and Ist floor on the basis of covered area.	Rate for basement and upper storeys on the basis of covered area.
1	2	3	4
1.	At Provincial Headquarter.	Rs. 4.00 per square feet.	Rs. 2.00 per squire feet.
2.	At Divisional Headquarter.	Rs. 2.00 per square feet.	Rs. 1.00 per squire feet.
3.	At District Headquarter.	Rs. 1.00 per square feet.	Rs. 1.00 per squire feet.”; and

- (ii) in PART -II, in columns 3, 4 and 5, the words “on the basis of covered area” shall be added with each entry.

**8. Amendment of <sup>20</sup>[Khyber Pakhtunkhwa] Act IV of 1990,---In the <sup>21</sup>[Khyber Pakhtunkhwa] Finance Act, 1990 (<sup>22</sup>[Khyber Pakhtunkhwa] Act IV of 1990).--**

<sup>20</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>21</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>22</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

- (a) the existing section 7 shall be renumbered as sub-section (1) of that section and after sub-section (1), as so renumbered, the following new sub-section (2) shall be inserted, namely:

“(2) It shall be the duty of the drawing and disbursing officer concerned to recover the tax levied under this section from the pay of the persons liable to pay the tax, failing with the amount of the tax shall be recovered from the drawing and disbursing officer concerned as arrears of land revenue.”; and

- (b) in the Table in section 7,--

(i) for “Rs. 750.00” in column 3 against serial No. 3, “Rs. 5000.00” shall be substituted;

(ii) for the existing entries in column 2 against serial No. 6, the following shall be substituted, namely:

“Travel Agents and their authorised branches.”.

(iii) for the existing figures in column 3 against (a), (b) and (c) at serial No. 10, the figures “3000.00”, “500.00” and “300.00” shall be respectively be substituted; and

(iv) in the entry in column 2 against serial No. 12, the words “All Branches of” shall be added before the words “Schedule Banks”.

**9. Amendment of <sup>23</sup>[Khyber Pakhtunkhwa] Act I of 1995.**---In the <sup>24</sup>[Khyber Pakhtunkhwa] Finance Act, 1995 (<sup>25</sup>[Khyber Pakhtunkhwa] Act I of 1995), in section 6, in sub-section (8), for the words “two thousand” and the words “one thousand” the words “five thousand” and the words “two thousand” shall respectively be substituted.

**10. Amendment of <sup>26</sup>[Khyber Pakhtunkhwa] Act I of 1996.**---In the <sup>27</sup>[Khyber Pakhtunkhwa] Finance Act, 1996 (<sup>28</sup>[Khyber Pakhtunkhwa] Act I of 1996),--

- (a) in section 10, for the words “Superintendent of Police” the words “Excise and Taxation Officer” shall be substituted; and

- (b) for section 11, the following shall be substituted, namely:

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<sup>23</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>24</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>25</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>26</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>27</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

<sup>28</sup>Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

**“11. Tobacco development cess.---**(1) There shall be levied and collected a development cess on tobacco at the rate of two rupees per kilogram.

(2) The cess leviable under sub-section (1) shall be collected directly from the tobacco factories on the basis of tobacco quota fixed for the factory concerned by the Pakistan Tobacco Board.

(3) It shall be the responsibility of the Excise and Taxation Department to collect the cess and deposit it in the accounts of Government immediately upon realizations.”.

**11. Authorisation in respect of taxable services.---** (1) Government may, by notification in the official Gazette, authorise the Federal Government, in such manner and subject to such conditions as laid down in the notification, to levy and collect tax on taxable services being rendered or provided.

(2) The Federal Government shall not, on any account or against any liability of the Province, deduct, adjust or withhold the tax or a portion thereof, and shall immediately disburse the amount in the tax falling to the share of the Province to the Consolidated Fund of the Province on monthly basis.

**12. Application of existing laws.---**Where any tax, fee or cess imposed by this Act is by way of an addition to any existing tax, fee or cess imposed by or under any enactment in force, the procedure provided in such enactment and the rules framed thereunder for the assessment, collection and recovery of such tax, fees or cess shall, as far as practicable, apply to the assessment, collection and recovery of the additional tax, fee or cess.

**13. Bar of suit in civil court.---**No suit shall lie in any civil court to set aside or modify any assessment, levy or collection of a tax, fee, duty or cess made under this Act and the rules made thereunder.

**14. Power to make rules.---**Government may make rules for carrying into effect the provisions of this Act, and such rules may, among other matters, prescribe the procedure for assessment, collection and payment of any tax, fee or cess levied, or imposition of any penalty under this Act, in so far as such procedure is not provided for in this Act.

**15. Repeal of W.P. Act XXXVIII of 1958.---**The West Pakistan Tobacco Vend Act, 1958(W.P. Act XXXVIII of 1958), is hereby repealed.

**SCHEDULE - I**  
**[See section - 3(a)]**

<b>S.No.</b>	<b>Description of Change</b>	<b>Rate of Fee</b>
<b>1</b>	<b>2</b>	<b>3</b>
1.	Change of engine--	
	(a) 1000cc to 1600 cc.	Rs. 1000.00
	(b) exceeding 1600 cc.	Rs. 3000.00
2.	Conversion of seating capacity--	
	(a) in respect of motor vehicles upto 2446 cc; and	Rs. 2000.00
	(b) in respect of motor vehicles above 2446 cc.	Rs. 5000.00

**SCHEDULE - II**  
[See section - 3(b) and (c)]

Sr.No.	Description of motor vehicles	Registration Tax	Token Tax
1	2	3	4
1.	Mercedes Benz, BMW, Jaguar, Rolls Royce and such other vehicles as may be notified--		
	(a) with engine capacity upto 2000 cc; and	2% of the total cost.	Rs. 500/- per seat per annum.
	(b) with engine capacity exceeding 2000 cc.	3% of the total cost.	Rs. 500/- per seat per annum.
2.	Land Cruiser, Petrol, Pajero, Range Rover, or any other luxury Jeep & Double Cabin pick up with engine capacity of 2500cc or above or such other makes as may be notified by the Government.	3% of the total cost.	Rs. 500/- per seat per annum.
3.	(i) Buses plying on 'A' Routes:	---	Rs. 180 per seat per annum.
	(ii) Buses plying on 'B' Routes.	---	Rs. 140 per seat per annum.

**SCHEDULE - III**  
**[See section - 4]**

<b>Sr.No.</b>	<b>Description of educational institution</b>	<b>Registration fee</b>	<b>Renewal fee</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
1.	Primary and Middle Schools	Rs. 2000.00	Rs. 1000.00
2.	High Schools, Higher Secondary Schools and Computer Training Centres.	Rs. 5000.00	Rs. 2500.00
3.	Medical Colleges, Engineering Colleges, Business Information Technology Institutions and Universities.	Rs. 100000.00	Rs. 10000.00