

**GOVERNMENT OF ¹[Khyber Pakhtunkhwa]
EXCISE & TAXATION DEPARTMENT**

NOTIFICATION.

Dated Peshawar the 20th February, 2007.

No.SO(TAX)E&T/4-1/2006: In exercise of the powers conferred by section 14 of the ²[Khyber Pakhtunkhwa] Finance Act, 1996 (³[Khyber Pakhtunkhwa] Act No.1 of 1996), read with section-11 thereof, the Government of the ⁴[Khyber Pakhtunkhwa] is pleased to make the following rules, namely:

**THE ⁵[Khyber Pakhtunkhwa] (UTILIZATION OF TOBACCO DEVELOPMENT
CESS) RULES, 2007.**

1. **Short Title and Commencement:**---(1) These rules may be called the ⁶[Khyber Pakhtunkhwa] (Utilization Of Tobacco Development Cess) Rules, 2007.

(2) They shall come into force at once.

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

(a) “Act” means the Khyber Pakhtunkhwa Finance Act, 1996 (⁷[Khyber Pakhtunkhwa] Act No.1 of 1996);

(b) “Board” means the Pakistan Tobacco Board constituted under section 3 of Pakistan Tobacco Board Ordinance,1968 (Ordinance No.1 of 1968);

(c) “Cess” means the Tobacco Development Cess levied and collected under section 11 of the Act;

(d) “Committee” means the Committee constituted under these rules;

(e) “Constituency” means an area declared as a constituency for the purposes of election of Members of the Provincial Assembly of the ⁸[Khyber Pakhtunkhwa];

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

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

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

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

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

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

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

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

(f) **“Government”** means the Government of the ⁹[Khyber Pakhtunkhwa];

(g) **“tobacco growing district”** means the district in the Province where tobacco is grown;

3. Utilization of Cess: (1) The Cess collected under section 11 of the Act shall be utilized for the purposes specified in the Act.

(2) For the purposes of utilization of the Cess there shall be constituted a Committee by Government, ¹⁰[Khyber Pakhtunkhwa] Province which shall consist of the following:-

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|--------------------------|--|------------------------|
| i. | Chief Minister, ¹¹ [Khyber Pakhtunkhwa] | Chairman |
| ii. | Minister, Excise & Taxation, ¹² [Khyber Pakhtunkhwa] | Vice Chairman/Convener |
| iii. | Minister, Finance ¹³ [Khyber Pakhtunkhwa] | Member |
| iv. | Minister, Agriculture ¹⁴ [Khyber Pakhtunkhwa] | Member |
| ¹⁵ [iv-
a. | Minister, Planning & Development, ¹⁶ [Khyber
Pakhtunkhwa] | Member] |
| ¹⁷ [iv-
b. | Minster, Revenue, Estate & Relief, ¹⁸ [Khyber
Pakhtunkhwa] | Member] |
| v. | One Member of the Provincial Assembly from each tobacco growing District, to be nominated by the Chairman. | Member |
| vi. | Secretary, Government of ¹⁹ [Khyber Pakhtunkhwa] & Taxation Department. | Member-cum-Secretary |

(3) The Committee shall meet at least once in four months on a date, time and venue notified to all the members by the Secretary of the Committee, at least one week before the date of meeting. The schemes for utilization of the Cess as per district share¹ shall be put before the Committee for scrutiny and approval by the Committee. Quorum of the Committee shall be 1/3rd of the total number of the members.

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

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

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

¹² Subs.by the Khyber Pakhtunkhwa Act No IV of 2011.

¹³ Subs.by the Khyber Pakhtunkhwa Act No IV of 2011.

¹⁴ Subs.by the Khyber Pakhtunkhwa Act No IV of 2011.

¹⁵ Amended vide Notification No. SO(TAX) E&T/4-1/2006 dated 28.2.2009.

¹⁶ Subs.by the Khyber Pakhtunkhwa Act No IV of 2011.

¹⁷ Amended vide Notification No. SO(TAX) E&T/4-1/2006 dated 18.2.2009

¹⁸ Subs.by the Khyber Pakhtunkhwa Act No IV of 2011.

¹⁹ Subs.by the Khyber Pakhtunkhwa Act No IV of 2011.

(4) The Finance Department shall release the Cess collected in the preceding years¹ in the month of August of the financial year for the utilization as per sub-section (3) of section 11 of the Act to the districts concerned.

(5) Cess shall be distributed among the tobacco growing districts on the basis of tobacco production of the previous year, for which the Board shall provide district-wise tobacco production data, before the commencement of new financial year:

²⁰[Provided that any undistributed Cess for any year or period shall be distributed among the tobacco growing districts on the basis of tobacco production of the respective year or period as the case may be.]

(6) ²¹[Deleted.]

SECRETARY TO GOVT OF THE
²²[Khyber Pakhtunkhwa], EXCISE &
TAXATION DEPARTMENT

²⁰ Amended vide Notification No. SO(TAX) E&T/4-1/2006 dated 28.2.2009.

²¹ Amended vide Notification No. SO(TAX) E&T/4-1/2006 dated 28.2.2009.

²² Subs.by the Khyber Pakhtunkhwa Act No IV of 2011.