

**THE ¹[Khyber Pakhtunkhwa]
MOTOR VEHICLES TAXATION
RULES, 1959**

Notification No Tax-1-1/1-58, dated 20th March, 1958: in exercise of the powers conferred any sub-section (1) of Section 15 of the Motor Vehicles Taxation Act, 1958, the Government of West Pakistan is pleased to make the following rules: a draft of which was published in the West Pakistan Gazetted, dated 18th February, 1959, under Notification No.Tax-1-1/1-58, dated 16th February, 1959

1. **Short Title and Commencement:** (a) These rules may be called the ²³[Khyber Pakhtunkhwa] Motor Vehicles Taxation Rules, 1959.

(b) They shall come into force at once.

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

(a) "Act" means the Baluchistan ⁴[Khyber Pakhtunkhwa] Punjab Sind Motor Vehicles Taxation Act, 1958.

(b) "Form" means the specified form appended to these rules.

3. **Form of the Declaration and The Manner in which Declarations are to Sent:** (1) The declaration to be made under subsection (1) of Section 4 and the additional declaration to be made under Section 5 of the Act shall be in Form 1.

(2) The aforesaid declaration may be presented by the persons keeping the vehicles in person or by his agent, or may be sent by post to the Licensing Officer.

4. **Form of The Special Notice and The Manner in Which it is to be Sent:** (1) The special notice to be served by a Licensing Officer under Section 6 of the Act shall be in Form II.

(2) The special notice may be sent to the persons required to fill up, sign and deliver the declaration, by post or may be served upon him in person, or (if service cannot be made upon him in person) upon any adult male member or servant of his family.

(3) If the special notice cannot be served in the manner described under the last preceding sub-rule, it may be served by affixing it to some conspicuous part of the place of residence or business of such person, or in such other manner as the Licensing Officer may think fit.

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

² Substituted for the words "West Pakistan" by Khyber Pakhtunkhwa Adaptation of Laws Order, 1975.

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

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

5. **Forms Obtainable from Licensing Officers:** The forms may be obtained from the Licensing Officer.

6. **Exemptions from Payment of Tax:** (1) The persons who keep for use motor vehicles of the following classes shall be totally exempted from liability to pay the tax in respect of such vehicles:-

- (i) Motor Vehicles owned and kept for non-commercial use by Departments of the Central Government or Provincial Government or by a local authority situated within the province.
- (ii) Motor Vehicles owned by the management of a school and kept for the sole use of conveying pupils to and from the school.
- (iii) Motor vehicles classed as ambulances owned by approved hospitals or associations and kept for the sole use of conveying patients to and from the hospitals otherwise than for hire or reward.
- (iv) Motor vehicles (other than such transport vehicles registered outside the Province as normally operate on a route which lies partly outside the Province and partly inside it unless specially exempted by Government) temporarily brought into the Province and kept for use therein for a period not exceeding thirty days.
- (v) Subject to the provisions of sub-rule (2), motor vehicles imported under a triptych or carnet passage and temporarily brought into the province.
- (vi) Motor vehicles exempted under any law for the time being in force.
- (vii) Motor vehicles kept exclusively for use as hearses.
- (viii) Subject to the provisions of sub-rule(2), motor vehicles other than transport vehicles brought permanently into the province if taxed for the same quarter in any area of Pakistan.
- (ix) Motor vehicles in the use of foreign Consular Officers and Trade Commissioners in Pakistan on basis of reciprocity.

(2) The exemption under clause (v) of sub-rule (1) shall be available only for the first thirty days of the stay of the vehicle in the Province and in the case of a vehicle covered by clause (viii) of sub-rule (1), it shall be for the quarter during which any such vehicle is imported.

(3) A person (other than a Department of the Federal Government or Provincial Government) who is wholly exempted from liability to pay the tax under clauses (i) to (vii) of sub-rule (1) of this rule must nevertheless fill in and deliver the Form I and obtain a licence and a token unless he is exempted under clause thereof.

7. **Exemption when Permissible:** No person shall be entitled to exemption under clause (iv) of sub-rule(1) of the last preceding rule unless he has paid tax for the period for which exemption is claimed to the Government of the area from which the vehicle is brought into the Province:

Provided that exemption may be granted if the vehicle in respect of which exemption is claimed belongs to a person who ordinarily resides in an area where no taxes are levied on motor vehicles and is normally kept for use in such area.

8. **Conditions of Exemption from Payment of Tax:** (1) Subject to the following conditions any person keeping a motor vehicle, other than a vehicle let or plied for hire, shall be exempt from liability to pay the tax for any quarter in which the vehicle is used for a period not exceeding seven days:-

- (i) before taking the vehicle into use, the person shall obtain from the Licensing Officer or a motor dealer or association specially authorized in this behalf by the Government a Special Short Term Licence in Form IV, paying therefor a fee equal to one fifth of the tax which would have been payable on the vehicle for the quarter or of five rupees, whichever is greater.
- (ii) The Special Short Term Licence obtained under the last preceding clause shall be exhibited on the windscreen, or if a windscreen is not fitted on some other prominent part of the vehicle during the whole period of its validity and throughout the remainder of the quarter for which exemption is claimed.

(2) Government may, subject to such conditions as it may think fit to impose, authorize any firm of motor dealers or association of persons using motor vehicles, or appointed to be a Special Registering Authority under provisions of the Motor Vehicles Act, 1939 to issue the Special Short Term Licences under clause (i) of sub-rule (1).

(3) If a person who has obtained a Special Short Term Licence under sub-rule (1) desired to keep the vehicle in use for a longer period and pays the full tax for the quarter, he shall be entitled to obtain a refund of the fee paid for the special Short Term Licence: Provided that payment of the tax for the quarter is made before the expiry of the term of the Special Short Term Licence.

9. **Proportionate Exemption from Quarterly Tax:** If a person becomes liable to pay a quarterly instalment of tax, but proves to the satisfaction of the Licensing Officer that he has neither used nor permitted the use of the motor vehicle for a part of the preceding quarter, he shall be exempted from liability to pay such part of the quarterly instalment from the current quarter as may be proportionate to the period during which the motor vehicle was not used, and the Licensing Officer shall make an endorsement to that effect on the licence: Provided that in calculating the period during which the motor vehicle was not used regard shall be had only to complete period of one month during which it was not used and shorter period shall be disregarded.

Explanation. When a motor vehicle is for the first time registered under the Motor Vehicles Act, 1939 and is brought into use during the course of a quarterly period exemption may be granted from the corresponding quarterly instalment of tax to the extent of the ratio borne to ninety days by such portion or the quarterly period before the date of its registration and use as a multiple of thirty days.

10. ⁵**[Proof in Claims to Exemption:** Unless otherwise permitted by the Director, Excise and Taxation:

- (a) any person making a claim to exemption on the ground of non-use under rule 9 or under sub-section (2) of section 13 of the Act, shall, for purposes of entitlement to such exemption, surrender the Registration Book and Insurance Certificate of the motor vehicle in respect of which exemption is claimed with fifteen days for the date from which such period of non-use of motor vehicle has commenced;
- (b) an application for the grant of exemption shall not be entertained by a Licensing Officer other than that of the district where the tax was last paid or where the motor vehicle was, registered.]

[Original provision of rule 10. Proof in claims to exemption. Any person making a claim to exemption under sub-section (2) of section 13 of the Act or under rule 9 shall support his claim to exemption by such proof or in such manner as the Licensing Officer may direct].

11. Refund of Tax Paid: A person who has paid a quarterly instalment of tax in respect of a motor vehicle, but afterwards proves to the satisfaction of the Licensing Officer that he is not liable to the payment of that instalment of tax or part thereof on account of the exemption or deductions provided in the Act or these rules shall be entitled to claim refund of the tax already paid to the extent admissible under the Act or these rules.

Explanation: Claims for refund for tax paid to a local authority must be supported by a receipt or licence or other documents signed by a competent officer of that authority showing that tax has been paid for the period for which refund is claimed.

12. Entries Regarding Exemptions, Deductions and Refunds to be in the License: Wherever an exemption or deduction or refund is claimed by a licence and his claim is admitted, the Licensing Officer shall make the necessary entry certifying the exemption or deduction or refund, as the case may be, in the remarks column of the Licence.

13. Issue of The Fresh License on Purchase or Transfer of Vehicle: When a person purchases or keeps for use a motor vehicle in respect of which licence has already been issued, he shall produce the licence referred to in sub-rule (2) of rule 18 before the Licensing Officer, and the Licensing Officer shall then issue a fresh licence in his name in which he shall enter as paid those installments of the tax which were entered as paid on the licence already issued.

⁵ Rule 10 substituted by West Pakistan Government Notification No. 1342-67-944-Tax. 1, published in Gazette of West Pakistan, Part I, 14th July, 1967.

14. In the event of a licence having been lost or destroyed, and on an application being made by the licensee to the Licensing Officer, a duplicate licence may be issued on the payment of fee of rupee one.

15. Laden Weight of the Vehicle to be Stated in the Declaration: (1) Where the assessment of tax payable in respect of a motor vehicle depends on the unloaded weight of the vehicle, the assessee shall state such weight in the declaration in Form 1, submitted by him.

(2) The Licensing Officer may accept the statement or may in his description demand from the applicant proof that the declaration of unladen weight is correct, and in the absence of such proof the Licensing Officer shall determine the weight of the unladen motor vehicle and shall assess that tax accordingly.

16. Assessment in Cases Where Tax Payable Depends on Seating Capacity: Where the assessment of tax payable in respect of a vehicle depends on the number of persons that can be seated in the vehicle the Licensing Officer shall check the applicant's declaration by his own judgment as to the seating capacity of the vehicle: and vehicles of the kind known as 4/5 seaters may be classed as 5 seaters.

17. Production of Vehicle for Inspection to Determine Tax Payable: The Licensing Officer may, in order to determine the tax payable, require an applicant for a licence for token in Form V to produce the vehicle before him for his inspection and the applicant shall produce the vehicle accordingly.

18. Licensing Officer to Inform the Applicant as to Tax Payable: (1) As soon as an applicant for a licence has filed the declaration, the Licensing Officer may inform him of the tax payable and the applicant shall pay it accordingly.

(2) On the production of the evidence of payment the Licensing Officer shall deliver to the applicant the licence, which shall be in Form III.

19. Vehicle to Stop for Checking: (1) The owner or driver of any motor vehicle. When called upon to do so by any police officer on duty or any officer of the Excise and Taxation Department not below the rank of a Sub-Inspector, shall stop the vehicle and cause it to remain stationary so long as may reasonably be necessary for the purpose of satisfying that the tax has been duly paid in respect of the vehicle and that a licence or token has been obtained.

(2) Should the aforesaid officer find that the tax has not been paid or that the licence or token required has not been obtained, he may take down the necessary particulars and make a report to the Licensing Officer for such section as may be necessary.

20. Opportunity to Show Cause to be Given Before Imposition of Penalty: Before imposing a penalty under Section 8 and 9 of the Act the Licensing Officer shall call upon the person concerned to show cause why the penalty should not be imposed: and shall record a brief memorandum of the facts of the case and the statement, if any, of such person and a finding with a brief statement of his reasons for that finding.

21. Appeals: (1) The appeal under Section 12 of the Act shall be preferred by a memorandum in writing to the Deputy Director stating the grounds on which the appellant disputes the order appealed against.

(2) The officer hearing the appeal may in his discretion:-

(a) dismiss the appeal summarily; or

(b) call on the Licensing Officer for a report and after considering such report and hearing the appellant may confirm, modify or set aside the order.

6[22. Mode of Payment of Tax and Issue of Tax Tokens: (1) The tax may be paid for the whole year in lump sum or in quarterly installments.

(2) When a person pays a quarterly instalment of tax or lump sum amount to annual tax, he shall be entitled to receive a token in Form V or V-A, as the case may be.

(3) In respect of motor vehicle other than a motor vehicle liable to tax under 3[Articles 3.4(e) or 5(n) of the Schedule appended to the West Pakistan Motor Vehicles Taxation Act, 1958, as amended from time to time] the payment of the tax shall be made in the Post Office at which the motor vehicle is registered for the purpose. The payment of tax shall be entered over the signature for the Postmaster of such Post Office in the licence in Form III pertaining to the vehicle, and tax token shall be issued by the Postmaster.

(4) The postmaster in charge of the Post Office shall:-

(a) open a separate account in respect of every motor vehicle registered at that Post Office for payment of tax: and

(b) by the 10th of every month submit to the Licensing Officer of the district in which the Post Office is situated, a statement in form VII, of all motor vehicles registered at the Post Office during the previous month for the payment of the tax.

(5) The Postmaster in charge of the Post Office with which a motor vehicle is registered for payment of a motor vehicle tax shall submit to the Motor Licensing Officer of the district in which the Post Office is situated:-

(a) within ten days of the close of the month, a statement in Form VIII showing the particulars of receipt of the tax paid during the preceding month: and

(b) by the 15th of August, 15th of November, 15th of February and 15th of May, every year the particulars of motor vehicles owing payment of motor vehicles tax in respect of any preceding quarterly period or periods in Form IX.

⁶ Subs, vide Noti. No. 5076/69/Tax I, dated 20th February, 1970.

(6) In respect of motor vehicle liable to tax under [Articles 5(e) or 6 (e) of the Schedule appended to the West Pakistan Motor Vehicles Taxation Act, 1958, as amended from time to time] the tax token shall be issued by the Motor Licensing Officer on production of proof of payment of tax.

(7) When a person satisfies the Motor Licensing Officer that he is entitled to exemption from the payment of tax, he shall be entitled to receive from the Motor Licensing Officer a tax token on which shall be written the word "exempt".

Explanation: In this rule, the term "Post Office" includes a sub-post officer, and the term a Postmaster includes an Assistant Post master or a Sub-Postmaster in charge of a Sub-Post Office:

23. Token to be displayed on the vehicle: (1) No person shall driver or causes to be driven any motor vehicle unless a valid token is displayed thereon in the manner hereinafter prescribed.

(2) In the case of motor cycles not having more than two wheels (whether with or without a side-car) the token shall be affixed to the plate bearing the front registration mark so as to face towards the left hand side of the motor cycle: and in the case of any other motor vehicle, it shall be affixed to the bottom left hand corner of the windscreen facing forward if the vehicle is Right Hand Drive Control and to bottom right hand corner of the windscreen facing forward if the vehicle is a Left Hand Drive Control, or if the vehicle is not fitted with a windscreen then is some other conspicuous place on the left or right hand side of the vehicle.

(3) Nothing in sub-rule (1) shall apply in the case of a vehicle owned or kept for use by any Department of the Federal Government of Provincial Government other than a vehicle used in connection with the business of a railway or which is for the time being exempt from liability to pay tax under clauses (iv) or (vii) of sub-rule (1) of rule 6, or under rule 8, or which has not been kept for use by the owner for more than thirty days.

24. Duplicate Token: (1) Any holder of a token which has been lost, destroyed, defaced, or torn may apply to the Licensing Officer for the issue of a duplicate token, and the Licensing Officer may, if he is not satisfied after making inquiries, issue a duplicate token.

(2) A duplicate token shall be in Form V with the words "DUPLICATE" in bold red letters written or stamped across it.

(3) The fee for the issue of a duplicate token shall be one rupee.

25. Penalty: Any person who contravenes any of the provisions of these rules shall, if no penalty is specified in the Act, be punished with fine which may extend to twenty rupees, and in the event of any subsequent conviction for the same offence shall be punished with fine which may extend to one hundred rupees.

26. The warrant under Section 11 of the Act shall be Form VI.

27. Repeal: These rules supersede all rules made, notifications issued and exemptions granted under any of the following enactments:-

- (a) Punjab Motor Vehicles Taxation Act, 1924:
- (b) the ⁷[Khyber Pakhtunkhwa] Motor Vehicles Taxation Act, 1936:
- (c) the Sind Motor Vehicles Tax Act, 1939:
- (d) the Punjab Motor Vehicles Taxation Act, 1924, as applicable to the areas which, before the establishment of the Province of West Pakistan, formed part of the State of Bahawalpur:
- (e) the Sind Motor Vehicles Tax Act. 1939, as applicable to the area which, before the establishment of the Province of West Pakistan, formed part of State of Khairpur: and
- (f) the Sind Motor Vehicles Act, 1939, as applicable to the area which before the establishment of the Province of West Pakistan, formed part of the State of Khairpur].

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