

¹[Khyber Pakhtunkhwa] PROFESSIONAL TAX RULES

NOTIFICATION

Peshawar, dated 4.2.1991

No.3242 / Prof-64:- In exercise of the powers conferred under the sections 7 and 10 of the ²[Khyber Pakhtunkhwa] Act, (Act No. IV of 1990), the Government of the ³[Khyber Pakhtunkhwa] is pleased to make the following rules, namely:-----

1. These rules may be called the ⁴[Khyber Pakhtunkhwa] Professions, Trade and callings Tax Rules, 1991.

2. They shall come into force at once.

In these rules, unless the context otherwise requires:-

(a) "Act" means the ⁵[Khyber Pakhtunkhwa] Finance Act, 1990.

(b) "Accounts Officer" means the Accountant General, ⁶[Khyber Pakhtunkhwa], and includes the District Accounts Officer of a District wherefrom a Government Servant is drawing his monthly pay.

(c) "assessee" means a person who is liable to pay the tax.

(d) "Board of Revenue" means a Board of Revenue ⁷[Khyber Pakhtunkhwa].

(e) "Collector" means the Director Excise and Taxation, ⁸[Khyber Pakhtunkhwa].

(f) "Drawing and Disbursing Officer" means an Officer from whom a person serving under the Government of the ⁹[Khyber Pakhtunkhwa] or the Government of Pakistan draws his pay.

(g) "Form" means a form appended to these rules.

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

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

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

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

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

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

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

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

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

- (f) “Principal Officer” means the Secretary, Treasurer, Manager, Agent or an executive officer of a local authority, company, body, corporation or association and includes any representative of such authority upon whom the District Excise and Taxation Officer has served a notice of his intention to treat him as the principal officer thereof.
- (g) “Tax” means the tax payable under section 7 of the Act.
- (h) “Treasury” means a treasury or sub-treasury or a branch of Bank in the province and authorized to receive payments on behalf of Government; and
- (i) “Year” means the financial year commencing from the first day of July and ending on the 30th day of June

(1) Every person liable to pay the tax other than Government servants, shall pay it on the commencement of the year but not later than 30th day of September in each financial year.

Provided that in respect of the financial year 1990-1991 the last date for payment of tax shall be the 31st day of December, 1990

(2) The tax shall be deposited into a Treasury through treasury challan in Form FPT-1.

(3) The assessee shall forward a return, within fifteen days of the deposit of the tax into the Treasury, to the District Excise and Taxation Officer of the District concerned, alongwith a Photostat copy of the treasury challan through which the tax has been paid.

- (i) Upon receipt of the return under rule 3, the District Excise and Taxation Officer shall determine the correctness of the amount of tax paid and if in his opinion the tax paid is less than the tax due under the Act, he shall ask the assessee to pay the difference of the tax through a challan in Form FPT-2 by a specified date.
- (ii) If an assessee fails to comply with the provisions of rule 3 or rule 4, as the case may be, the District Excise and Taxation Officer shall give him a notice in Form FPT-3 requiring him to pay the due tax alongwith the penalty imposed under sub-section (2) of section 7 of the Act, within a specified period mentioned in the notice.
- (iii) The District Excise and Taxation Officer shall have exclusive authority to determine all questions regarding liability of any person to the tax, the amount of tax recoverable and other related matters. In the exercise of these powers, the District Excise and Taxation Officer, where he has reasons to believe that a person is liable to pay the tax, require such person to furnish such particulars and

produce such documents as he may require or deem necessary for the purposes of determining the actual tax payable by an assessee.

- (iv) Any person aggrieved by any order of the District Excise and Taxation Officer made under rule 6 or any notice issued under rule 5, may prefer an appeal, within sixty days of the service of such order or the notice, to the Collector. The Collector shall not pass on an order or an appeal without giving an opportunity of hearing to the person concerned.
- (v) The Board of Revenue may, of its own motion or on an application made to it within ninety days of an order made under rule 6 or 7, call for the record of any case decided under the said rules, so as to ascertain legality and propriety of the decisions and may pass such orders as it may deem fit in the circumstances of the case. The orders passed by the Board of Revenue shall be final.

For reasons to be recorded in writing, the Collector and the District Excise and Taxation Officer may on an application made in this behalf by an aggrieved person, order the refund or adjustment of the tax, if it is found to be wrongly assessed and collected.

(1). In case of assessee being Government Servant, the drawing and disbursing officer shall deduct at source the amount of tax from the pay bills of such Government servant for the month of May in each financial year by sending a schedule in Form FPT-4, in triplicate, to the Accounts Officer concerned. The Accounts Officer shall credit the amount of tax so deducted to the receipt head as specified in rule 12 and shall send one copy of the schedule to the respective District Excise and Taxation Officer with a covering statement indicating the total deduction made in respect of each Department/Office of Government so as to reach there not later than the 30th June of the respective financial year.

Provided that in case of such Government servants who receive their salaries through computerized system, the tax shall be deducted at source by the Accountant General in the manner specified in this sub-rule.

(2) In case of local authority, company or other public body, the principal officer thereof shall deduct the amount of tax from the salaries of their employees liable to pay the tax for the month of August payable in September in each financial year and deposit the same into the Treasury under the head specified in rule 12 within a period of fifteen days from the date of deductions.

(3) The principal officer shall send a statement of the deductions as made to the District Excise and Taxation Officer by the 31st January of the respective financial year, giving the names of the persons from whom tax has been collected.

If any person liable to pay the tax discontinues the trade, profession, calling or employment on the basis of which he was liable to pay the tax, he shall, within thirty days of his discontinuing such trade, profession, calling or employment, notify the fact to the District Excise and Taxation Officer concerned will delete his name from the demand register.

- The amount of Tax shall be paid into Treasury located in this Province under the following head:-

“0000000-Tax Revenue0100000-Direct Taxes (on income and wealth)

0170000-Tax on Profession, Trades and Callings”

The District Excise and Taxation Officer of each District shall maintain a register of persons assessable to tax under section 7 of the Act in respect of each category in form FPT-5.

¹⁰[Khyber Pakhtunkhwa] TAX ON PROFESSIONS TRADE AND CALLINGS.FORM FPT-I
(SEE RULE 4)

I/We _____ (give name and address) do hereby solemnly affirm what I/we are engaged in Profession, Trade and Callings herein- under mentioned and liable to pay the tax amounting to Rs. _____ for the year _____ vide item No. _____ below:-

S.No.		Annual Tax Payable
1.	Individuals engaged in a profession, trade, callings or employment, either wholly or part time with monthly salary exceeding Rs. 3,000/-	Rs. 100/-
2.	Companies registered under the companies Ordinance, 1984, with paid up capital:- <ul style="list-style-type: none"> ▪ Exceeding rupees 0.2 million but not exceeding Rs. One million. ▪ Exceeding rupees one million but not exceeding Rs. 2.5 million. ▪ Exceeding rupees 2.5 million..... 	Rs. 1,000/- Rs. 2,500/- Rs. 5,000/-

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

3.	Persons other than companies owing factories and commercial establishment with ten or more employees.	Rs. 500/-
4.	<p>Persons holding licenses under the import and export control Act, 1950 who in the preceding financial year have imported/exported goods of the value:-</p> <ul style="list-style-type: none"> ▪ Not exceeding Rs. 50,000/-..... ▪ Exceeding Rs. 50,000/-..... 	<p>Rs. 500/- Rs. 1,000/-</p>
5.	Clearing Agents licensed or approved as Custom House Agents,	Rs. 500/-
6.	<p>Contractors who during the preceding financial year supplied to the Federal or any Provincial Govt: or any local authority goods, commodities or rendered services of the value:-</p> <ul style="list-style-type: none"> ▪ Exceeding Rs. 2.5 million..... ▪ Exceeding Rs. One million but not exceeding Rs. 2.5 million. ▪ Exceeding Rs. 10,000/- but not exceeding Rs. One million. 	<p>Rs. 2,000/- Rs. 1,000/- Rs. 500/-</p>

Dated_____

Signature of Assessee

Note:-

Strike out the rest leaving only one which is applicable.

¹¹[Khyber Pakhtunkhwa] TAX ON PROFESSIONS, TRADES AND CALLINGS.

FORM FPT-3 (See Rule-6).

To, _____

NOTICE:

Whereas you liable to pay the tax as per item No. _____ of the table appended to Section 7 of the ¹²[Khyber Pakhtunkhwa] Finance year _____ and whereas you failed to pay the same amount upto 30th September; 19, thereby rendering yourself _____ liable to a total amount of Rs. _____ You are therefore called upon to pay the total amount of Rs. _____ (Rs. _____ Tax; Rs. _____ penalty) on or before _____, through attached challan in Form FPT-2, in the Treasury.

Item No. _____ herein this space enter the specified item). Should you fail to deposit the amount by due date, it shall be recovered as arrears of Land Revenue.

DISTRICT EXCISE AND TAXATION

OFFICER _____

Dated _____

(OFFICE STAMP).

¹¹ Sub. by the Khyber Pakhtunkhwa Act No. IV of 2011.¹² Sub. by the Khyber Pakhtunkhwa Act No. IV of 2011.