

GOVERNMENT OF ¹[Khyber Pakhtunkhwa]
EXCISE AND TAXATION DEPARTMENT

NOTIFICATION

Peshawar, dated the 12th September, 2003.

No. SO(Tax)/E&T/5-16/Vol-II/2002. In exercise of the powers conferred by section 4 of the ²[Khyber Pakhtunkhwa] Finance Ordinance, 2002 (³[Khyber Pakhtunkhwa] Ord No XXIII of 2002). Government of the ⁴[Khyber Pakhtunkhwa] is pleased to make and promulgate the following rules:

1. **Short Title Commencement.**—(1) These rules may be called the ⁵[Khyber Pakhtunkhwa] Hotel Tax Rules, 2003.

(2) They shall come into force at once.

2. **Definitions.**— In these rules unless the context otherwise requires, the following expressions shall have the meanings hereby respectively assigned to them, that is to say-

(a) "Director General" means the Director General Excise and Taxation Department, Government of ⁶[Khyber Pakhtunkhwa];

(b) "District Excise and Taxation Officer" means the Excise and Taxation Officer of the District in which the hotel liable to the tax is situated;

(c) "Form" means a Form appended to these rules and includes a statement or any such communication on a plain paper containing any information or particulars required under the Ordinance;

(d) "Ordinance" means the Khyber Pakhtunkhwa Finance Ordinance, 2002 (⁷[Khyber Pakhtunkhwa] Ord. No.XXIII of 2002);

(e) "Owner" means the owner of a hotel liable to the tax and includes the manager of the hotel or any other person, who is carrying on the business of the hotel on the owner's behalf;

(f) "Secretary" means the Secretary to Government of ⁸[Khyber Pakhtunkhwa] Excise and Taxation Department.

(g) "Tax" means the tax payable under section 4 of the Ordinance,

(h) "Treasury" means a Treasury or Sub-Treasury or a Bank in the ⁹[Khyber Pakhtunkhwa] authorized to receive money on behalf of Government, and

¹ Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

² Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

³ Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

⁴ Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

⁵ Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

⁶ Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

⁷ Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

⁸ Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

⁹ Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

- (i) “Year” means the financial year beginning from the 1st day of July and ending on 30th June next following.

3. **Statement to be Furnished.**--- (1) Every hotel owner shall furnish to the District Excise and Taxation Officer a statement of particulars of his hotel in Form H.T.I, before 31st day of July in each year.

(2) If, in the opinion of the District Excise and Taxation Officer, the statement furnished by an owner under sub-rule (1) is not complete or no such statement is at all furnished by an owner, he shall after giving such owner an opportunity of being heard, proceed to determine to the best of his judgment, the particulars in the statement for the purposes of assessment of the tax. The orders made by the District Excise and Taxation Officer in this behalf shall be reduced to writing of which the owner shall duly be informed.

4. **Maximum Charges for Lodging Units in a Hotel.** —(1) The lodging units in a hotel on which the tax is worked out for the year shall be maximum number of lodging units or the maximum charges made for a lodging unit on any day during the year for which the tax is assessed.

(2) Subject to such general or special instructions as may be issued by the Government, the District Excise and Taxation Officer, himself or through any sub-ordinate officer not below the rank of an Inspector of the Excise and Taxation Department may make physical or on the spot verification, of the number of lodging units or of the maximum daily charges for a single lodging unit in a hotel, on any day during the year, keeping however, in view the convenience of the persons occupying the lodging units.

(3) If it is found at any time during the year that actually the number of lodging units in a hotel is more or the maximum daily charges on the basis of which the tax for the year was assessed are lesser than the daily charges being charged from the customer, the District Excise and Taxation Officer shall, after giving an opportunity to the owner of being heard, enhance the amount of the tax already assessed on the hotel and shall determine the additional tax for the year accordingly.

5. **Powers of District Excise and Taxation Officer.**—Subject to the provisions of section 4 of this Ordinance and these rules, the District Excise and Taxation Officer shall be empowered,-

- (a) to assess or determine the total number of lodging units and the daily charges made by the owner for a single lodging unit in a hotel;
- (b) to assess and collect the tax or the additional tax determined under sub-rule (3) of rule 4;
- (c) to determine all questions as to whether the tax is recoverable, the person from whom it is recoverable and the amount so recoverable, and
- (d) to take any other measures incidental to the assessment or collection of the tax.

6. **Maintenance of Register.**—The District Excise and Taxation Officer shall maintain a register in form H.T.2 in respect of all hotels in his jurisdiction liable to pay the tax.

7. **Mode of Recovery of Tax.**— (1) The tax for the year may be recovered in equal

monthly installments payable within ten days of the close of the month concerned.

(2) Every owner shall, unless he has already paid the tax, on receipt of a notice in Form H.T.3 from the District Excise and Taxation Officer, pay the tax as specified in the said notice, but not later than seven days of the service of such demand notice upon him.

(3) The tax demand notice may be accompanied by a treasury challan in Form H.T.4.

8. Recovery of Tax as Arrears of Land Revenue.—(1) If the tax or a part thereof has remained unpaid after the period specified in the demand notice under rule 7, duly served on an owner has expired, the District Excise and Taxation Officer shall remind the owner to pay the tax or additional tax, within extended period not exceeding seven days.

(2) If any sum due on account of the tax or additional tax remains still unpaid, the District Excise and Taxation Officer shall proceed to recover the actual amount outstanding as arrears of land revenue in his capacity as Assistant Collector First Grade under the provision of the West Pakistan Land Revenue Act, 1967 (W.P. Pakistan Act No XVII of 1967)

9. Maintenance of Record by an Owner.—Every owner, who is already maintaining a register containing the requisite particulars of all his customers staying in the hotel, as required by any law for the time being in force, regulating the running of hotels and Sarais, shall issue a receipt to each of the customer, staying in the hotel in Form H.T.5. Such receipt shall be maintained in a book, serially machine numbered and shall be prepared in duplicate, the original copy whereof shall be given to the customer while the duplicate carbon copy shall be kept for inspection by the Excise and Taxation Department and shall not be destroyed, except with the written permission of the District Excise and Taxation Officer concerned.

10. Appeal.—(1) Any person aggrieved by an order of the District Excise and Taxation Officer made under these rules, may prefer an appeal against such order to the Director General, Excise and Taxation within thirty days of the communication to him of the said order.

(2) No order shall be made or decision taken under sub-rule (I), unless the persons concerned have been given an opportunity of being heard.

11. Propriety of Orders, etc.—The Secretary, Excise and Taxation or such other officer, as may be appointed by him in this behalf, may on his own motion, at any time, or on application made to him within ninety days from the date of the taking of any proceedings or passing of any order by an authority sub-ordinate to the Secretary to Government, Excise and Taxation Department call for and examine the record of the proceedings or order for the purpose of satisfying himself as to the legality or propriety of the same and may pass such order with reference thereto as he may consider fit.

12. Review.—The authority making an order under these rules may, on an application made to it within fifteen days of the order passed, or of his own motion, during the year, review it, in order to correct a clerical or arithmetical error or any erroneous insertion or any mis-description apparent on the face of the record.

13. Refund and Adjustment of Tax.—The Secretary, Excise and Taxation or any other officer authorized by him may, on an application made to him in this behalf by an aggrieved Person by an order in writing, with reason therefor, direct the refund or adjustment of any tax wrongly collected or collected in excess of the amount of tax determined under the Ordinance or these rules.

SECRETARY TO GOVERNMENT
OF KHYBER PAKHTUNKHWA
EXCISE AND TAXATION
DEPARTMENT,

FORM H.T.1.

To

The District Excise and Taxation Officer,

Sir,

The information required in section 4 of the ¹⁰[Khyber Pakhtunkhwa] Finance Ordinance 2002, is appended below in respect of our hotel:-

1. Name of the Hotel _____
2. Location of the Hotel _____
3. Name of the Owner/
Manager

4. Total number of the lodging units(category-wise) in the hotel and the maximum charges for lodging units.

S.No.	Number of the lodging units	Daily rate of the charges per lodging unit.	Annual Tax calculated at 50% of the total No. of the lodging unit @ of 5%
(i)			
(ii)			
(iii)			

5. Financial year for which the return is furnished.

The above stated information is true and correct to the best of my knowledge and belief and nothing has been concealed or mis-stated. It is further declared that I, the undersigned is fully competent and authorized to sign the above statement in respect of the hotel.

Dated _____

Signature _____

Name _____

On behalf of _____ hotel
(Seal of the hotel)

¹⁰ Sub.by Khyber Pakhtunkhwa Act No. IV of 2011.

The return furnished by the hotel owner is checked and found correct. The tax due for the year _____, thus worked out to be Rs. _____ is to be paid in monthly installment.

Dated _____
Officer,

District Excise and Taxation

OR

(i) The return furnished by the hotel owner is checked and the following variations were found in it _____.

(ii) According to the actual tax for the year _____ on the basis of the above checking is worked out to be Rs. _____

Dated _____
Officer.

District Excise and Taxation

FORM H.T.2

Register showing the details of Hotels liable to the tax u/s of the ¹¹[Khyber Pakhtunkhwa] Finance Ordinance 2002.

Demand No. (Rule 6) Detail of tax paid during the year

Name and location of the Hotel

Year of assessment of the Tax Date of Payment Amount paid initial of
D.E.T.O.

Name of owner of the Hotel

Total number of category-wise lodging units in the hotel.

S. No	No of the lodging units	Daily rate of the charges per lodging unit.	Annual tax assessed at 50% of the hotel lodging unit.
(i)			
(ii)			
(iii)			

TOTAL

Rs. _____ the balance amount of tax left
On 30.6. _____ has been carried over to the register for the following year.

DISTRICT EXCISE AND TAXATION OFFICER.

¹¹ Sub.by the Khyber Pakhtunkhwa Act No. IV of 2011.

**FORM H.T.3
(RULE 7(2))**

To

Mr. _____

Owner/Manager of Hotel _____

Consequent to finalizing the assessment of the annual tax on your Hotel for
the

year _____ on or before in the State Bank/National Bank of Pakistan

through the authorized treasury challan in Form H.T.4.

Dated _____/

DISTRICT EXCISE AND TAXATION
OFFICER .

FORM H.T.4
(RULE 7(3))

Challan for payment of Hotel Tax.

Demand No. in the H.T.2 register.	Name of the Hotel.	Amount of the Tax to be paid.	Period/month for which the tax is due.	Head of Account.

Signature and Official

Seal

Dated _____
Taxation Officer/

District Excise and

Officer.

Any Authorized

Received Rs. _____ (in words)

On _____.

Signature with the Seal of Bank.

FORM H.T.5.

(RULE-9) (NAME OF HOTEL)

Name of Customer _____

S.No. of Rooms occupied by him _____

Date of occupation From _____ To _____

Daily charges per lodging unit _____

Total number of lodging unit occupied by the customer _____

Total Amount Paid. _____

Signature of the Manager of the hotel
with printed seal of
Hotel.
Dated. _____

Signature of the Customer

Dated. _____