

THE WEST PAKISTAN URBAN IMMOVABLE PROPERTY TAX ACT. 1958
(West Pakistan Act No. V of 1958)

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¹Section 3-A ins: by Khyber Pakhtunkhwa Act No. VI of 1972.

² Substituted. vide the Khyber Pakhtunkhwa Act No. XXIX of 2022

³ Substituted vide the Khyber Pakhtunkhwa Act No. XXII of 2020.

¹Schedule-I

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¹ Subs vide Khyber Pakhtunkhwa Act No. XXVI of 2017.

² Subs vide Khyber Pakhtunkhwa Act No. XXVII of 2019.

THE WEST PAKISTAN URBAN IMMOVABLE PROPERTY TAX ACT. 1958
(West Pakistan Act No. V of 1958¹.)

[10th April, 1958].

An Act to consolidate the law relating to the levy of a tax on Urban Immovable Property in the Province of West Pakistan.

Whereas it is expedient to consolidate the law relating to the levy of a tax on Urban Immovable Property in the Province of West Pakistan;

Preamble.

It is hereby enacted as follows:—

1. (1) This Act may be called the West Pakistan Urban Immovable Property Tax Act, 1958.

Short title and extent.

(2) ²[It extends to the whole of ³[the Province of the Khyber Pakhtunkhwa] except the Tribal Areas].

2. In this Act unless the context otherwise requires, the following expressions shall have the meanings hereby respectively assigned to them, that is to say—

Definitions.

(a) "assessing authority" means the assessing authority constituted under this Act;

(b) "Collector" means an officer appointed by Government by name, or by virtue of his office, to discharge the functions and to perform the duties of a Collector under this Act in any specified area;

(c) "Commissioner" means an officer appointed by Government by name, or by virtue of his office, to discharge the functions and to perform the duties of a Commissioner under this Act in any specified area;

(d) "Government" means Government of ⁴[Khyber Pakhtunkhwa]

⁵[(dd) "member of the family of the owner." means his—

(i) wife or husband, as the case may be; ⁶[and]

¹ For Statement of Objects and Reasons, see Gazette of West Pakistan 1958, Extraordinary pp. 319 and 320.

² Subs. by W.P. Ord. 1 of 1963.

³ Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

⁴ Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

⁵ Ins. by W.P. Ord. XXVIII of 1963.

⁶ In clause (dd), sub-clause (i), the word "and" inserted by Khyber Pakhtunkhwa Ord. XIV of 1980.

¹[(ii) dependent sons and daughters;]

²(iii) ³[.];"

⁴[(e) "owner" includes a mortgagee with possession, a lessee in perpetuity, a trustee having possession of a trust property and a person to whom an evacuee property has been transferred provisionally or permanently under the Displaced Persons (Compensation and Rehabilitation) Act 1958 (Act, No. XXVIII of 1958]:

(f) "prescribed" means prescribed by rules made under this Act;

(g) "rating area" means urban area where tax is levied under the provisions of this Act .

[⁵(ga) "Schedule" means the Schedule to this Act;";]

(h) "tax" means the tax leviable, under the provisions of section 3; and

(i) "urban area" means an area within the boundaries of a Municipal Corporation, Municipal Committee, Cantonment Board, Small Town Committee, or other authority (not being a District Board) legally entitled to, or entrusted by Government with the control or management of a municipal or a local fund.

3. (1) Government may by notification specify urban areas where tax shall be levied under this Act: Levy of tax.

Provided that one urban area may be divided into two or more rating areas or several urban areas may be grouped as one rating area.

⁶[(2) Subject to the provisions of section 4, there shall be levied, charged and paid a tax, on the basis of annual rental value of buildings and lands in the rating areas (heretofore notified or as may hereafter be notified under this Act).-

(a) at the rate specified in Schedule I in respect of residential buildings; and

¹ In sub-section (ii), at the beginning the words dependant and the end the word, and ins. and omitted respectively by Ord. XIV of 1980.

² Subs clause (iii) deleted ibid.

³ Subs clause (iii) deleted ibid.

⁴ Subs by W.P. Ord No. XXVIII of 1963 .

⁵ Inserted vide the Khyber Pakhtunkhwa Act III of 1997.

⁶ Subs. vide the Khyber Pakhtunkhwa Ord. No. XV of 2001.

(b) at the rate specified in Schedule II in respect of commercial buildings¹[:]

²[“Explanation-I.-Residential buildings are the buildings which are used for the purpose of dwelling whereas commercial buildings are the buildings alongwith any appurtenances and installations that may be attached therewith, which are used as office establishment or for carrying on any commerce or trade.

Explanation-II.-In case when compartmentalization and partition is carried out in the buildings in such a way to collectively use the building for residential as well as commercial purposes or to house more than one dwellings, the tax in respect of such compartments and partitions shall be levied in a manner as if they are separate buildings.”;]

³[(2a) A rebate at the rate of ⁴[20]% of the tax assessed under subsection (2) shall be admissible to those assesses who pay the tax in advance for the whole year by the ⁵[30th day of September] of the year to which it relates] ⁶ [:]

⁷[Provided that there shall be thirty-five percent (35%) rebate for all those taxpayers, who have timely, paid their tax in the preceding five years.]; and

⁸[(3) The tax shall be due from the owner of buildings and lands].

⁹[(3A) Out of the tax, collected under this Act, within the limits of the Tehsil Municipal Administration, Cantonment Board or local area development authority, Government shall, after retaining fifteen percent (15%) thereof as Government share, pay eighty-five percent (85%) of the balance to such Tehsil Municipal Administration, Cantonment Board or local area development authority, from where the tax collection has been made.]

Shares of
cantonment Boards
in the Tax.

¹⁰[**4. Exemptions.**---The tax shall not be leviable in respect of the following properties, namely:

(a) buildings and lands vesting in the Federal Government or Government of Khyber Pakhtunkhwa except buildings and lands vesting in-

¹ Subs. vide the Khyber Pakhtunkhwa Act. No. I of 2008, appearing thereafter, deleted.

² Added vide the Khyber Pakhtunkhwa Act No. XIII of 2011.

³ Ins Vide the Khyber Pakhtunkhwa Act No. V of 1999.

⁴ Substituted. vide the Khyber Pakhtunkhwa Act No. XXII of 2020

⁵ Substituted. vide the Khyber Pakhtunkhwa Act No. XXII of 2020

⁶ replaced. vide the Khyber Pakhtunkhwa Act No. XXII of 2020

⁷ Inserted. vide the Khyber Pakhtunkhwa Act No. XXII of 2020

⁸ Ins, by W.P. Ord. X of 1959 s. 3.

⁹ Substituted. vide the Khyber Pakhtunkhwa Act No. XXII of 2020

¹⁰ Substituted. vide the Khyber Pakhtunkhwa Act No. XXIX of 2022

- (i) Federal Government and are used for the purpose of profit or leased in perpetuity;
 - (ii) Government of Khyber Pakhtunkhwa and are used for the purpose of profit or leased in perpetuity; or
 - (iii) Semi-Governmental Organizations, Authorities, Boards, Autonomous Bodies, Public Sector Commercial Organizations, Public Limited Companies, Public Sector Commercial Organizations of the Federal Government and Government of Khyber Pakhtunkhwa;
- (b) residential buildings, the area where of does not exceed three (3) Marlas and the building is occupied by the owner himself:

Provided that the owner does not own any other residential building in any rating area of the Province for which the owner shall submit an affidavit to this effect;

- (c) residential buildings owned and occupied by widow or minor orphan:

Provided that if a widow or a minor orphan owns more than one residential building in any rating area of the Province, she/he shall be exempted from payment of tax in respect of only one building which is self-occupied by her/him;

- (d) public parks, playgrounds and libraries;
- (e) buildings and lands or portions thereof used exclusively for public worship or public charity including mosques, churches, dharamsalas, gurdwaras, orphanages, alms houses, drinking water fountains, infirmaries for the treatment and care of animals and public burial or burning grounds or other places for the disposal of the dead:

Provided that the following buildings and lands or portions thereof shall not be deemed to be used exclusively for public worship or for public charity within the meaning of this section, namely:

- (i) buildings in or lands on which any trade or business is carried on unless the rent derived from such buildings or lands is applied exclusively to religious purposes or such charitable institutions as may be prescribed; and
- (ii) buildings or lands in respect of which rent is derived and such rent is not applied exclusively to religious purposes or to public charitable institutions; and
- (f) all industrial units within jurisdiction of Khyber Pakhtunkhwa EZMIC may be exempted from Urban immovable property tax.”.
- (b) for the existing “Schedule-I”, the “Schedule-I” as specified in Appendix-I, appended to this Act, shall be substituted; and
- (c) in Schedule-II, for clause 2, the following shall be substituted, namely:

“2. Lands and buildings, acquired for the use by Government, Semi-Government Organizations, Non-Governmental Organizations, Development Financial Institutions, Corporate Bodies, Autonomous Bodies, Authorities, Boards, Private Limited Companies, Public Limited Companies, Public Sector Commercial Organizations, Companies’ Distribution Businesses or Godowns, Private Commercial Organizations, local, national or international brands or outlets, Guest Houses or Banks, shall be assessed and taxed at the rate of sixteen percent of the actual annual rent. In case of lands and buildings other than those exempted under section 4 of the Act, which is owned and occupied by such organizations, the tax shall be levied on the assessed annual rental value of such lands and buildings on the rates specified hereinbefore.

Explanation-I: The tax under this clause, with regard to Public Limited Companies, shall come into force from the 1st day of July, 2012.

Explanation-II: Where the actual rent agreement is lower than the prevailing market rent due to advance amount paid (**PAGGRI**) to the owner or middleman then the tax shall be assessed on the assessed annual rental value.]

5. The annual value of any land or building shall be ascertained by estimating the gross annual rent at which such land or building together with its appurtenances and any furniture that may be let for use or enjoyment with such building might reasonably be expected to be let from year to year, less-

Ascertainment of annual value.

- (a) any allowance not exceeding twenty per centum of the gross annual rent as the assessing authority in each particular case

may consider reasonable rent for the furniture let with any such building;

- (b) an allowance of ten per centum for the cost of repairs and for all other expenses necessary to maintain such building in a state to command such gross annual rent. Such deduction shall be calculated on the balance of the gross annual rent after the deduction, if any, under clause (a); and
- (c) any land revenue actually paid in respect of such building or land:

Provided that in calculating the annual value of any building or land under this section the value of any machinery in such building or on such land shall be excluded.

6. (1) There shall be an assessing authority for every rating area. Assessing authority.

(2) The assessing authority shall exercise such powers and perform such duties as are conferred on it by this Act or the rules made thereunder.

7. (1) A valuation list shall be made by the prescribed authority in accordance with the rules framed under this Act for every rating area so as to come into force either on the first day of ¹[July], or the first day of ²[January], and thereafter a new valuation list shall be made from time to time so that the interval between the dates on which one valuation list and the next succeeding valuation list respectively come into force shall be a period of ³[three] years: Making and operation of valuation lists.

Provided that Government may by order—

- (a) reduce by a period not exceeding one year or extend by a period not exceeding three years the interval which would otherwise elapse between the coming into force of any two successive valuation lists for any rating area, or, where a valuation list has been lost or destroyed by operation of circumstances beyond control, cancel the list, direct the preparation of a new list and order recovery of pending tax to be made on the basis either of the last preceding valuation list or of the new list prepared under this proviso; and
- (b) divide any rating area into parts for the purposes of a new valuation list and determine the years in which the next following valuation list for each of such parts respectively shall be made and come into force.

¹ Subs. by W. P. Ord. VII of 1961 for April .

² Subs. by *ibid*, for October.

³ Subs vide the Khyber Pakhtunkhwa Act No. III of 1997.

(2) Subject to the provisions of any such order as aforesaid, every valuation list shall come into force on the first day of ¹[July] or the first day of ²[January] as the case may be, next following the date on which it is finally approved by the assessing authority and shall, subject to the provisions of this Act, and the rules made thereunder (including the provisions with respect to the alteration of and the making of additions to the valuation list) remain in force until it is superseded by a new valuation list.

³[(3) After every three years the tax shall be increased at the rate of fifteen percent of the tax last assessed and a new valuation list shall accordingly be prepared.]

8. (1) Where the assessing authority for any area has issued notices requiring returns in connection with the making of a new valuation list, the said authority shall, as soon as may be after the expiration of the period allowed for the delivery of the returns, cause a draft valuation list to be prepared for the area and published in such manner as may be prescribed: Draft valuation list.

(2) Any person aggrieved by any entry in the draft valuation list, or by the insertion therein or omission therefrom of any matter, or otherwise with respect to the list, may, in accordance with the rules made under this Act, lodge an objection with the assessing authority at any time before the expiration of thirty days from the date on which the draft valuation list is published. ⁴[..]

⁵[Provided that in special circumstances the Commissioner may, by notification, extend the period to a maximum of sixty days].

9. Subject to such rules, if any, as the Government may think fit to make in this behalf, the assessing authority may at any time make such amendments in a valuation list as appear to it to be necessary in order to bring the list into accord with existing circumstances and in particular may— Amendment of current valuation list.

- (a) correct any clerical or arithmetical error in the list;
- (b) correct any erroneous insertion or omission or any misdescription;
- (c) make such additions to or corrections in the list as appear to the authority to be necessary by reason of—

¹ Subs, by W.P. Ord No.VII of 1961.

² Subs. *ibid*.

³ Added by the Khyber Pakhtunkhwa Act No III of 1997.

⁴ Subs, by W. P. Ord. No.XXVIII of 1963.

⁵ Added by W.P. Ord. XXVIII of 1963 s.5.

- (i) a new building being erected after the completion of the valuation list;
- (ii) a building included in the valuation list being destroyed or substantially damaged or altered since its value was last previously determined;
- (iii) any change in the ownership or use of any building or land:

Provided that not less than fourteen days before making any such amendment in the valuation list for the time being in force, other than the correction of a clerical or arithmetical error, or the correction of an erroneous insertion, omission or misdescription, the assessing authority shall send notice of the proposed amendment to the owner of the building or land and shall also consider any objection thereto which may be made by him.

10. (1) Any person aggrieved by an order of the appropriate authority upon an objection made before that authority under sections 8,9, ¹[14] or 15 may appeal against such order, at any time before the expiration of thirty days from the date of such order, to the Collector of the district in which the building or land to which the objection related is situate, or to such other officer as the Government may, by notification, appoint in this behalf. Appeal and revision.

²[(IA) Any person aggrieved by any entry in the valuation list prepared under section 7, or by the insertion therein or omission therefrom of any matter, or otherwise with respect to the list, may, within sixty days of the date on which the list is to come into force, prefer an appeal in respect of such entry or matter, to the Collector or to such other officer as the Government may, by notification, appoint in this behalf.]

(2) The Commissioner or such other officer as may be appointed by the Government by notification in this behalf, may of his own motion at any time, or on application made within a period of one year from the date of the taking of any proceedings or passing of any order by an authority subordinate to the Commissioner call for and examine the record of the proceedings or the order for the purpose of satisfying himself as to the legality or propriety of the same and may pass such order in reference thereto as he may consider fit.

11. The tax shall be levied in accordance with the valuation list in force for the time being, and shall be collected and be recoverable notwithstanding any appeal which may be pending with respect to that list. Tax to be levied notwithstanding appeal.

¹ Ins. by W.P. Ord. XXVIII of 1963.

² Added by W.P. Ord. XXV of 1962.

12. The tax shall be payable half-yearly by such dates as may be prescribed ¹[:] Tax when payable.

²[Provided that Government may, by notification, direct that in any rating area the tax shall be paid yearly, half-yearly or monthly installments, subject to the approval of the Assessing Authority].

13. The tax shall be paid to such person or authority and in such manner as the Government may prescribe. Collection of tax.

14. Where the tax due from any person on account of any building or land is in arrears, it shall be lawful for the prescribed authority to serve upon any person paying rent in respect of that building or land, or any part thereof, to the person from whom the arrears are due, a notice stating the amount of such arrears of tax and requiring all future payments of rent (whether the same have already accrued due or not) by the person paying the rent to be made direct to the prescribed authority until such arrears shall have been duly paid, and such notice shall operate to transfer to the prescribed authority the right to recover, receive and give a discharge for such rent. If the person paying rent wilfully fails or neglects to comply with the notice aforementioned, the prescribed authority may, after giving him an opportunity of being heard, proceed against him as it would have proceeded under the provisions of this Act against the owner of the building or land in respect of which the tax is in arrears. Recovery of tax from tenants.

15. (1) If any person on being served with such notice as may be prescribed fails to pay within the period specified in the notice any amount due from him on account of the tax, the prescribed authority may recover from him as penalty a sum not exceeding the amount of the tax so unpaid, in addition to the amount of the tax payable by him. Penalty for default in payment.

³[(1A) In case of willful default, on the part of the owner in the provision of a copy of rent agreement, as specified in Schedule-II, a penalty, not exceeding rupees ten thousand, shall be imposed in addition to other penalties under section 15 of this Act.]

(2) No such penalty shall be imposed unless the prescribed authority is satisfied that the person liable to pay the tax has wilfully failed to pay the same.

16. (1) If any sum due on account of the tax levied under section 3 or as a penalty imposed under this Act, is not paid within the time allowed for its payment and the person from whom it is due does not show cause to the satisfaction of the Collector or any other person authorised by him why he should not pay the same, such sum (inclusive of all costs of recovery) may be recovered under a warrant in the prescribed form or in a form to Recovery of unpaid dues.

¹ Subs-by W.P. Ord. XXVIII of 1963.

² Substituted. vide the Khyber Pakhtunkhwa Act No. XXII of 2020

³ Inserted vide the Khyber Pakhtunkhwa Act No. XXII of 2020.

the like effect to be signed by the Collector—

- (i) by distress or sale of the movable property belonging to such person; or
- (ii) by attachment and sale of the immovable property belonging to him.

The warrant may be addressed to an officer of the Excise and Taxation Department for execution, and in executing it he may obtain such assistance from other servants of the Department as he may consider necessary.

(2) Notwithstanding anything contained in sub-section (1), any sum on account of the tax levied or penalty imposed under this Act remaining unrecovered shall be recoverable as arrears of land revenue.

(3) Notwithstanding anything contained in any law and notwithstanding any rights arising out of any contract or otherwise whatsoever, any sum due on account of the tax levied under section 3 or as a penalty imposed under this Act in respect of any building or land, shall, subject to the prior payment of the land revenue, if any, due to the Government thereon, be a first charge upon such building or land and upon the movable property, if any, found within or upon such building or land and belonging to the person liable for such tax or penalty.

¹[(4) The Board of Revenue, local area development authorities, Tehsil Municipal Administration, Sub-Registrar, or any other Department, autonomous or semi-autonomous under the control of Government, shall not transfer or process any transaction against an immovable property unless liability under this Act has been cleared and paid to Government.]

²[**17. Remuneration for Excise Department.**---The tax, under this Act, shall be collected by the Excise, Taxation and Narcotics Control Department of Government and Government may fix such remuneration on account of the cost of collection as may be prescribed.]

18. (1) In every case where a new valuation list is intended to be made for any rating area, the assessing authority shall give public notice of such intention in such manner as may be prescribed, and may serve a notice on the owner, occupier or lessee of any building or land in the said area, or on any one of them, requiring him, or them to make a return containing such particulars as may be prescribed.

Powers of assessing authority to require returns for valuation list.

(2) Every person on whom a notice to make a return is served in pursuance of the provisions of this section shall, within thirty days of the date of the service of the notice, make a return in such form as is required by the notice, and deliver it in the manner so required to the assessing authority.

(3) If any person on whom such notice has been served fails within

¹ Added vide the Khyber Pakhtunkhwa Act No. XXII of 2020.

² Substituted vide the Khyber Pakhtunkhwa Act No. XXII of 2020.

the required period to submit such return, the assessing authority may proceed to value such property in such manner as it deems fit.

19. If the assessing authority at any time desires any person, who is the owner, lessee or occupier of any building or land wholly or partly within the rating area, to make a return with respect to any of the matters regarding which a return may be prescribed, it may serve a notice on that person requiring the return, and that person shall, within thirty days from the service of the notice send the required return to the assessing authority:

Powers of assessing authority to require returns at any time.

Provided that the assessing authority may, in its discretion, extend the period for the delivery of any such return.

20. Any failure on the part of the assessing authority to complete any proceedings with respect to the preparation of a valuation list within the time required by this Act, or the rules made thereunder, or the omission from a valuation list of any matters required by the rules to be included therein shall not, of itself, render the list invalid.

Valuation list not to be rendered invalid by certain failure or omissions.

21. Every assessing authority, and every officer working under the orders of such authority for the purposes of this Act, shall be deemed to be a public servant within the meaning of section 21 of the Pakistan Penal Code.

Assessing authorities officers and servants to be deemed public servants.

22. No civil Court shall have jurisdiction in any matter which the Government or an assessing authority or any officer or servant is empowered by this Act or the rules made thereunder to dispose of, or take cognizance of the matter in which the Government, or any assessing authority, officer or servant exercise any powers vested in it or him by or under this Act or the rules made thereunder.

Exclusion of jurisdiction of civil courts.

23. (1) The Government may make rules¹ for carrying out the purposes of this Act.

Power to make rules.

(2) Without prejudice to the generality of the foregoing provisions such rules may provide for any or all of the following matters, namely—

- (a) the appointment, powers and duties of assessing authorities and other provisions with respect to such authorities;
- (b) the placing of identification marks on, and entry into or upon, any building or land;
- (c) the preparation and publication of valuation lists, including publication and inspection of draft valuation lists, notices of objections and hearing of objections, and other matters incidental thereto;

¹ For the rules see Gazette of West Pakistan 1959, Extraordinary pp. 13 to 32.

- (d) the practice and procedure to be followed on and in connection with appeals, including—
 - (i) notices of appeals;
 - (ii) prescription of scales of costs;
 - (iii) prescription of fees to be charged in connection with appeals;
- (e) the prescription of the form of any notice, valuation list, statement, return, or other document whatsoever which is required or authorised to be used under or for the purposes of this Act;
- (f) the mode of service of any notice, order or document required or authorised to be served;
- (g) the inspection and taking copies of and extracts from any draft valuation list, valuation list, notice of objections, proposal for amendment to the valuation list, notice of appeal, valuation made by valuer, and fees for such inspection or copies;
- (h) the appointment of valuers to advise or assist in connection with the valuation of buildings or lands and their powers and duties;
- (i) the time at and the manner in which the amount of tax shall be paid to the Government;
- (j) the portion of the tax to be refunded or remitted and the manner in which and the conditions subject to which such refund or remission may be granted;
- (k) the prescription of fees to be charged in connection with any application made under this Act, or the rules made thereunder;
- (l) any matter which is required by this Act, to be prescribed.

(3) In making any rules under sub-sections (1) and (2) Government may direct that the prescribed authority may impose a penalty not exceeding two hundred rupees on a person who is guilty of a breach of the provisions thereof.

(4) Rules made under this section shall be laid before the Provincial Assembly ¹[.] as soon as may be after they are made.

24. (1) The Punjab Urban Immovable Property Tax Act, 1940, the Sindh Urban Immovable Property Tax Act, 1948, ²[the Sindh Urban Immovable Property Tax Act, 1948 as applicable to Karachi] and the ³[Khyber Pakhtunkhwa] Urban Immovable Property Tax Act, 1948, are hereby repealed. Repeal and saving.

(2) Notwithstanding the repeal of the Acts mentioned in sub section (1), everything done, action taken, obligation, liability, penalty or punishment incurred, inquiry or proceeding commenced, officer appointed or person authorised, jurisdiction or power conferred, rule made and order or notification issued under any of the provisions of the said Acts, shall, if not inconsistent with the provisions of this Act, be continued, and so far as may be, be deemed to have been respectively done, taken, incurred, commenced, appointed, authorised, conferred, made or issued under this Act.



¹ Omitted by Khyber Pakhtunkhwa A.L. Order 1975.

² Ins. by W.P. Ord. 1 of 1963, S.3.

³ Substituted vide Khyber Pakhtunkhwa Act. No. IV of 2011.

¹[Appendix-I
See Section 2

“Schedule-I
(See Section 3(2))

PART ‘A’

S#	Category	Rate of tax for areas of Provincial Headquarter as notified by the Government (per annum) (Rs)			Rate of tax at Divisional Headquarter (per annum) (Rs)		Rate of tax in suburban areas of Divisional Headquarters (per annum) (Rs)		Rate of tax at District Headquarters (per annum) (Rs)		Rate of tax at District other than District Headquarters (per annum) (Rs)	
		A	B	C	Town-ships	Other than Townships	Town-ships	Other than Townships	Town-ships	Other than Townships	Town-ships	Other than Townships
1.	Upto 5 Marlas(other than self occupied)	1500	1300	1100	1300	1100	800	500	600	500	400	300
2.	Exceeding 5 Marlasbut not exceeding 10 Marlas	2500	2400	2200	2400	2200	1400	1100	1200	1100	900	700
3.	Exceeding 10 Marlasbut not exceeding 15 Marlas	3300	3100	3000	3100	3000	1600	1500	1600	1500	900	800
4.	Exceeding 15 Marlasbut not exceeding 18 Marlas	4800	4700	4500	4700	4500	2500	2300	2500	2300	1300	1000

¹Subs. vide the Khyber Pakhtunkhwa Act No. XXVI of 2017.

5.	Exceeding 18 Marlasbut not exceeding 20 Marlas	15,000	13,500	12,000	13,500	12,000	7,500	4,500	6,000	3,000	2,250	1,500
6.	Exceeding 20 Marlasbut not exceeding 30 Marlas	22,500	21,000	18,000	21,000	15,000	12,000	9000	7500	4500	4500	3000
7.	Exceeding 30 Marlasbut not exceeding 40 Marlas	30000	27000	24000	27000	24000	21000	18000	15000	12000	9000	6000
8.	Exceeding 40 Marlas	45000	37500	30000	37500	30000	22500	18000	15000	12000	9000	6000

PART 'B'

Building acquired for the use by Government, Semi-Government, Non Government Organizations, Development Financial Institutions, private commercial organizations, guest houses, hostels or by Banks shall be assessed and taxed twenty percent of the actual annual rent. In case building other than those exempted under section 4 of the Act, which are owned and occupied by such organizations, tax shall be levied on the assessed annual rental value of such buildings on the rate prescribed hereinbefore.

PART 'C'

Tax on properties let out on rent, lease or other arrangement and not in use of their registered owners will be double of the above, except for the category-1 (upto 5 marlas).

Explanation: Categorization of area in Provincial Headquarter into Category "A", "B" or "C" shall be by way of notification by the Local Government & Rural Development Department, to be notified from time to time. In Divisional and District Headquarters, Townships are approved Townships and include those areas, which are declared so by Local Government & Rural Development Department from time to time."

¹[Appendix
[see section 2(g)]
“Schedule-II
[see section 3(2)(b)]

1. Building and lands within the limits of urban areas shall be divided into category A1, A, B, C and D by the Government, depending on location, value, type of business therein, rental value, civic amenities, and other variables related to immovable properties.
2. Buildings acquired for the use by Government, Semi-Government, Non-Governmental Organizations, Development Financial Institutions, private commercial organizations, guest houses, and petrol/CNG stations, or by Banks shall be assessed and taxed at the rate of fifteen percent of the actual annual rent. In case buildings other than those exempted under section 4 of the Act, which is owned and occupied by such organizations, the tax shall be levied on the assessed annual rental value of such buildings on the rate prescribed hereinbefore.
3. Both the parties shall enter into a written agreement in quadruplicate indicating annual rent to be derived, and share copy thereof with assessing authority on an annual basis.

Explanation: For this part, actual rent means annual rent agreed between the parties.

4. Buildings used as shops or for any other commercial activity not mentioned in clause 2 shall be divided into different locality factors namely A1, A, B, C, and D depending on the locality and area, and shall be assessed and taxed by method and rate prescribed in clause 5 below.
5. Tax for properties as per clause 4 shall be calculated with the following formula:
 - (a) Plot area in square yards; and
 - (b) Covered area in square feet;
 - (i) provided that passageways, washrooms and other public utilities shall not be counted while calculating/counting the covered area;
 - (ii) provided further that open sheds and verandas shall be counted as half of its total measurement while calculating covered area;
 - (iii) the formula for tax calculation shall be=(plot area in the square yard (a) + covered area in square feet (b) multiplied by locality factor (c);
 - (iv) locality factors for computing tax liability as per clause 5(iii) above, are given below in the table:

¹ Added vide the Khyber Pakhtunkhwa Act No. XXII of 2020.

Locality/ Category	Ground Floor	Basement	Ist Floor	2 nd Floor	3 rd Floor	4 th Floor	5 th Floor	All other Floors beyond 5 th Floor
A1	20	18	18	16	14	12	10	8
A	15	13	13	11	9	7	5	5
B	10	8	8	7	6	5	5	5
C	7	5	5	5	5	5	5	5
D	5	5	5	5	5	5	5	5

- (v) provided that plot area in sq. yards will be counted once in the basement or on the ground floor as the case may be. For upper stories, i.e from floor and onwards, only covered area will be taken into account, and the formula shall be:

Covered area in square feet (b) multiplied by locality factor (c)
(bxc)

6. For Educational Institutions:

- (a) The tax shall be calculated based on the covered area only. The area of the plot as required per item 5(a) above shall not be taken for computing the tax. This is to encourage the institutions in providing sports and other recreational facilities to their students; and
- (b) The tax calculated based on (a) above shall get a special thirty percent rebate, being provided to all the educational institutions.

7. For Industrial properties within the rating area:

- (a) Industrial buildings within the limits of rating areas shall be assessed for the purpose of this tax at a flat rate of Rs. 2.50 per square foot of the each building in factory area. The provision of item 5(b) above shall be applicable to all the factory areas as well.
- (b) Provided that, all the residential buildings, Colonies, Hostels, Mess, schools, etc within the premises of the industrial compound shall be assessed and taxed as per existing Schedule-I (For residential buildings) of the Act. Similarly, all commercial buildings other than factory area including workshops, shops, godowns, Banks, petrol pumps, factory offices, mobile towers, etc situated within the industrial compound shall be assessed and taxed as per clause 3 to six above.

Explanation: For this clause, the factory area shall mean a building or group of buildings wherein finished, semi-finished or raw goods are manufactured, processed, stock filed, or assembled.

8. Service Station of vehicles, irrespective of operating in addition to other services such as filling station or otherwise shall be charged a flat rate of Rs.15, 000 per annum.
9. Buildings and Lands used for the erection of Mobile Phone Towers shall be assessed and taxed at the rates:
 - (i) Provincial Headquarter.....Rs.40,000 per annum;
 - (ii) (ii) Divisional Headquarter andRs.30,000 per annum and;
respective sub-urban areas
 - (iii) (iii) District Headquarter andRs.20,000 per annum
respective sub-urban areas.”]

