

THE KHYBER PAKHTUNKHWA FINANCE ACT, 2019.

(KHYBER PAKHTUNKHWA ACT NO. XXVII OF 2019)

CONTENTS

PREAMBLE

SECTIONS

1. Short title, extent and commencement.
2. Substitution of Schedule-II of the West Pakistan Act No. V of 1958.
3. Amendment of section 7 of the Khyber Pakhtunkhwa Act No. IV of 1990.
4. Amendment of section 6 of the Khyber Pakhtunkhwa Act No. I of 1995.
5. Amendment of section 11 of the Khyber Pakhtunkhwa Act No.1 of 1996.
6. Substitution of First Schedule of the Khyber Pakhtunkhwa Ord. No. IV of 2000.
7. Amendment of section 4 of the Khyber Pakhtunkhwa Ord. No. XXIII of 2002.
8. Amendment of section 2 of the Khyber Pakhtunkhwa Act No. VIII of 2010.
9. Amendment of the Khyber Pakhtunkhwa Act No. XXI of 2013.

APPENDIX-I

APPENDIX-II

APPENDIX-III

APPENDIX-IV

THE KHYBER PAKHTUNKHWA FINANCE ACT, 2019.

(KHYBER PAKHTUNKHWA ACT NO. XXVII OF 2019)

(First published after having received the assent of the Governor of the Khyber Pakhtunkhwa in the Gazette of the Khyber Pakhtunkhwa (Extraordinary), dated 28th June, 2019).

**AN
ACT**

*to levy, continue, revise and exempt certain taxes, fees, cess and duty
in the Province of the Khyber Pakhtunkhwa.*

WHEREAS it is expedient to levy, continue, revise and exempt certain taxes, fees, cess and duty in the Province of the Khyber Pakhtunkhwa;

It is hereby enacted as follows:

1. Short title, extent and commencement.---(1) This Act may be called the Khyber Pakhtunkhwa Finance Act, 2019.

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

(3) It shall come into force on the first day of July, 2019 except the amendment in clause (c) of section 9 of this Act, which shall come into force from the dates, as mentioned in sub-section (2) of section 21A of the Khyber Pakhtunkhwa Finance Act, 2013 (Khyber Pakhtunkhwa Act No. XXI of 2013), inserted through this Act.

2. Substitution of Schedule-II of the West Pakistan Act No. V of 1958.---In the West Pakistan Urban Immovable Property Tax Act, 1958 (W.P. Act No. V of 1958), for the existing “Schedule-II”, the “Schedule-II”, as specified in the Appendix-I, appended to this Act, shall be substituted.

3. Amendment of section 7 of the Khyber Pakhtunkhwa Act No. IV of 1990.---In the Khyber Pakhtunkhwa Finance Act, 1990 (Khyber Pakhtunkhwa Act No. IV of 1990), in section 7, in sub-section (1), for the existing “TABLE”, the “TABLE”, as specified in Appendix-II, appended to this Act, shall be substituted.

4. Amendment of section 6 of the Khyber Pakhtunkhwa Act No. I of 1995.---In the Khyber Pakhtunkhwa Finance Act, 1995 (Khyber Pakhtunkhwa Act No I of 1995), in section 6, in sub-section (8), for the words “Six thousand” and “Two thousand and five hundred”, the words “Twenty thousand” and “Eight thousand” shall respectively be substituted.

5. Amendment of section 11 of the Khyber Pakhtunkhwa Act No.1 of 1996.---In the Khyber Pakhtunkhwa Finance, 1996 (Khyber Pakhtunkhwa Act No. I of 1996), in

section 11, in sub-section (1), for clauses (a), (b) and (c), the following shall respectively be substituted, namely:

- | | |
|---|-------------------------|
| “(a) for Virginia (flue-cured, barley and dark-air-cur); | Rs. 6 per kilogram |
| (b) for white patta/rustica tobacco including khaka, khara and roth made of the main stalk (dandi) and stem of tobacco; and | Rs. 3 per kilogram |
| (c) for snuff/ naswar. | Rs. 2.5 per kilogram.”. |

6. Substitution of First Schedule of the Khyber Pakhtunkhwa Ord. No. IV of 2000.---In the Khyber Pakhtunkhwa Land Tax and Agriculture Income Tax Ordinance, 2000 (Khyber Pakhtunkhwa Ord. No. IV of 2000), for the existing “First Schedule”, the “First Schedule”, as specified in Appendix-III, appended to this Act, shall be substituted.

7. Amendment of section 4 of the Khyber Pakhtunkhwa Ord. No. XXIII of 2002.---In the Khyber Pakhtunkhwa Finance Ordinance, 2002 (Khyber Pakhtunkhwa Ord. No. XXIII of 2002), in section 4,-

- (i) for the words “five per cent”, the words “ten per cent” shall be substituted; and
- (ii) for the words, figures and brackets “four months only in a year, that is from 1st day of May to 31st day of August (both days inclusive)”, the words, figures and brackets “six months only in a year, that is from 1st day of April to 30th day of September (both days inclusive)” shall be substituted.

8. Amendment of section 2 of the Khyber Pakhtunkhwa Act No. VIII of 2010.---In the Khyber Pakhtunkhwa Finance Act, 2010 (Khyber Pakhtunkhwa Act No. VIII of 2010), in section 2, in sub-section (1), for the words “other than revocable”, the words “including revocable power of Attorney” shall be substituted.

9. Amendment of the Khyber Pakhtunkhwa Act No. XXI of 2013.---In the Khyber Pakhtunkhwa Finance Act, 2013 (Khyber Pakhtunkhwa Act No. XXI of 2013), hereinafter referred to as the said Act,-

- (a) in section 2,-
 - (i) in clause (12), in sub-clause (a), for the words, comma, brackets and figures “Companies Ordinance, 1984 (XLVII of 1984)”, the words, comma, brackets and figures “Companies Act, 2017 (Act No. XIX of 2017)” shall be substituted;
 - (ii) in clause (37), in sub-clause (b), after the word and comma “office,”, the words, comma and hyphens “through virtual presence or a website or a web-portal or through any other form of e-commerce, by whatever name called” shall be inserted; and
 - (iii) in clause (55), the word “and” appearing at the end shall be deleted and thereafter, the following new clause shall be inserted, namely:

“(55A) “unregistered” means a person, who is liable to be registered under this Act, but is actually not registered and does not hold the Khyber Pakhtunkhwa Sales Tax Registration Number (KNTN); and”;

- (b) in section 20, for sub-section (2), the following shall be substituted, namely:

“(2) Where the recipient of a taxable service is a person registered under this Act, he shall deduct the amount of tax, to the extent as prescribed by regulations, in respect of the service received and pay the same to Government.”;

- (c) after section 21, the following new section shall be inserted, namely:

“21A. Validation.---(1) The following Notifications, issued, under section 21 of this Act, from time to time, shall be deemed to have been validly issued, in accordance with the provisions of this Act and shall not be called in question of any court of law:

- (a) the Excise, Taxation and Narcotics Control Department’s Notification No. SO(Tax)E&T/2-7/ 2014, dated: 4th August, 2014;
- (b) the Excise, Taxation and Narcotics Control Department’s Notification No. SO(Tax)E&T/2-7/2015, dated: 4th February, 2016;
- (c) the Excise, Taxation and Narcotics Control Department’s Notification No. SO(Tax)/ET&NC/2-7, dated: 22nd March, 2017;
- (d) the Excise, Taxation and Narcotics Control Department’s Notification No. SO(Tax)E&T/2-7/2017/ 1735-47, dated: 20th October, 2017; and
- (e) the Khyber Pakhtunkhwa Revenue Authority’s Notification No. 506-15/2018, dated: 31st August, 2018.

(2) The provisions of this section shall be deemed to have effect from the respective dates of the Gazette Notifications, mentioned therein, till the commencement of this Act, except the Revenue Authority Notification at clause (e) of sub-section (1), which shall be deemed to have effect from 4th February, 2016.”;

- (d) in section 26, in sub-section (4), the full-stop appearing at the end shall be replaced by colon and thereafter the following proviso shall be added, namely:

“Provided that payment of the amount for a transaction exceeding value of fifty thousand rupees, excluding payment against a utility bill, shall be made by a crossed cheque, drawn on a bank, bank draft, pay order or any other banking instrument, showing transfer of the amount of the sales tax invoice, in favour of the service provider, from the business bank account of the service recipient.”;

(e) in section 40, after sub-section (1), the following new sub-section shall be inserted, namely:

“(1A) Where any person, required to withhold sales tax under the provisions of this Act or regulations, fails to withhold the tax or withholds the tax but fails to deposit the same in the prescribed time and manner, an officer of the Authority shall, after a notice to such person to show cause, determine the amount in default and shall impose a penalty and default surcharge according to law.”;

(f) in section 48, in sub-section (5), for the words, comma, brackets and figures “Companies Ordinance, 1984 (XLVII of 1984)”, the words, comma, brackets and figures “Companies Act, 2017 (Act No. XIX of 2017)” shall be substituted;

(g) in section 64, in sub-section (2), in the Table,-

(i) against Serial No. 2,-

(a) in column 2, the words, occurring at the end, “or furnishes it after the due date” shall be deleted; and

(b) for column 3, the following shall be substituted, namely:

“Such person shall pay a penalty of five thousand rupees:

Provided that in case a person files a return within ten days of the due date, he shall pay a penalty of one hundred rupees for each day of default.”;

(ii) against Serial No. 3, in column 3, for the word “five”, the words “one hundred” shall be substituted; and

(iii) after Serial No. 16, the following new entries shall be added, in the respective columns, namely:

S.No.	Offences.	Penalties	Section.
“17.	Where a bank fails to attach or delays in attaching the bank accounts of a person from whom tax is sought to be recovered, specified in the notice issued by the officer of the Authority or fails to pay or delays payment of such amount.	Such bank shall be liable to pay penalty of one hundred thousand rupees or five (05) per cent of the amount of tax involved, whichever is higher. The concerned officer of such bank shall further be liable, upon conviction by a special judge, to imprisonment which may extend to one year or with fine which may extend to five (05) per cent of the amount of tax involved or with both.	87.

18.	Where a person fails to withhold or withholds but fails to deposit the tax.	Such person shall be liable to pay penalty of twenty-five thousand rupees or five (05) per cent of the tax involved, whichever is higher.	40.”;
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(h) in section 82,-

(i) for sub-section (2), the following shall be substituted, namely:

“(2) Government shall appoint, for a term of three years, judicial member of the Appellate Tribunal, who shall be-

- (a) a District and Sessions Judge, in consultation with Peshawar High Court, Peshawar; or
- (b) any person, who has been District and Sessions Judge for at least three years.”;

(ii) for sub-section (3), the following shall be substituted, namely:

“(3) Government shall appoint, for a term of three years, technical member of the Appellate Tribunal, who is or has been-

- (a) a Collector (Appeals) in the Authority;
- (b) a Collector in the Authority;
- (c) a Collector of Customs in the Federal Board of Revenue;
- (d) a Commissioner of In land Revenue in the Federal Board of Revenue; or
- (e) a legal practitioner, who is a member of the Pakistan Bar Council or Provincial Bar Council and has minimum of twenty years standing at the High Court level, practicing tax law.”; and

(iii) after sub-section (3), as so amended, the following new sub-sections shall respectively be inserted, namely:

“(3A) A judicial member or a technical member shall not be above seventy years of age.

(3B) The term of office of a judicial member or technical member, as the case may be, may be extended for another term of three years, subject to his satisfactory performance:

Provided that such term shall not be extended for a third term in any case.”;

(i) in section 94, for the words “Excise and Taxation Department of Government”, the word “Authority” shall be substituted;

(j) in section 111, in sub-section (3), for the word “Authority”, occurring at the end, the words “Policy Making Council” shall be substituted; and

- (k) for the existing "FIRST SCHEDULE" and "SCHEDULE-II", the "FIRST SCHEDULE" and "SECOND SCHEDULE", as specified in Appendix-IV, appended to this Act, shall respectively be substituted.

Appendix-I

SCHEDULE-II

[see section 3(2)]

1. Building and Lands within the limits of urban areas shall be divided into category A1, A, B, C, and D by the Government through Notification in the Official Gazette depending on location, value, type of business therein, rental value, civic amenities, age of building 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 (local/ international shop/ chain, outlets, local and international brands, wedding halls, hotels, restaurants and all shops falling within A1, A and B category of immovable properties), guest houses, hostels, or for any other commercial use or by Banks shall be assessed and taxed 18 percent of the actual annual rent. In case buildings other than those exempted under section 4 of this 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.
3. Both lesser and lessee shall enter into written Agreement in Quadruplicate clearly indicating annual rent to be derived, and share copies thereof with Assessing Authority on annual basis.
4. All payments of rent shall be preferably made through bank transfers or pay order and no cash payment may be accepted
5. Buildings used as shops by the registered owner himself only, divided into three localities namely A1, A, and B, depending on the area shall continue to be assessed and taxed in accordance with the method and rate prescribed in clause 6 and 7 below. All shops categorized as C and D will also continue to be assessed with the same method.
6. The “A1 and A” localities shall, for the time being, be defined in Provincial Capital. Locality “A” may be introduced in divisional headquarters.
7. The locality factors as worked out for computing the tax are-

(a) For A1 locality.	39
(located within 100 yards of either sides of the Main road of Peshawar).	
(b) For A locality.	30
(c) for B locality.	14
(d) for C locality.	10
(e) for D locality.	8
8. The above factors are for the Provincial Headquarter that is for Peshawar. There shall be a rebate of 10% on the total tax calculated on the basis of the above factor value in respect of former Divisional Headquarters of buildings and 20% rebate on the total tax so calculated in respect of all other rating areas. There shall also

be a rebate of 10% on first floor of the building and 20% rebate on floors other than ground and first floor.

9. The tax shall be calculated as under:
 - a. area in square yards;
 - b. covered area in square feet; provided that open sheds in the commercial units shall be counted as one half of its total measurements, while calculating the covered area; and
 - c. (a) + (b) multiplied by the locality factor.
10. For educational Institutions:
 - a. the tax shall be calculated on the basis of covered area only;
 - b. the area of the plot as required per item 9(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
 - c. the tax calculated on the basis of (a) above shall get a special twenty percent rebate, being provided to all the educational institutions. Provided that no rebate shall be given to building obtained on rent.
11. Petrol pumps and CNG Stations with convenience store shall be charged at flat rate of Rs. 22,500/- and those without store at Rs. 11,250/- per annum.
12. Service Station of vehicles, irrespective of operating in addition to other services such as filling station or otherwise shall be charged at flat rate of Rs. 20,000 per annum.
13. 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 building only. The provision of 10(b) shall also apply.
14. Buildings and Lands used for erection of Mobile Phone Towers shall be assessed and taxed at the rates:
 - (i) Provincial Headquarter.....Rs.40,000 per annum;
 - (ii) Divisional Headquarter and.....Rs.30,000 per annum and respective sub-urban areas; and
 - (iii) District Headquarter andRs.20,000 per annum; respective sub-urban areas.

APPENDIX-II

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) upto 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 to 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
	(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 up to 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 institutions including professional and technical institutions, other than specified at e, f, g & h, charging monthly fee exceeding Rs. 1000/- but not exceeding Rs. 2000/- per student.	Rs. 12000
	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
	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 excluding those who are employed in companies not owned by them.	Rs. 20000
17	Vehicles Service Stations	Rs. 10000
18	Transporters/ Transport Companies;	
	a) within provincial headquarter's limits; 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. Shalwar Qameez + Waistcoat	Rs. 10000
	ii. Shalwar Qameez + Waistcoat + Pant Shirt	Rs. 15000

Appendix-III
The First Schedule
(see section 3)
Rates of Land Tax

S.No.	Kind/Area of Land	Per acre rate
1.	2.	3.
1.	Slab of total cultivated land, computed as Irrigated land, by treating one irrigated Acre as equal to two un-irrigated acres, excluding orchards: (i) Not exceeding 1 acres; (ii) exceeding 1 acres but not exceeding 12 ^{1/2} acres; and (iii) exceeding 12 ^{1/2} acres.	Exempted Rs.225 Rs.340
2.	Orchard.	Rs.900

Appendix-IV
FIRST SCHEDULE

(Classification and Description of Services)

(see clause (47) of section 2)

Classification (1)	Description (2)
9801.0000	Services provided by hotels, restaurants, marriage halls, lawns, clubs and caterers, suppliers of prepared eatables and drinkables, pandals and shamianas, messes, hostels and similar undertakings including allied, auxiliary or ancillary services thereto.
9801.1000	Hotels and similar establishments
9801.2000	Restaurants and similar undertakings or businesses
9801.3000	Marriage halls, lawns, pandals, shamianas
9801.4000	Clubs
9801.5000	Caterers and other persons supplying prepared eatables and drinkables
9801.6000	Motels, guest houses, lodges and farm houses
9801.7000	Messes and hostels
9801.8000	Similar other services or service providers
9801.9000	Services allied, auxiliary or ancillary thereto

9802.0000	Advertisements and advertisement services
9802.1000	T.V including cable T.V networks
9802.2000	Radio
9802.3000	Closed Circuit T.V.
9802.4000	Newspapers, periodicals, magazines and similar other publications
9802.5000	Website and internet
9802.6000	Poles or similar structures
9802.7000	Bill boards, electronic bill boards, hoarding boards, signboards and similar other medium of advertisement display
9802.8000	Lease or renting of space whether on constructed or erected structure or otherwise, for the purposes of advertisements
9802.9000	Other similar services or other advertisement services
9803.0000	Cinematographic production, photographic services and broadcasting services
9803.1000	Film making or film production including drama production whether in serials or otherwise
9803.2000	TV production
9803.3000	Radio production
9803.4000	Broadcasting services
9803.5000	Photographic services (services of photography or photographers)
9803.9000	Other similar, allied, ancillary or auxiliary services
9804.0000	Services provided as facilities for travel or transportation (including carriage) of persons
9804.1000	Sea or river (ships, vessels, ferries, trawlers, launches, barges, boats or similar power-operated structures)
9804.2000	Air (aircrafts, airplanes, helicopters, airships, air-balloons and other flying structures, apparatuses or machines)
9804.3000	Railways (train) including tramways
9804.4000	Road (busses, coaches, coasters, wagons, jeeps, cars, taxies and other motor or motor-bike-operated four or three wheel vehicles primarily meant for passengers transport)
9804.5000	Chairlifts or similar directly or indirectly power-operated moving structures
9804.9000	Other traveling or transportation services

9805.0000	Services provided for carriage or transportation of goods
9805.1000	Sea or river (ships, vessels, oil tankers, ferries, trawlers, launches, barrages, boats or similar power-operated structures)
9805.2000	Air (airplanes, helicopters, airships, air-balloons and other flying structures, apparatuses or machines)
9805.3000	Railways (train) including tramways
9805.4000	Road (vehicles whether or not containerized like trucks, trailers, trawlers, oil tankers, loaders, pick-ups, trollies and other power or motor bike-operated four or three wheel vehicles primarily meant for loading and carriage of goods)
9805.5000	Bucket-lifts or similar directly or indirectly power-operated moving structures
9805.6000	Conduit, pipeline, conveyor and similar cargo transmission networks or arrangements for transportation of goods whether liquid or otherwise
9805.9000	Other services for carriage or transportation of goods whether liquid or otherwise
9806.0000	Services provided by persons authorized to transact business on behalf of others as agent or otherwise
9806.1000	Shipping agents, ship chandlers, stevedores, and ship handling or management service providers
9806.2000	Freight forwarding agents and cargo forwarding or moving businesses
9806.3000	Customs or customs house agents
9806.4000	Travel agents, tour operators and recruiting agents
9806.5000	Advertising agents and advertisement intermediaries
9806.6000	Share transfer agents and general insurance agents
9806.7000	Sponsorship services
9806.8000	Business management or business support services
9806.9000	Other similar services
9807.0000	Services provided in matters of sale, purchase, rent or hire
9807.1000	Property dealers, property agents and realtors
9807.2000	Car and other automobile dealers (whether old or new)
9807.3000	Dealers of electrical or electronic equipments, appliances or other goods (whether old or new)
9807.4000	Dealers of other second hand goods
9807.9000	Other similar or allied services
9808.0000	Services(including dyeing) provided by laundries (launderers), dry cleaners or similar other businesses whether independently or

	otherwise
9808.1000	Launderers and dry cleaners operating independently
9808.2000	Launderers and drycleaners operating in conjunction with other businesses providing services
9808.3000	Laundering or dry cleaning services by other businesses (including those performed for industrial purposes)
9808.4000	Dyers of cloth or clothes including industrial dyers (e.g., dyers of textiles or textile materials)
9808.9000	Other similar or allied services
9809.0000	Courier services including speedy, fast, quick or urgent mail or cargo services provided either by courier companies or by other businesses or entities whether as a sole activity or in conjunction or along with other business activity or activities
9809.1000	Courier services (including parcels)by dedicated businesses
9809.2000	Urgent delivery cargo services as an exclusive business activity
9809.3000	Courier or urgent delivery cargo services performed by other businesses like passenger transport companies or entities
9809.9000	Other similar, allied or ancillary services
9810.0000	Services provided by persons engaged in contractual execution of works or furnishing supplies (excluding transactions involving contractual supply of goods only without any component of service)
9810.1000	Work contractors other than construction or maintenance work
9810.2000	Maintenance work services whether or not involving furnishing of supplies (excluding supplies of goods only)
9810.9000	Other similar services
9811.0000	Services, by whatever name called, provided whether independently or otherwise for personal care, personal beautification and cosmetic uplift by beauty parlors, beauty clinics, slimming clinics and similar other businesses operating separately or otherwise
9811.1000	Ladies' beauty parlors or beauty clinics including ladies' saloons whether working independently or as part of other businesses
9811.2000	Cosmetic treatment or cosmetic surgery centers or clinics whether operating as stand-alone or as part of other businesses
9811.3000	Sliming or other health clinics or clubs providing, inert alia, personal beautification services whether working independently or otherwise
9811.4000	Gents' beauty parlors or saloons including barbour shops providing

	single or multiple services for personal care or beautification
9811.9000	Other similar services
9812.0000	Packing or packaging services including allied and ancillary services
9812.1000	Packing or packaging of industrial goods or products for industrial or commercial purposes
9812.2000	Packing or packaging of old or used office or household goods
9812.9000	Other similar, allied or ancillary services
9813.0000	Telecommunication and similar, allied or ancillary services
9813.1000	Telephone services(including fixed line, wireless, cellular, wireless local loop, video, pre-paid, post-paid, pay phone cards and voice mail etc.)
9813.1010	Messaging services (including Short Message Service (SMS), Multimedia Message Service(MMS) and messaging through other digital applications etc.)
9813.1020	Installation, provision, shifting, changing, conversion and restoration of telephone connections (including conversion of NWD connection to non NWD or vice versa) and similar other services
9813.2000	Bandwidth services (including copper-line/fiber-optic/co-axial cable/microwave/satellite-based, IP services, teleconferencing, 3G/4G/5G/LTE or similar other services)
9813.3000	Telegraph and other services relating thereto
9813.4000	Telefax including store and forward fax and similar other services
9813.4010	Internet services including e-mail, dial-up and other allied services
9813.4020	Broadband services for DSL connection (including copper-line/fiber-optic/co-axial cable/wireless/satellite-based, internet/e-mail/data/SMS/MMS services on WLL or cellular mobile networks) and similar other services
9813.4030	Data communication network services (DCNS including copper-line/co-axial,cable/fiber-optic/wireless/radio/satellite-based, services relating to value added data, virtual private network (VPN) and digital signature) and similar other services
9813.5000	Long distance international (LDI) services
9813.6000	Local loop or other similar services
9813.7000	Audio text services (including tele-text, trunk radio, paging or similar other services)
9813.8000	Voice paging services (including radio paging, vehicle or other object (whether or otherwise) tracking and burglar alarm etc.) and other similar services

9813.9000	Other similar, allied or ancillary services
9814.0000	Services provided by banks or banking companies, insurance companies, cooperatives and foreign exchange companies or dealers (including similar institutions or entities)
9814.1000	Banks or banking companies, cooperatives or similar institutions or entities (their all services including bank guarantee, brokerage, letter of credit, pay order or demand draft, bill of exchange, transfer of money in any manner, bill discounting, lockers and safe vaults, credit/debit cards, foreign exchange dealings, ATMs, issue-banking, provision of loans, business or investment financing or advances, leasing or releasing whether financial, equipment/commodity-related, musharakah financing etc.)
9814.2000	Insurance companies (their all services including goods/fire/theft/marine/travel/life/health/industrial/business-related/moveable or immoveable property insurance and other insurance and reinsurance services)
9814.3000	<ul style="list-style-type: none"> • Services of cooperatives and cooperative societies (including producer cooperatives, worker cooperatives, consumer cooperative, credit unions, retail or purchasing cooperatives, social cooperatives, industrial service cooperatives, manufacturing cooperatives, marketing cooperatives, cooperative farming societies, housing cooperatives and credit cooperatives etc.)
9814.4000	Service of foreign exchange companies, dealers and money changers or similar businesses
9814.9000	Other similar banking, insurance, cooperative or money exchange services
9815.0000	Services provided by architects, civil engineers, construction consultants, construction contractors, town or real estate or property promoters, developers or planners including interior decorators or allied or ancillary professions
9815.1000	Architects and civil engineers or town promoters, developers, planners
9815.2000	Town, real estate or property promoters, developers or planners
9815.3000	Construction contractors including contractors of allied work such as electrical or gas fittings, plumbing, water boring, wood work, plastering, flooring, steel work, paint and other finishing work
9815.4000	Landscape or land development designers including land surveyors
9815.9000	Other similar, allied or ancillary services
9816.0000	Services provided by practitioners, professionals, consultants and advisers (by whatever name called)in their respective fields or disciplines

9816.1000	Medical, dental or allied health fields or disciplines including paramedics and specialized technicians
9816.2000	Veterinary and allied sciences including pet care
9816.3000	Law and allied fields or disciplines
9816.4000	Financial, accountancy, cost accountancy, tax management or tax affairs and similar other fields or disciplines
9816.5000	Human resource management or development
9816.6000	Business planning, business management, business reforms, business communication including hospitality administration and similar other fields or disciplines
9816.9000	Other similar services
9817.0000	Services provided by laboratories engaged in lab work like examination, analysis, testing, verification, experimentation, innovation and product development etc., in relevant domains of knowledge
9817.1000	Scientific including medical, health or healthcare labs
9817.2000	Mechanical including engineering labs
9817.3000	Chemical including materials or goods testing labs
9817.4000	Electrical or electronic labs
9817.5000	Forensic labs
9817.6000	Petro-chemical labs
9817.9000	Other similar labs
9818.0000	Services provided by specialized agencies
9818.1000	Security agencies including security alarm services
9818.2000	Credit rating or similar evaluation agencies
9818.3000	Market research or market survey agencies
9818.4000	Private detective or intelligence service providing agencies
9818.5000	Project including business project planning or preparation agencies
9818.9000	Other similar agencies
9819.0000	Services provided by specified persons or businesses
9819.1000	Stockbrokers, future brokers and commodity brokers
9819.1100	Under writers
9819.1200	Indenters and similar other commission agents
9819.1400	Packers and movers not falling under classification heading 9812.0000
9819.1500	Distribution agents
9819.2000	Money exchangers not falling under classification heading 9814.0000

9819.3000	Rent-a-car and automobile rental services
9819.4000	Surveyors other than those falling under classification heading 9815.0000
9819.5000	Designers other than those falling under classification heading 9815.0000
9819.6000	Outdoor photographer and videographers including studios services other than those falling under classification heading 9803.0000
9819.7000	Video tape, sound record, program producers and production services other than those falling under classification heading 9803.0000
9819.8000	Art painters including services provided by art galleries (excluding sale of their own pre-made---not made to order----art products
9819.9000	Cable TV operators including private radio channel operators
9819.9100	Auctioneers other than those who pay tax as customs agent
9819.9200	Public relations services other than those who pay tax as practitioner, professional, consultant or advisor of business communication
9819.9300	Technical testing and analysis services other than those classifiable under heading 9817.0000
9819.9400	Service provided by a registrar to an issue
9819.9500	Services relating to processing for registration or protection of copy rights or other IPRs
9819.9900	Other similar services
9820.0000 Services provided by specialized workshops or undertakings	
9820.1000	Auto-workshops whether or not providing other allied or extended services
9820.2000	Workshops for industrial, construction, earth moving or other similar, heavy duty or special purpose machinery
9820.3000	Workshops for electric or electronic equipments or appliances including computer hardware
9820.4000	Car washing or similar service stations
9820.9000	Other similar workshops or businesses
9821.0000 Services provided in specified fields not clubbed with other (taxable) services classified elsewhere in this SCHEDULE	
9821.1000	Healthcare centers, health clubs, gyms or physical fitness centers
9821.2000	Indoor sports and games centers
9821.3000	Baby care centers
9821.4000	Body massage centers
9821.5000	Pedicure centers

9821.9000	other similar services
9822.0000	Services provided for specified purposes.
9822.1000	Fumigation or decontamination of commercial, industrial or residential buildings, warehouses, godowns, storage houses or storage places, parks, gardens and other buildings or places including business places
9822.2000	Maintenance or cleaning services in respect of buildings or other places whether or not wholly or partly constructed including places having only civil infrastructure
9822.3000	Janitorial services
9822.4000	Dredging or desilting services
9822.5000	Salvage or similar other recovery services
9822.9000	Other similar services
9823.0000	Franchise services either on giving or on receiving ends including royalties or similar financial benefits arising out of intellectual property rights or other factors of business goodwill
9824.0000	Brokerage (whether traditional, discount, commodity or other category) services (other than stock or securities brokers)
9825.0000	Exhibition, convention or carnival services including renting of purpose-specific property or space for such events
9826.0000	Services of computer software engineers including provisioning of information, data feeding, data processing, data cleaning, data storage, data transfer or data management etc.
9827.0000	Services relating to handling, storage or ware housing of goods whether or not movement or transport of such goods is undertaken or conducted by the same service provider
9828.0000	Services of fashion designers not engaged in designing, manufacturing and selling their own products or goods through their regular paid employees
9829.0000	Services of internet café including businesses providing facilities for playing computer games as a separate activity of in conjunction or along with such café services
9830.0000	Airport services (including passenger facilitation, car parking, cargo handling, aviation support services, flight kitchen supplies,

	renting of special purpose machinery, equipment, vehicles, portorage, quarantine and other fumigation or vaccination, janitorial services, jet or other fuel supply services etc.)
9831.0000	Forward contract services whether for property, commodity or other purposes
9832.0000	Coaching, training, vocational or tuition centers (whether or not called academies)
9833.0000	Tracking services
9834.0000	Quality control services (ISO certification authority)
9835.0000	Debt collection agencies
9836.0000	Amusement parks services
9837.0000	Call centers
9838.0000	Film and drama studios including mobile stage shows or cinemas
9839.0000	Entertainment services including services provided for planning, arranging or managing sports activities, games or matches etc.
9840.0000	Services provided in respect of manufacturing or processing on toll or charges basis (out of main or major inputs owned by others)
9841.0000	Container terminal, container handling or container storage services regardless whether the containers are empty or stuffed with cargo
9842.0000	Manpower recruitment including recruitment for overseas jobs and labour supply services regardless the labour charges are given by the service provider or the service recipient
9843. 0000	Dryport services including operation of a dry port and other provided at or in respect of dry port such as inward/outward transportation/movement of goods, cargo handling, cargo storage or warehousing, loading /unloading of cargo, booking or discharge

	of cargo etc.
9844.0000	Public bonded warehouse services
9845.0000	Services provided in respect of exploration or mining of minerals, oil and gas including surveys and other activities related or allied thereto
9846.0000	Event management services whether covering all or any of the processes like planning, budgeting, scheduling, site selection, acquiring necessary permits, coordinating transportation and parking, arranging for speakers or entertainers, arranging decor, event security, catering or any other allied or connected task
9847.0000	Electric power and gas transmission (including wheeling) or distribution services
9848.0000	Valuation or assessment services including competency and eligibility testing services
9849.0000	Transportation, carriage, haulage or transmission of cargo whether dry, liquid or otherwise
9850.0000	Digital or IT-based services in whatever form or manner or under whatever arrangement including but not limited to web design and development, mobile app development, server management, page-speed optimization, UX/UI optimization, PPC marketing, blogging, Google AdWords, Facebook advertising, Instagram advertising, custom software development, assessment and roadmap development, software maintenance and support services, supply of any other software or software product or products through any medium and online digital marketing services such as search engine optimization (SEO), social media marketing, content marketing, affiliate marketing, influencer marketing, email marketing, viral marketing services etc.
9851.0000	Ride-hailing or ride-hail services like Uber, Cream, Biker and Lyft etc regardless of the mode, manner or dynamics of the business system involved in such services.

9852.0000	Online Market Place (OMP) including online platform or portal services by whatever name called.
9853.0000	Services relating to or in respect of the installation, erection, commissioning or other permanent structure-affixed/linked/tied placement (whether full or in part) of any industrial, mechanical or electrical plant, machinery or equipment (excluding installation of domestic equipment etc for residential use)
9854.0000	Services relating to or involving collection, provision, organization, digitization, processing, analysis, safety, preservation, sharing, verification, validation, decontamination or any other treatment of data including granting access to data for the purposes of information-gathering, information-verification, information-authentication or similar other purposes.
9855.0000	Visa processing or visa acquisition services including advisory or consultancy services for foreign education or migration provided by persons in their private business or professional capacity.

SECOND SCHEDULE

(see sub-section (1) of section 19 read with sub-section (1) of section 26)

S#	Description of Services	Heading	Rate of Tax
1	Services provided or rendered by hotels, motels, guest houses, resorts, accommodation-and/or-food service providing farm-houses, motorway-or-highway-side accommodation-and/or-food provisioning/food servicing or food supply facilities, restaurants (including food service supply chains) , food including ice cream parlors, marriage or wedding halls, marques, lawns, clubs and caterers, suppliers of prepared eatables and drinkables, <i>pandals</i> and <i>shamianas</i> , clubs including such clubs as, though run on mutuality basis, are operated in commercial mode, manner or style, messes, hostels and similar entities, enterprises or undertakings including all such services, facilities, utilities, entertainments, comforts, enjoyments or amusements etc., as are allied, auxiliary or ancillary thereto.	9801.0000 9801.1000 9801.2000 9801.3000 9801.4000 9801.5000 9801.6000 9801.7000 9801.8000 9801.9000	Fifteen Percent (15%)
	Exemptions and reduced tax rates: (i) Full exemption		

	<p>shall be available to the services of hostels exclusively meant for providing accommodation and allied facilities to students.</p> <p>(ii) The rate of tax in case of services (whole range of services including accommodation, food supplies and laundry etc.) provided or rendered by all other categories of hostels shall be five percent (5%) without any input tax adjustment.</p> <p>(iii) In case of restaurants excluding those operating in corporate sector, or as franchises of multinationals, or chains of restaurant businesses, or have registered business or brand names, the rate of tax shall be eight percent (8%) without any input tax adjustment:</p> <p>Provided that in case of traditional type restaurants usually called as <i>dhaba</i> or conventional hut-type or similar other road/street side non-air-conditioned restaurants usually serving limited range of pre-cooked or pre-prepared food items with informal seating environment, the rate of tax shall be two percent (2%) without any input tax adjustment.</p> <p>(iv) In case of traditional accommodation facilities like sarrayae or inns or open air overnight bed provisioning services generally located or available around or in the vicinity of railway stations, bus or wagon stands (stations), the rate of tax shall be two percent (2%) without any input tax adjustment if the charges for overnight stay do not exceed rupees three hundred per bed.</p> <p>(v) In case of marriage or wedding halls including pandals and shamiana and similar other businesses including food services provided therein, the rate of tax shall be eight percent (8%) without any input tax adjustment.</p> <p>(vi) In case of caterers whether stand-alone or otherwise, the rate of tax shall be ten percent (10%) without any input tax adjustment.</p> <p>Explanation: It is clarified for the removal of any doubt that the services of this entry include “take away” or “home or door-step delivery” transactions of the restaurants or other categories or types of food serving outlets either as a part of their overall services or as an exclusive activity.</p>		
2	Services provided or rendered by beauty parlors, beauty clinics, healthcare centers, cosmetic or plastic surgery	9811.0000	Eight Percent (8%) without

	<p>centers/clinics, hair transplant centers or clinics, health clubs, gyms (including yoga centers with or without yoga teaching classes' system or arrangements), physical fitness centers, massage centers, pedicure/manicure centers, swimming pools and similar other establishments, undertakings, enterprises or entities etc.</p> <p>Exemption: Full exemption on:</p> <p>--- cosmetic treatment of burns or burned body parts and,</p> <p>--- conventional or traditional barber shops provided they do not render any high end beautician or cosmetic services.</p>	<p>9811.1000</p> <p>9811.2000</p> <p>9811.3000</p> <p>9811.4000</p> <p>9811.9000</p> <p>9821.1000</p> <p>9821.4000</p> <p>9821.5000</p>	<p>any input tax adjustment.</p>
3	<p>Services provided or rendered by stand-alone or other launderers and dry cleaners including carpet or sofa set or similar furniture items cleaners or washers:</p> <p>Exemption: Full exemption to small size traditional style stand-alone launderers and drycleaners operating without any branded or registered business name and without the involvement or use of any electrical or mechanical apparatus, equipment or machinery for washing or cleaning purposes.</p> <p>Reduced Rate of Tax: The medium sized stand-alone launderers and dry cleaners shall be liable to tax at the rate of eight percent (8%) without input tax adjustment:</p> <p>Explanation: No benefit of exemption or reduced rate of tax shall be available or admissible to the laundries and dry-cleaning or other similar businesses operating under chain-business-system with or without any business brand name or operating as a part of businesses providing hotel or other accommodation services and in all such cases, the rate of tax shall be fifteen percent (15%).</p>	<p>9808.0000</p> <p>9808.1000</p> <p>9808.2000</p> <p>9808.3000</p> <p>9808.4000</p> <p>9808.9000</p>	<p>Fifteen Percent (15%)</p>
4	<p>Telecommunication and similar, allied or ancillary services including:</p> <p>a) Telephone services (including fixed line, wireless, cellular, wireless local loop, video, pre-paid, post-paid, pay phone cards and voice mail etc);</p> <p>b) Messaging services (including short message service (SMS), multimedia message service(MMS) and messaging through other digital applications etc);</p> <p>c) Installation, provision, shifting, changing, conversion and restoration of telephone connections (including conversion of NWD connection to non NWD or vice versa) and similar</p>	<p>9813.0000</p> <p>9813.1000</p> <p>9813.1010</p> <p>9813.1020</p> <p>9813.2000</p> <p>9813.3000</p> <p>9813.4000</p> <p>9813.4010</p> <p>9813.4020</p> <p>9813.4030</p>	<p>Nineteen-and-a-half Percent (19.5%)</p>

	<p>other services;</p> <p>d) Bandwidth services (including copper-line/fiber-optic/co-axial cable/microwave/satellite-based, IP services, teleconferencing, 3G/4G/5G/LTE or similar other services;</p> <p>e) Telegraph and other services relating thereto;</p> <p>f) Telefax including store and forward fax and similar other services; Internet services including e-mail, dial-up and other allied services;</p> <p>g) Broadband services for DSL connection (including copper-line/fiber-optic/co-axial cable/wireless/satellite-based, internet/e-mail/data/SMS/MMS services on WLL or cellular mobile networks) and similar other services;</p> <p>h) Data communication network services (DCNS including copper-line/co-axial cable/fiber-optic/wireless/radio/satellite-based, services relating to value added data, virtual private network (VPN) and digital signature) and similar other services;</p> <p>i) Long distance international (LDI) services;</p>	<p>9813.5000</p> <p>9813.6000</p> <p>9813.7000</p> <p>9813.8000</p> <p>9813.9000</p>	
	<p>j) Local loop or other similar services; Audio text services (including tele-text, trunk radio, paging or similar other services);</p> <p>k) Voice paging services (including radio paging, vehicle or other object (whether or otherwise) tracking and burglar alarm etc.) and other similar services;</p> <p>l) Rental either full, partial or on sharing basis of space, place or any other facility or arrangement on towers or other structures or installations for any purposes;</p> <p>m) Internet-based cable TV services whether as a single service or otherwise; and</p> <p>n) All other similar, allied, ancillary or auxiliary services.</p> <p>Explanation: In case of incoming international calls, charges received by telecom service providers abroad shall be taxed on tax fraction formula basis only to the extent to which such charges are shared or received by such domestic service providers treating the charges so shared or received as tax-inclusive.</p>		

5	<p>Services provided or rendered by persons authorized to transact or deal with business in any manner on behalf of others such as customs agents, shipping agents (including import/export cargo freight forwarders), stockbrokers, share transfer agents, business support or business or asset management agents, tour operators, travel agents, recruiting/recruitment agents, labor or manpower supply services, insurance agents, commission agents, distribution agents and similar other persons engaged in business transaction work or activity against commission or similar charges.</p> <p>Explanation: (i)The persons falling in this category do not generally have any investment or investment-related interest in the business though they may have their own infrastructure or other resources to carry out such work or activity.</p> <p>(ii) The persons covered in this category shall pay tax to the Authority in all such cases where their clients, customers or buyers are located in the province of Khyber Pakhtunkhwa regardless of the location of such person’s business or office elsewhere and regardless whether or not documentation or other related formalities of their transactions with such clients, customers or buyers is done or are carried out in the said province or elsewhere.</p> <p>Exemption: Full exemption in case of performance of <i>Hajj and Umrah</i>.</p> <p>Reduced Rate of Tax: All services of this entry other than business support services and labour or manpower supply services shall be charged to tax at the rate of Eight Percent (8%) without any input tax adjustment.</p>	9806.0000 9806.1000 9806.2000 9806.3000 9806.4000 9806.6000 9806.7000 9806.8000 9806.9000 9819.1000 9819.1500	Fifteen Percent (15%).
6	<p>Advertisements on T.V including cable T.V networks, radio, CC T.V., newspapers, periodicals, magazines and similar other publications, websites and internet, poles or similar structures, bill boards, electronic bill boards, hoarding boards, signboards and similar other medium of advertisement display, lease or renting of space whether on constructed or erected structure or otherwise for the purposes of displaying advertisements in any manner and other advertisement services including services provided or rendered by advertising agents.</p> <p>Explanation: (i) In case of renting or leasing of space for advertisements’ purposes by government or public sector or para-public sector development, housing or other authorities, departments or institutions, the whole</p>	9802.0000 9802.1000 9802.2000 9802.3000 9802.4000 9802.5000 9802.6000 9802.7000 9802.8000 9802.9000	Ten Percent (10%) without any input tax adjustment

	<p>amount of tax due shall be withheld or deducted and paid directly to the Authority by such authorities, departments or institutions.</p> <p>(ii) In case of advertisements relayed, telecasted or print-media-circulated in more than one provincial jurisdictions, tax shall be paid to the Authority on apportionment basis keeping in view the population ratio of the province of Khyber Pakhtunkhwa in the aggregate population of all such jurisdictions.</p> <p>Exemption: Full exemption on such advertisements carrying or conveying public service messages as are funded by the government or financed under foreign grants-in-aid agreements signed with the government.</p> <p>Reduced rate of tax: In case of advertisements on or through print media of all types and forms, tax shall be charged at the rate of five percent (5%) without any input tax adjustment.</p>	9806.5000	
7	<p>Courier services including speedy, fast, quick or urgent mail, parcel or cargo services provided either by courier companies or by other businesses, undertakings or entities whether as a sole activity or in conjunction or along with other business activity or activities including:</p> <p>a) Courier services (including parcels) by dedicated businesses;</p> <p>b) Urgent delivery cargo or parcel services as an exclusive business activity;</p> <p>c) Courier or urgent delivery cargo or parcel services performed by other businesses or entities like airlines, railways, postal service entities, road passenger transport companies or entities; and</p> <p>d) Other similar, allied or ancillary or ancillary services.</p>	9809.0000 9809.1000 9809.2000 9809.3000 9809.9000	Fifteen Percent (15%)
8	<p>Services provided or rendered in matters of sale, purchase, rent or hire (other than rent-a-car) under any kind or type of arrangements with the client or the principal:</p> <p>a) Property dealers, property agents and realtors.</p> <p>b) Car and other automobile dealers (whether old or new).</p> <p>c) Dealers of electrical or electronic equipments, appliances or other similar goods (whether old or new).</p>	9807.0000 9807.1000 9807.2000 9807.3000 9807.3000 9807.9000	Fifteen percent (15%).

	<p>d) Dealers of plant and machinery including construction machinery and similar capital goods.</p> <p>e) Dealers of other second hand goods.</p> <p>f) Renting services in respect of plant, machinery including construction machinery and other equipments etc.</p> <p>Reduced Rate of Tax:</p> <p>Tax shall be charged at the rate of five percent (5%) without any input tax adjustment in case of property dealers, property agents and realtors, dealers of second hand goods of all categories including second hand automobiles and all renting services covered in this entry.</p> <p>Explanation: For the purpose of this entry, the expression “dealer” includes only such persons who do their business only on commission or on percentage charges basis without owning the goods being sold through them.</p>		
9	<p>Services provided by specialized workshops or undertakings:</p> <p>a) Auto-workshops whether or not providing other allied or extended services.</p> <p>b) Workshops for industrial, construction, earth-moving or other similar heavy duty or special purpose machinery.</p> <p>c) Workshops for heavy or light duty electric, electrical or electronic machinery (such as transformers, generators, turbines, motors, pumps, rotators, power accumulators, transmission networks or systems etc) equipments or appliances etc, including computer hardware and allied equipments or appliances etc.</p> <p>d) Services provided in respect of the repair or maintenance of aircrafts, helicopters and other flying objects.</p> <p>e) Car washing (including compounding and polishing etc) or similar service stations.</p> <p>f) Other workshops or workshop-type businesses.</p>	<p>9820.0000</p> <p>9820.1000</p> <p>9820.2000</p> <p>9820.3000</p> <p>9820.4000</p> <p>9820.9000</p>	<p>Five Percent (5%) without any input tax adjustment in all cases except industrial workshops and authorized automobile dealers’ workshops where the tax shall be charged at the rate of Ten Percent (10%) without input tax adjustment.</p>
10	<p>Franchise services either on giving or on receiving ends including royalties or similar financial benefits arising out of intellectual property rights or other factors of business goodwill, market standing, popularity, image or reputation etc.</p>	<p>9823.0000</p> <p>9819.9500</p>	<p>Ten Percent (10%) without any input tax adjustment</p>

	Exemption: Full exemption to education-related or education-specific franchise services.		
11	<p>Services provided or rendered by specialized agencies:</p> <p>a) Security agencies including their activities relating but not limited to providing cash or precious articles' transportation or movement security, tracking services and security alarm services.</p> <p>b) Credit rating or similar evaluation or revaluation agencies.</p> <p>c) Project including business project planning or preparation agencies.</p> <p>d) Market research or market survey agencies.</p> <p>e) Private detective or intelligence service providing agencies.</p> <p>f) Other similar agencies.</p>	<p>9818.0000</p> <p>9818.1000</p> <p>9818.2000</p> <p>9818.3000</p> <p>9818.4000</p> <p>9818.5000</p> <p>9818.9000</p>	Ten Percent (10%) without any input tax adjustment
12	<p>Services provided or rendered in respect of manufacturing or processing on toll or charges basis (out of main or major inputs owned by others).</p> <p>Explanation: (i) The terms, expressions or concepts "industrial vending, contract or third party manufacturing, contract production, contract processing, contract milling, contract machining, contract conversion, contract processing, contract printing" for any industrial or allied purposes are covered in and liable to tax under this entry.</p> <p>(ii) The expression "processing" includes processes involving specialized working (whether initial, intermediary or finishing), washing, cleaning, coloring (dyeing), printing, packing or packaging etc, for industrial or allied purposes.</p> <p>(iii) The exclusive services of printing or publication of written materials or products performed on contract basis by businesses like printing presses or printing/publication houses shall also be covered in and taxed under this entry.</p> <p>Exemption: Full exemption on text books printed on contract printing basis meant for free distribution to the students by or through the government.</p>	9840.0000	Five Percent (5%) without any input tax adjustment
13	Services provided by persons engaged in contractual execution or performance of works (including repair, maintenance, renovation, up gradation or janitorial	<p>9810.0000</p> <p>9810.1000</p>	Fifteen Percent(15%)

	works) or furnishing supplies (excluding transactions involving contractual supply of goods only without any component of service relating to such goods).	9810.2000 9810.9000	
14	<p>Services provided by construction contractors, architects, civil engineers, land or property surveyors, construction consultants, designing and supervision consultants, town or real estate or property promoters, developers or planners including interior decorators or allied or ancillary professions:</p> <p>a) Construction services rendered or provided in respect of the construction of structures, buildings, roads, bridges, underpasses or flyovers (and other civil works), electro-mechanical works, turn-key projects and similar other works involving construction activity.</p> <p>b) Architects and civil engineers or town promoters, developers, planners.</p> <p>c) Town, real estate or property promoters, developers or planners.</p> <p>d) Services of contractors of allied works such as electrical, mechanical, gas fittings, plumbing, water boring, wood work, plastering, flooring, steel work, paint and other finishing work or works.</p> <p>e) Interior decorators.</p> <p>f) Landscaping or land development designers including land surveyors.</p> <p>g) Other similar, allied or ancillary services.</p> <p>Exemption: Full exemption on:</p> <p>(i) The construction work in respect of development of industrial estates/zones, consular buildings and construction works under international tenders based on and funded from foreign grants-in-aid agreements or arrangements.</p> <p>(ii) Residential construction and allied works in respect of the Prime Minister's Naya Pakistan Housing Scheme.</p> <p>(iii) The projects initiated or undertaken under government's annual development plan (ADP) provided either such projects have been initiated or completed on or before 30th June, 2019 or</p> <p>payments, whether full or in part, in respect thereof have been made on or before the said date (the ongoing</p>	9815.0000 9815.1000 9815.2000 9815.3000 9815.4000 9815.9000 9819.5000	Fifteen Percent (15%).

	<p>projects in respect of which agreements or contracts were signed before the said date, shall be entitled to this exemption regardless of the schedule of payments relating thereto).</p> <p>Specific Rate of Tax: (i) In case of land development, tax shall be charge at the rate of rupees one hundred (Rs.100 only) per square yard of the total (aggregate or gross) developed land without any segregation, fragmentation, segmentation, splitting or slicing with reference to the factual or intended use whether immediate or subsequent and no input tax adjustment shall be admissible in this regard.</p> <p>(ii) In case of commercial construction of residential buildings, flats or apartments, commercial plazas, malls, towers or complexes etc, the rate of tax shall be rupees fifty (Rs.50 only) per square foot of the covered area without any input tax adjustment.</p> <p>Reduced Rate of Tax: In case of projects (other than those covered under exemption in this entry) funded under the government’s ADP budget, tax shall be charged at the rate of two percent (2%) without any input tax adjustment.</p> <p>Explanation: Where the construction or other work covered under this entry, also includes the supply of construction materials by the contractor, the standard rate output tax shall be worked out on the whole contract value and tax shall be payable after availing all admissible input tax adjustments and in all other cases, tax shall be payable only on the basis of component of service charges with such input tax adjustment as may be admissible.</p> <p>Clarification: For the purpose of removal of any doubt, it is clarified that self-construction of residential houses for personal use shall not be liable to tax.</p>		
15	<p>Digital or IT-based services in whatever form or manner or under whatever arrangement including but not limited to:</p> <ul style="list-style-type: none"> ---web design and development, ---mobile app development, ---server management, ---page-speed optimization, UX/UI optimization, ---PPC marketing, blogging, 	9850.0000	Five Percent (5%)

	<p>---Google AdWords, Facebook advertising, Instagram advertising,</p> <p>---custom software development, assessment and roadmap development, software maintenance and support services, supply or sale of any other software or software product or products through any medium,</p> <p>---online digital marketing services such as search engine optimization (SEO),</p> <p>---social media marketing, content marketing, affiliate marketing, influencer marketing, email marketing, viral marketing services,</p> <p>etc.</p> <p>Explanation: This entry does not cover such persons who are engaged in providing or rendering services relating to software or IT-based system development or management or similar other such fields in their individual capacity and are eligible to pay tax at reduced rate under item (g) of entry No. 19.</p>		
16	<p>Services relating to works or projects in respect of exploration and production (E&P) or mining of minerals, oil and gas including licensing, renting or re-renting, leasing or re-leasing, surveys, geo-map development, equipment mobility, product evaluation, product marketing and other services or activities related or allied thereto.</p> <p>Explanation: In case of oil, gas and mining sector or industry, tax shall be charged on both the fee (by whatever name called) paid for the purposes of lease or license including renewal thereof and on the royalty:</p> <p>Provided that where such fee or royalty is received by the government department or authority, the tax shall be paid on receipt basis directly by such department or authority.</p>	9845.0000	Fifteen Percent (15%)
17	<p>Airport services (including passenger facilitation, car parking, cargo handling, cargo warehousing or storage, aviation support services, flight kitchen supplies, renting of special purpose machinery, equipment, vehicles, portorage, quarantine and other fumigation or vaccination, janitorial services, aircraft cleansing services, aircraft maintenance services, jet or other fuel supply services etc.)</p> <p>Explanation: The fee, taxes or similar other charges received by Civil Aviation Authority as a regulatory body</p>	9830.0000	Fifteen Percent (15%)

	for or in respect of its official functions shall not be charged to tax even though such functions appear to be of the nature or character of services,		
18	Dryport services including operation of a dryport and other services provided at or in respect of dryport such as inward/outward transportation/movement of goods, cargo handling, cargo storage or warehousing, loading /unloading of cargo, booking or discharge of cargo, services relating to inspections, certification or similar or other type of services-related activities in respect of cargo etc.	9843.0000	Fifteen Percent (15%)
19	<p>Services provided or rendered by practitioners, professionals, consultants and advisers (by whatever name called) in their respective fields or disciplines:</p> <p>a) Medical, dental or allied health fields or disciplines including para-medics and specialized technicians of medical fields.</p> <p>b) Human resource management or development (including training services)</p> <p>c) Veterinary and allied sciences including pet care.</p> <p>d) Law and allied fields or disciplines.</p> <p>e) Financial, accountancy, cost accountancy, audit, tax management or tax affairs and similar other fields or disciplines.</p> <p>f) Business planning, business management, business reforms, business communication including hospitality administration and similar other fields or disciplines.</p> <p>g) Software or IT-based system development or management or similar other such fields.</p> <p>h) Similar services in other fields, disciplines or regimes.</p> <p>Reduced Rate of Tax:</p> <p>In case of practitioners, professionals, consultants or advisers of medical (including dental) and legal professions or fields, the rate of tax shall be two percent (2%) without any input tax adjustment and in cases where regular compliance is made and continued to be so made, no tax demand for the period prior to the effectivity date of this entry, shall be raised or enforced.</p>	9816.0000 9816.1000 9816.2000 9816.3000 9816.4000 9816.5000 9816.6000 9816.9000	Five Percent (5%) without any input tax adjustment.
20	Cinematographic production, photographic services, recording services and telecasting or broadcasting	9803.0000	Ten Percent (10%) without

	<p>services including:</p> <ul style="list-style-type: none"> a) Film making or film production including drama production whether in serials or otherwise. b) Telecasting or broadcasting services (other than TV cable operators). c) Video tape and recording services, sound recording services. TV/Radio production house services. d) Photographic services (services of photography or photographers). e) Other similar, allied, ancillary or auxiliary services. <p>Exemption: Full exemption on telecasting or broadcasting services of and by government-owned TV or Radio stations or channels (this exemption shall not be construed to cover any other service or services including advertisements taxable under this Schedule).</p>	<p>9803.1000</p> <p>9803.2000</p> <p>9803.3000</p> <p>9803.4000</p> <p>9803.5000</p> <p>9803.9000</p>	any input tax adjustment.
21	Event management services whether covering all or any of the processes like planning, budgeting, scheduling, site selection, acquiring necessary permits, coordinating transportation and parking, arranging for speakers or entertainers, arranging decor, event security, catering, picturing, video filming, musical enjoyments or any other allied or connected task.	9846.0000	Fifteen Percent (15%)
22	Exhibition, convention or carnival services and allied services including renting of purpose-specific property or space for such events.	9825.0000	Fifteen Percent (15%)
23	Cable TV operators other than those providing internet-based TV services whether composite, multiple, bundled or otherwise which are chargeable to tax under telecommunication services.	9819.9000	Two Percent (2%) without any input tax adjustment
24	Services of fashion designers not engaged in designing, manufacturing and selling their own products or goods through their regular paid employees.	9828.0000	Five Percent (5%)
25	Services provided or rendered by call centers (by whatever name called) engaged in mediating business, trade or sale/purchase transactions between the sellers and buyers whether located inside or outside the country.	9837.0000	Five Percent (5%) without any input tax adjustment
26	Services provided or rendered by banks or banking companies, insurance companies, cooperatives and foreign exchange companies or dealers (including similar institutions or entities besides microfinance institutions):	<p>9814.0000</p> <p>9814.1000</p> <p>9814.2000</p>	Fifteen Percent (15%)

	<p>a) Banks or banking companies, cooperatives or similar institutions or entities (their all services including bank guarantee, brokerage, letter of credit, pay order or demand draft, bill of exchange, transfer of money in any manner, bill discounting, lockers and safe vaults, credit/debit cards, foreign exchange dealings, ATMs, issue-banking, bank assurance, provision of loans, business or investment financing or advances, leasing or re-leasing whether financial, equipment/commodity-related, musharakah financing etc.).</p> <p>b) Insurance companies (their all services including goods, fire, theft, marine, travel, life, health, industrial, business-related, moveable or immovable property insurance and other insurance and reinsurance services).</p> <p>c) Services of cooperatives and cooperative societies (including producer cooperatives, worker cooperatives, consumer cooperatives, credit unions, retail or purchasing cooperatives, social cooperatives, industrial service cooperatives, manufacturing cooperatives, marketing cooperatives, cooperative farming societies, housing cooperatives and credit cooperatives etc.).</p> <p>d) Services of foreign exchange companies, dealers and money changers or similar businesses.</p> <p>e) Other similar banking, insurance, cooperative or money exchange services.</p> <p>Exemption: Full exemption on life and health insurance.</p>	<p>9814.3000</p> <p>9814.4000</p> <p>9814.9000</p>	
27	Storage and warehousing services including public bounded warehouses, cold storages and yards or places used for storage of empty or loaded containers on rental or charges basis.	9844.0000	Fifteen Percent (15%)
28	Container terminal services including services of storage or warehousing of containers either imported or meant for export including transshipment or transit.	9841.0000	Fifteen Percent (15%)
29	Service provided or rendered by persons exclusively, solely or principally engaged in (inland) inter-city transportation or carriage of goods (whether dry or liquid, packed, packaged or otherwise) by road or through pipeline or conduit or through any other modern or	<p>9805.0000</p> <p>9805.4000</p> <p>9805.5000</p> <p>9805.6000</p>	Fifteen Percent (15%)

	<p>advance technology-based conveyance system.</p> <p>Explanation: The services provided or rendered by packers and movers engaged in the transportation of goods (whether intra-or inter-city) either with or without prior packing shall be covered in and taxed under this entry.</p>	<p>9805.9000</p> <p>9812.0000</p> <p>9812.1000</p> <p>9812.2000</p> <p>9812.9000</p>	
30	<p>Services provided by laboratories, scientific laboratories, mechanical laboratories, chemical laboratories, electrical or electronics laboratories, pathological laboratories, Forensic laboratories medical diagnostic laboratories including technical services relating to X-rays, CT Scan, M.R. Imaging (MRI), ultrasound, echo etc. or other such laboratories.</p> <p>Exemption: Full exemption to:</p> <ol style="list-style-type: none"> i. The laboratories sponsored, controlled and managed either by the government or its autonomous bodies. ii. The lab or other medical tests carried out against a valid medical prescription issued by a competent medical practitioner aimed at medical diagnosis or medical examination of a disease in any patient for medical treatment purposes. 	<p>9817.0000</p> <p>9817.1000</p> <p>9817.2000</p> <p>9817.3000</p> <p>9817.4000</p> <p>9817.5000</p> <p>9817.6000</p> <p>9817.9000</p>	Fifteen Percent (15%)
31	<p>Visa processing or visa acquisition services including advisory or consultancy services for foreign education or migration provided by persons in their private business or professional capacity.</p> <p>Explanation: Where any person providing services under this entry is also helping or serving his client for the issuance or renewal of the client's passport, the actual amount of fee charged by the government for the issuance or renewal of the passport shall not be included in the value of services for the purposes of assessment of tax.</p>	<p>9855.0000</p>	Fifteen Percent (15%)
32	<p>Valuation or assessment services including competency and eligibility testing services and services involving written tests with or without interviews for job or work recruitment or selection for any other purposes.</p> <p>Explanation: For the purpose of this entry, valuation or assessment includes revaluation, reassessment or repetition thereof.</p>	<p>9848.0000</p>	Fifteen Percent (15%)
33	<p>Services provided for inland carriage of goods by air,</p>	<p>9805.2000</p>	Fifteen Percent

	railways or otherwise against freight or carriage charges.	9805.3000	(15%)
34	Services provided or rendered by under writers including sponsorship services.	9819.1100	Fifteen Percent (15%)
35	Services provided or rendered by indenters and similar intermediaries.	9819.1200	Fifteen Percent (15%)
36	Services provided or rendered by auctioneers.	9819.9100	Fifteen Percent (15%)
37	Dredging or desilting services including cleaning of canals, water channels/tunnels/lines or reservoirs, pools, fish ponds, lakes or dams in any manner.	9822.4000	Fifteen Percent (15%)
38	Services relating to or involving collection, provision, organization, digitization, processing, analysis, safety, preservation, sharing, verification, validation, decontamination or any other treatment of data including granting access to data for the purposes of information-gathering, information-verification, information-authentication or similar other purposes.	9854.0000	Fifteen Percent (15%)
39	Services provided or rendered in respect of quality assurance, quality control, quality inspection (including pre-inspection), quality verification or certification including verification or certification of quality or standards under ISO regime.	9834.0000	Fifteen Percent (15%)
40	Rent-a-car or rent-a-cab services. Explanation: The persons engaged in providing or rendering services of rent a car or cab shall pay tax regardless of the category of the vehicle or logistics used in respect of such services.	9819.3000	Five Percent (5%)
41	Ride-hailing or ride-hail services like Uber, Cream, Biker and Lyft etc regardless of the mode, manner or dynamics of the business system involved in such services. Saving: In cases where regular tax compliance from the effectivity date of this entry is made and continued to be so made, no tax demand shall be raised or enforced for the period prior to such date.	9851.0000	Two Percent (2%) without input tax adjustment
42	Online Market Place (OMP) including online platform or portal services by whatever name called (other than ride-hailing or ride-hail services).	9852.0000	Five Percent (5%) without input tax adjustment
43	Services relating to or in respect of (continuous, interconnected, networked or otherwise) infrastructural-	9847.0000	Fifteen Percent (15%)

	<p>system-based transmission (wheeling) or distribution of electric power (electricity) or gas by companies including subsidiary companies of power generating companies (or persons) other than companies (persons) who directly transmit or distribute their own generated/produced electricity or their own recovered/produced gas.</p> <p>Explanation: The companies (persons) required to pay tax only on the gross component/amount of their transmission or distribution charges (by whatever name called).</p>		
44	<p>Services relating to or in respect of the installation, erection, commissioning or other permanent structure-affixed/linked/tied placement (whether full or in part) of any industrial, mechanical or electrical plant, machinery or equipment (excluding installation of domestic equipments etc for residential use).</p> <p>Explanation: The factors like new, reconditioned, repaired, overhauled or old status of the equipments or carrying out any work/process or works/processes related thereto, shall not affect the levy of tax under this heading.</p> <p>Saving: Separate/new insertion of this entry shall under no circumstances effect the tax liabilities already discharged or yet to be discharged under the category or class of services of contractual execution of works under the substituted Schedule.</p>	9853.0000	Fifteen Percent (15%)
45	Amusement and entertainment services including cinema (all categories), amusement parks, modelling shows, music concerts etc.	9836.0000 9839.0000	Five Percent (5%) without input tax adjustment
46	Inspection and survey(including re-inspection and re-survey) services not specifically covered in any other entry of this Schedule.	9819.4000	Fifteen Percent (15%)
47	All allied, ancillary, auxiliary, related, substitutive, comparable or matchable services not specifically, directly or indirectly mentioned anywhere in this Schedule but fall in or are linked in any manner to the category or categories of services covered in any of the class or classes of services mentioned or included in the Schedule provided that no argument as to variation in description shall be relevant or permissible for the application of this entry.		Rate of Tax as per closest respective entry or entries.

PRINCIPLES OF APPLICATION AND INTERPRETATION: For the purposes of application and interpretation of the SECOND SCHEDULE and all allied matters, the following principles shall be binding and followed as an integral part thereof:

1. The FIRST SCHEDULE contains description of minimum services and hence there may be a case or cases where any service or class of services is not mentioned in the FIRST SCHEDULE but mentioned or covered in the SECOND SCHEDULE, tax shall be payable on every such service or class of services in terms of the Second Schedule and no pretext or argument about any claim for their non-taxability shall be permissible or allowed.
2. Each serialized entry in the SECOND SCHEDULE primarily reflects and covers distinct class of services, which means the scope or coverage of tax runs through or alongside the lines of the classes of services. Thus the specific service descriptions in any class of services do not mean that description of the service is exhaustive. The services mentioned in SECOND SCHEDULE, by whatever name called, shall remain taxable even if it is not cited as such under the class of services covered in the SECOND SCHEDULE; such service shall be taxable as one of the services of the relevant class of service.
3. No input tax adjustment shall be admissible in respect of services where exemption or reduced rate of tax has been applied or allowed in the SECOND SCHEDULE. The recipient of such service shall, if he is a taxable service provider, also not be entitled to adjust the input tax paid on reduced rate against output tax payable on the service or services provided or rendered by him at immediate next stage of supply chain.
4. Where services provided by a person are chargeable to a rate of tax entitled to input tax adjustment, the input tax adjustment shall be admissible in respect of the tax paid on the inputs (otherwise taxed on higher rate) only to the extent not exceeding standard rate of the tax regime to which the input relates.
5. Where by virtue of interpretation or otherwise, any service can be considered to be classified or is otherwise found to be classifiable with matching or equal accuracy under two or more entries of the SECOND SCHEDULE, such service shall be classified and taxed under or with reference to the entry appearing later in number regardless the rate of tax is lower or higher.
6. Where a person is engaged in performing more than one taxable services under his same business name and some of the services are entitled to reduced rate or rates of tax while others are liable to tax at standard rate, such person shall be entitled to avail two rates of tax provided that no input tax adjustment shall be admissible or allowed to the extent of turnover chargeable to lower rate of tax.
7. Due to changes in science and technology, the jargon or nomenclature of market economics is changing faster than adjustments which may be made in the legal instruments. But for the purposes of taxability under the SECOND SCHEDULE, if any service is liable to tax with reference to a particular description mentioned in the SECOND SCHEDULE, the service shall continue to be taxable regardless

of any sudden, unexpected or unanticipated change in its market name or appellation for any reason, whatsoever.

8. Where a person is providing or rendering under the same business name two or more services and all such services are liable to tax at the same rate, he may use only one entry of the SECOND SCHEDULE covering the major portion of his business turnover, for the purposes of tax assessments and tax declarations.
9. Where a character, nature, dynamic or purpose of any service exactly or substantially resembles any service taxable under the SECOND SCHEDULE and such service can be used as a perfect or close substitute of the scheduled service, such service shall be considered and liable to under the SECOND SCHEDULE.
10. Classifications of services either given in the FIRST SCHEDULE or the SECOND SCHEDULE are just for reference and accounting purposes. They have no bearing on the taxability of any service. The taxability of a service shall be determined with reference to its description either mentioned separately or included in the class of services under the SECOND SCHEDULE read with these principles of application and interpretation.
11. Non-mentioning of a classification heading of any service in the SECOND SCHEDULE shall not in any manner effect the taxability of such service in the said SCHEDULE.
12. Where in the SECOND SCHEDULE, a description of the main or principal services has been mentioned, it shall include all allied, ancillary, auxiliary, related or connected services whether provided or rendered in the form of facility or utility as a part of the main contract or transaction and shall be considered as a part and parcel of the main or principal service and its value shall be invariably included in the valuation and assessment of tax of such main or principal service.
13. Where under any entry, any service or services have been specifically excluded, such service or services shall not be classified under such entry for the purpose of tax assessment or otherwise.
14. Nowhere in any entry "inclusion" of any service or services shall, unless the context otherwise specifically requires, be construed as exclusion of other service or services otherwise falling in or under such entry either by virtue of class of services or otherwise.
15. Where any service is provided or rendered solely against commission or commission charges, tax assessment shall be made on the basis of the gross amount received or to be received on account of such commission or commission charges.
16. In cases where tax is to be calculated on the basis of fraction, the following formula shall be used:
17. Where during providing of any services by a person who is providing his services by virtue of his professional credentials, procures any durable and repeat-use

goods (not the consumable materials) purely on behalf of and for his client out of the funds provided or to be provided by the client and title of such goods is on acquisition and continues to be in the name of the client, value of such goods shall not be included in the value of services despite their being meant for use or having been used in the providing of services by such person.”.

$$(a/100+a) \times \text{Value of Service}$$

Note: “a” is the applicable rate of tax.