

**THE ¹[KHYBER PAKHTUNKHWA]
FINANCE ACT, 1990**

(²[KHYBER PAKHTUNKHWA] ACT NO. IV OF 1990)

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¹Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

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**THE ¹[KHYBER PAKHTUNKHWA]
FINANCE ACT, 1990**

(²[KHYBER PAKHTUNKHWA] ACT NO. IV OF 1990)

[First published after having received the assent of the Governor of the ³[Khyber Pakhtunkhwa] in the Gazette of ⁴[Khyber Pakhtunkhwa] (Extraordinary), dated the 24th June, 1990].

**AN
ACT**

*to continue, levy and revise certain taxes, cesses and fees
in the ⁵[Khyber Pakhtunkhwa].*

Preamble.---WHEREAS it is expedient to continue, levy and revise certain taxes, cesses and fees in the ⁶[Khyber Pakhtunkhwa] in the manner hereinafter appearing;

It is hereby enacted as follows:

1. Short title, extent and commencement.---(1) This Act may be called the ⁷[Khyber Pakhtunkhwa] Finance Act, 1990.

(2) It shall extend to the whole of the Province of the ⁸[Khyber Pakhtunkhwa].

(3) It shall come into force on the first day of July, 1990.

2. Definition.---In this Act, unless the context otherwise requires, “Government” means the Government of the ⁹[Khyber Pakhtunkhwa].

3. Amendment of Schedule-I to Act-II of 1899.---In the Stamp Act, 1899 (II of 1899),-

(a) in Article 4, for the words “Five rupees” appearing under the heading “Proper Stamp-duty”, the words “Ten rupees” shall be substituted;

(b) in Article 5, in clause (d), for the words “Four rupees” appearing under the heading “Proper Stamp-duty”, the words “Ten rupees” shall be substituted; and

(c) for Article 23, the following shall be substituted, namely:

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²Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

³Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

⁴Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

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⁶Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

⁷Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

⁸Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

⁹Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

“23. CONVEYANCE as defined by section 2 (10) not being a TRANSFER charged or exempted under No. 62-

-Where the amount of value of the consideration for such Conveyance as set forth therein does not exceed RS. 50/- Four Rupees.

-Where it exceeds RS.50/- but does not exceed RS. 100/- Seven Rupees.

--Where it exceeds RS.100/- but does not exceed RS. 200/- Fourteen Rupees.

--Where it exceeds RS. 200/- but does not exceed RS. 300/- Twenty One Rupees.

--Where it exceeds RS. 300/- but does not exceed RS. 400/- Twenty Eight Rupees

--Where it exceeds RS. 400/- but does not exceed RS. 500/- Thirty Five Rupees.

--Where it exceeds RS. 500/- but does not exceed RS. 600/- Forty Two Rupees.

--Where it exceeds RS. 600/- but does not exceed RS. 700/- Forty Nine Rupees.

--Where it exceeds RS. 700/- but does not exceed RS. 800/- Fifty Six Rupees.

--Where it exceeds RS. 800/- but does not exceed RS. 900/- Sixty Three Rupees.

--Where it exceeds RS. 900/- but does not exceed RS. 1000/- Seventy Rupees.

-And for every RS. 500/- or part thereof in excess of RS. 1000/- Thirty Five Rupees.”

EXEMPTION.

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CO-PARTNERSHIP DEED---SEE PARTNERSHIP (NO. 46)

4. Amendment of section 3 of the ¹[Khyber Pakhtunkhwa] Act No. IV of 1949.---In the ²[Khyber Pakhtunkhwa] Development Cess Act, 1949 (³[Khyber Pakhtunkhwa] Act No IV of 1949), for section 3 the following shall be substituted, namely:

“3. LEVY OF CESS.---A cess shall be levied and paid to Government.-

- (a) at the rate of fifteen paisa on every rupee of every sum which becomes due to a Cantonment Board, a Municipal Corporation, a Municipal Committee or a Town Committee in the Province as octroi or terminal tax; and
- (b) at the rate of fifteen paisa on every rupee of every sum which becomes due to a District Council as fee or tax for the export of goods and animals from the District concerned.”

5. Amendment of the Schedule to West Pakistan Act XXXII of 1958.---In the West Pakistan Motor Vehicles Taxation Act, 1958 (W.P. Act XXXII of 1958), in the Schedule, for the existing entries at Serial No. 6 the following shall be substituted, namely:

“6. Motor Vehicles other than those liable to tax under the foregoing provisions of this Schedule-

- (a) Motor Vehicles not exceeding 850 CC engine power. RS.100/- per seat per annum.
- (b) Motor Vehicles exceeding 850 CC but not exceeding 1300 CC engine power. RS.125/- per seat per annum.
- (c) Motor Vehicles exceeding 1300 CC engine power. RS.150/- per seat per annum.”.

6. Amendment of Second Schedule to ⁴[Khyber Pakhtunkhwa] Ordinance IX of 1980.--In the ⁵[Khyber Pakhtunkhwa] Finance Ordinance, 1980 (⁶[Khyber Pakhtunkhwa] Ordinance No. IX of 1980), in the Second Schedule-

- (a) for the figure “40” appearing against serial numbers 1,2 and 3, the figure “100”, for the figure “100” and “50” against serial No. 4, the figures “200” and “100” and for the figures “50”, “30”, “100”, and “60” against serial No. 5, the figures “100”, “60”, “250” and “150” shall respectively be substituted;
- (b) for the entries at serial No. 7, the following shall be substituted, namely:

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³Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

⁴Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

⁵Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

⁶Substituted vide Khyber Pakhtunkhwa Act No. IV of 2011

“7. Fee for a duplicate certificate or registration and certificate of fitness in respect of Motor Vehicles under rules 37, 38 and 39. An amount equal to half of the registration fee under rule 42.”

(c) the entries at serial Nos. 8 and 9 shall be deleted; and

(d) for the entries at serial No. 10, the following shall be substituted, namely:

“10. Registration fee under rule 42 and 48---

- | | |
|--|-------|
| (a) in respect of Motor Cycles or a Trailer not having more than two wheels and not weighing more than one ton un-laden; | 100 |
| (b) in respect of an invalid carriage; | 10 |
| (c) in respect of heavy transport vehicles; | 1000 |
| (d) in respect of other vehicles- | |
| (i) not exceeding 1000 CC engine capacity; | 550 |
| (ii) exceeding 1000 CC but not exceeding 3000 CC; | 650 |
| (iii) exceeding 3000 CC; | 800 |
| (e) in respect of tractor; | 450 |
| (f) in respect of temporary registration of any vehicle. | 200.” |

7. Tax on Professions, Trades and Callings.---(1) There shall be levied and collected a tax, for each financial year, from persons engaged in professions, trades, callings or employment described in column 2 of the Table below at the rate specified against each category in column 3 thereof:

Provided that where a person falls in more than one category of profession, trade, calling, etc., he shall be liable to pay tax in respect of the one where the rate of tax is highest ¹[:]

²[Provided also that the tax under this section shall not be levied for the financial year 2021-22.]

¹ Replaced vide Khyber Pakhtunkhwa Act No XIII of 2021.

² Added vide Khyber Pakhtunkhwa Act No XIII of 2021.

APPENDIX-II

¹[TABLE

S.No.	Description of Tax Payers.	Rates of Tax
1	2	3
1(i)	All persons engaged in any profession, trade, calling or employment, other than those specifically mentioned hereinafter, whose monthly income or earning:	
	(a) up to Rs.20,000;	Exempted
	(b) when exceed Rs.20,000 but not exceed Rs.30,000;	Rs.1000
	(c) when exceed Rs.30,000 but does not exceed Rs.50,000;	Rs.1200
	(d) when exceed Rs.50,000 but does not exceed Rs.100,000;	Rs.1500
	(e) when exceed Rs.100,000 but does not exceed Rs.200,000;	Rs.2000
	(f) when exceed Rs.200,000 but does not exceed Rs.500,000.	Rs.3000
	(g) Exceeding 500000.	Rs.5000
(ii)	Employees of Federal and Provincial Government drawing pay in Basic Scales:	
	(a) BS-01 to 06;	Exempted
	(b) BS- 07 to 12;	Rs.1000
	(c) BS- 13-16;	Rs.1200
	(d) BS-17;	Rs.1500
	(e) BS-18;	Rs.1800
	(f) BS-19; and	Rs.2000
	(g) BS-20 and above.	Rs.3000
2-	All Limited Companies, Modarbas, Mutual Funds and any other body corporate with paid up capital and reserves in the preceding year, whichever is more:	
	(a) when not exceeding Rs.10 million.	Rs.30,000
	(b) when exceeding Rs.10 million but not exceeding Rs. 25 million;	Rs.50,000

¹Substituted vide Khyber Pakhtunkhwa Act No. XXVII of 2019.

	(c) when exceeding Rs.25 million but not exceeding Rs. 50 million;	Rs.60,000
	(d) when exceeding Rs.50 million but not exceeding Rs. 100 million;	Rs.90,000
	(e) when exceeding Rs.100 million but not exceeding Rs. 200 million; and	Rs.100,000
	(f) when exceeding Rs.200 million.	Rs.100,000
	Explanation.- The paid up capital in case of foreign banks shall be the minimum paid up capital as determined by the State Bank of Pakistan.	
3-	Persons, other than companies, owning factories, commercial establishments, private education institutions and private hospitals, having the following commercial establishments:	
	a. Any Commercial establishment/factories having 10 or more employees which have not been otherwise explicitly given in this Table.	Rs.15000
	b. Private Clinics & Hospitals having upto 10 employees.	Rs.15000
	c. Private Clinics & Hospitals having employees more than 10 but not more than 50.	Rs.60,000
	d. Private Clinics & Hospitals having more than 50 employees.	Rs.100000
	e. Private Medical Colleges.	Rs.100000
	f. Private Engineering Institutes having degree programs.	Rs.100000
	g. Private Business Education Institutes. (i) Having upto 100 students (ii) Exceeding 100 students	Rs.80000 Rs.100000
	h. Private Law Colleges.	Rs.100000
	i. Private education institutions including professional and technical institutions, other than specified at e,f, g & h, charging monthly fee not exceeding Rs. 1000/- per student.	Rs. 8000
	j. Private education institution including professional and	Rs. 12000/-

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	technical institutions, other than specified at e, f, g & h, charging monthly fee exceeding Rs.1000/- but not exceeding Rs.2000/- per student.	
	k. Private education institutions including professional and technical institutions, other than specified at e, f, g & h, charging monthly fee exceeding Rs.2000/- but not exceeding Rs.5000/- per student.	Rs. 25000
	l. Private education institutions including professional and technical institutions, other than specified at e, f, g & h, charging monthly fee exceeding Rs.5000/- per student.	Rs. 100000
4-	Holders of import or export license, assessed to income tax in the preceding year with annual turnover:	
	(a) when not exceeding Rs.100,000;	Rs. 5000
	(b) when exceeding Rs.100,000	Rs. 7000
5-	Clearing Agents licensed or approved as Custom House Agents.	Rs. 12000
6-	Travel Agents-	
	(a) IATA travel agents approved.	Rs.30000
	(b) Non-IATA approved.	Rs.15000
	(c) Hajj and tour operator;	Rs.30000
7-	Restaurants/Guest Houses liable to Sales Tax.	Rs.40000
8-	Professional Caterers.	Rs.40000
9-	Wedding Halls/Lawns (irrespective of their nomenclature).	Rs.60000
10-	Advertising Agencies.	Rs.30000
11-	DOCTORS,-	
	A Specialists practicing at Peshawar	Rs.80000
	B Specialists practicing at divisional headquarters	Rs.60000
	C Specialists practicing at districts headquarters	Rs.50000

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	D Specialists practicing at places other than a,b,c above	Rs.40000
	E Non specialists including Medical Practitioners, Hakeems, Homeopaths etc;	Rs.30000
	F Dentists certified by PMDC.	Rs.15000
12-	“Diagnostics and Therapeutic Centers” including pathological and chemical Laboratories”	
	(a) Located at Divisional Headquarters,	Rs. 25000
	(b) Located at other places	Rs. 8000
13-	Contractors, Suppliers and Consultants who, during preceding financial year supplied to the Federal or any Provincial Government or any local authority in the District, Goods, Commodities, or rendered service of the value,-	
	a) When exceeding Rs.10,000/- but not exceeding Rs. 0.5 million	Rs.5000
	b) When exceeding Rs.0.5 million but not exceeding Rs.1 million.	Rs.10000
	c) When exceeding Rs.1.50 million but not exceeding Rs.2.5 million.	Rs.15000
	d) When exceeding Rs.2.50 million but not exceeding Rs.10 million.	Rs.30000
	e) When exceeding Rs.10 million but not exceeding Rs.25 million.	Rs.45000
	f) When exceeding Rs.25 million but not exceeding Rs.50 million.	Rs.60000
	g) When exceeding Rs.50 million.	Rs. 100000
14-	Petrol/diesel/C.N.G.Filling Stations-	Rs. 30000
15-	All establishments, including video shops, real estate shops/agencies, card dealers, and net cafes assessed or not assessed to income tax in the preceding financial year.	Rs. 6000
16-	Chartered Accountants with an independent audit practice and	Rs.20000

	excluding those who are employed in companies not owned by them.	
17	Vehicles Service Stations	Rs.10000
18	Transporters/Transport Companies;	
	a) within provincial headquarters limit; and	Rs.10000
	b) others.	Rs.5000
19	Member of Stock Exchange.	Rs.50000
20	Money Changer:	
	a) within provincial headquarter's limits; and	Rs.50000
	b) others.	Rs.25000
21	Health Fitness Centers/Gymnasium:	
	a) within provincial headquarter's limits; and	Rs.3000
	b) others.	Rs.1500
22	Jewelers.	Rs.30000
23	Departmental Stores.	Rs.40000
24	Electronic goods stores.	Rs.10000
25	Cable Operators	Rs.10000
26	Printing Press	Rs.10000
27	Pesticides Dealers	Rs.6000
28	Tobacco Whole Sellers	Rs.25000
29	Whole Sale Dealers/Agency Holders	Rs.30000
30	Chemist/Druggist/Medical Stores	Rs.20000
31	Tailor Shops	
	i. ShalwarQameez + Waistcoat	Rs.10000
	ii. ShalwarQameez + Waistcoat+ Pant Shirt	Rs.15000]

(2) If a person liable to pay tax under sub-section (1) fails to pay the tax by the 30th day of September of the year to which the tax pertains, he shall be liable to pay a penalty at the rate of 50% of the tax due from him in addition to the actual tax.

(3) The tax and the penalty levied or imposed under this section shall be recoverable as arrears of land revenue.

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

9. 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 thereunder, or any penalty imposed under sub-section (2) of section 7.

10. Power to make rules.----- Government may make rules for carrying into effect the purposes of this Act, and such rules may, among other matters, prescribe the procedure for the 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.

