

**TO BE PUBLISHED IN THE NEXT
ISSUE OF BALOCHISTAN GAZETTE.**

BALOCHISTAN PROVINCIAL ASSEMBLY SECRETARIAT

NOTIFICATION.

Dated Quetta, the 04th July, 2023.

No.PAB/Legis:V(05)/2023/19. The Balochistan Finance Bill 2023(Bill No. 05 of 2023), having been passed by the Provincial Assembly of Balochistan on 27th June, 2023 and assented to by the Governor Balochistan, on 04th July, 2023 is hereby published as an Act of the Balochistan Provincial Assembly.

THE BALOCHISTAN FINANCE ACT 2023,
ACT NO. V OF 2023.

**AN
ACT**

to give effect to the financial proposals of the Provincial Government for the year beginning on the first day of July, 2023, and to amend certain laws.

Preamble.

WHEREAS it is expedient to make provisions to give effect to the financial proposals of the Provincial Government for the year beginning on the first day of July, 2023, and to amend certain laws for the purposes hereinafter appearing;

It is hereby enacted as follows: -

**Short title, extent
and
commencement.**

1. (1) This Act shall be called the Balochistan Finance Act, 2023.
- (2) It extends to the whole of Balochistan.
- (3) unless otherwise provided, it shall be deemed to have come into force on and from the first day of July, 2023.

**Amendments in
the Balochistan
Excise Regulation
1915, (Bal Reg.1
of 1915)**

2. In the Balochistan Excise Regulation, 1915 (Bal Reg.1 of 1915); -

(1) In section 24, for sub-section (1), the following shall be substituted, namely;

“(1) The Provincial Government shall prescribe an excise duty to be levied as specified in Schedule-I at such rate or rates either generally or for any specified local area on any excisable article.

- (a) imported; or
(b) exported; or**

- (c) transported; or
- (d) manufactured, cultivated or collected under any license granted under section 13; or
- (e) manufactured in any distillery established or any distillery or brewery licensed under this regulation.

(2) In section 27, in clause (a), for sub-clause (i), the following shall be substituted:-

“(i) on payment of such fees as prescribed in schedule-II,”

(3) After Section 69, the following two new Schedules I and II shall be inserted namely;

**“Schedule-I
(Section 24)**

| EXCISE DUTY ON PAK MADE FOREIGN LIQUOR AN BEER | | |
|---|---|--------------------------------------|
| # | Description | Rates (PKR) |
| 1 | Denatured Spirit | Rs. 50 per gallon |
| 2 | Rectified Spirit (for ordinary trade) | Rs. 500 per gallon |
| 3 | Rectified Spirit (for industrial purpose) | Rs. 35 per LPG (London Proof Gallon) |
| 4 | Excise Duty on PMFL Liquor | Rs. 2,100 per LPG |
| 5 | Excise Duty on Beer | Rs. 70 per liter |

**“Schedule-II
(Section 27)**

| INITIAL LICENSE FEE AND RENEWAL FEE FOR LICENSES | | | |
|---|--|-----------------------|-----------------------------------|
| # | Description of License/Permit | Category | Rates (PKR) |
| 1 | Excise License No. 19 (for Denatured Spirit) | License Fee | Fifteen thousand |
| 2 | Excise License L - I (Wholesale of intoxicating Liquor) | License Fee | Eight million |
| | | Annual Renewal | At the rate of 10% of initial fee |
| 3 | Excise License L - II (Retail sale of intoxicating liquor) | License fee | Eight million |
| | | Annual Renewal | At the rate of 10% of initial fee |
| 4 | Excise License L - III (Distillery) | License fee | Fifteen million |
| | | Annual Renewal | At the rate of 10% of license fee |
| 5 | Distillery Brewage permit | Permit fee | Five hundred thousand |
| 6 | Agent license (for wine shop) | License Fee | Fifteen thousand |
| | | Renewal | At the rate of 10% of license fee |
| 7 | Transport Permit | Permit fee for Liquor | Rs sixty per gallon (in advance) |
| | | Permit fee for Beer | Rs ten per unit (in advance) |

**Amendments in 3.
the Balochistan
Urban Immovable
Property Tax Act,
1958, (West Pakistan
Act No. V of 1958)**

In the Balochistan Urban Immovable Property Tax Act, 1958 (West Pakistan No. V of 1958); -

(1) In section 2, -

(a) clause (b) shall be substituted as follows;

“Collector” means the Director General, Excise, Taxation and Anti-Narcotics Department (North) and (South), as the case may be, to discharge the functions and perform the duties of a Collector under this Act in any specified area;”

(b) after clause (b), the following clause (c) shall be inserted namely;

“(c) “Department” means Excise, Taxation and Anti-Narcotics Department;”

(c) after clause (c), the following new clause (cc) shall be inserted namely;

“(cc) “Divisional Director” means Divisional Director, Excise, Taxation and Anti-Narcotics Department of the respective Division, as the case may be, to discharge the functions and perform the duties of a Divisional Director under this Act in any specified area;”

(d) after clause (g), the following new clause (gg) shall be inserted;

“(gg) “Schedule” means the Schedules appended to the Act;”

(e) clause (i) shall be substituted as follows;

““Urban Area” means an area as defined in Balochistan Local Government Act, 2010 (Act No. V of 2010)”

(2) In section 3, in sub-section (4), the words, “five per cent”, appearing twice shall be substituted with the word, **“ten per cent;”**

(3) In section 4, -

(a) in clause (g), the words, “forty-five thousand” shall be substituted with the words, **“sixty thousand;”**

(b) after clause (g) the following proviso shall be inserted namely;

“Provided that where the annual value is more than rupees sixty thousand, the tax shall be levied on the amount in excess of the said amount.”

(c) for clause (h), the following shall be substituted; -

“(h) One self-occupied residential house having an area not exceeding 1,250 square feet in Kachi Abadies as defined in the Balochistan Kachhi Abadis Regularization and Development of Slum Structures Act, 2018”

(4) Section 5-A shall be substituted as follows;

“5-A Valuation Table to Ascertain Annual Value; – Notwithstanding anything contained in this Act, the Annual value may be ascertained on the basis of valuation Table for such localities as prescribed under Schedule-I.

(5) In section 8, in sub-section (2), in the proviso the words” Excise and Taxation” shall be substituted with the words **“Excise, Taxation and Anti-Narcotics Department”**

(6) In section 10, -

(a) in sub-section (2), the words, “Excise and Taxation” shall be substituted with the words, **“Excise, Taxation and Anti-Narcotics Department”**;

(b) in sub-section (2), the word “Commissioner” shall be substituted with the words, **“Secretary Excise, Taxation and Anti-Narcotics Department”**.

(7) Section 16 shall be substituted as follows;

“(1) If any sum due on account of the tax levied under section 3 or as a penalty imposed under this Act is not paid within the time allowed for its payment and the person from whom it is due does not show cause to the satisfaction of the assessing authority within time so allowed by him, the assessing authority may:

- (a) Seal any commercial property unit or units, belonging to the owner, who is liable to pay the tax, and shall remain sealed for not more than thirty days. If the owner unlawfully de-seals such unit, this will compound an offense and shall be tried by a Court of Judicial Magistrate of First Class, within whose jurisdiction the offense is committed, and shall be punishable with a fine which should not be more than thirty percent and less than fifteen percent of the tax liable on such person for payment or three months of imprisonment or both.
- (b) If the owner still continues to evade the payment, the assessing authority shall refer the matter to the Divisional Director of the Division concerned.
- (2) (a) Upon receipt of such matter as referred to by the assessing authority under sub-section 1 to the Divisional Director, the Divisional Director shall issue call up notice to the owner concerned and provide a personal hearing to such person in the presence of the assessing authority concerned;

(b) If the Divisional Director finds that there is prima facie case of non-payment and the owner is wilfully evading paying the tax, the Divisional Director shall extend the period of sealing to a more thirty days. If the owner unlawfully de-seals such unit, this will compound an offense and shall be tried by a Court of Judicial Magistrate of First Class, within whose jurisdiction the offense is committed, and shall be punishable with a fine which should not be more than thirty percent and less than fifteen percent of the tax liable on such person for payment or three months of imprisonment or both.

(c) If the owner does not pay the tax which he is liable to pay within the period of sealing under this section, the Divisional Director after expiry of this period, shall proceed to distress or sale the movable property(ies) belonging to such person as to be provided in rules made under this Act.

(3) (a) If the amount of the tax which the owner is liable to pay is or cannot commensurate from the actions at clause (b) of subsection (2) of this section, the Divisional Director shall refer such case to the Collector/Director General.

(b) The Collector shall recover under a warrant, addressed to an officer of the Department for execution and in executing it he may obtain such assistance from other servants of the Department as he may consider necessary, in the prescribed form or in a form to the like effect to be signed by the Collector—

(i) by ordering to seal such commercial property unit and this shall remain sealed for a period not exceeding three months. If the owner unlawfully de-seals such unit, this will compound an offense and shall be tried by a Court of Judicial Magistrate of First Class, within whose jurisdiction the offense is committed, and shall be punishable with a fine which should not be more than thirty percent and less than fifteen percent of the tax liable on such person for payment or three months of imprisonment or both.

(ii) by attachment and sale of the immovable property belonging to him as to be provided in rules made under this Act.

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

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

(6)The Board of Revenue, Local Area Development Authorities, Local Governments or any other Department, Autonomous or Semi-Autonomous bodies under the control of Government, shall not transfer or process any transaction against an immovable property unless liability on account of “Property Tax” under this Act has been cleared and paid to Government.”

(8) After section 23, the following new section 23 A shall be inserted namely;

‘‘23 A. Power to make regulations. – (1) The Excise, Taxation and Anti-Narcotic Department may make regulations for carrying out the purposes of this Act or the rules made there under.

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

- (a) the placing of identification marks on, and entry into or upon, any building or land;**
- (b) the prescription of the form of any notice, valuation list, statement, return, or other document whatsoever which is required or authorised to be used under or for the purposes of this Act; valuation list, statement, return, or other document whatsoever which is required or authorised to be used under or for the purposes of this Act;**
- (c) the mode of service of any notice, order or document required to be authorised to be served;**
- (d) the inspection and taking copies of and extracts from any draft valuation list, valuation list, notice of objections, proposal for amendment to the valuation list, notice of appeal, valuation made by valuer, and fees for such inspection or copies;**
- (e) the appointment of valuers to advise or assist in connection with the valuation of buildings or lands and their powers and duties;**
- (f) the prescription of fees to be charged in connection with any application made under this Act or the rules made thereunder;**
- (g) any other matter which is required by this Act to be prescribed.’’**

(9) After Section 24, the following Schedule-I shall be inserted namely;

**“Schedule-I”
(Section 5-A)
Valuation Tables**

| TABLE 01: COMMERCIAL PROPERTY UNITS (Rates in PKR/Sq ft) | | | | | | | | | | | | |
|---|--------------------|-------------|------------------------|------------|--------------|-------------------------|----------|--|--------------|-----------|-----------|-----------|
| Sr# | Locality /Category | Front | General Property Units | | | | | Plazas /Markets (Type-1/Multi Stories) | | | | |
| | | | Type-1 | Type-2 & 3 | Type-4,5 & 6 | Type-7, 8 & Unspecified | Mud Made | Basement | Ground Floor | 1st Floor | 2nd Floor | Any other |
| 1 | A | Main | 56 | 45 | 36 | 30 | 23 | 12 | 26 | 16 | 12 | 4 |
| | | Adjoining | 45 | 36 | 30 | 23 | 18 | 10 | 20 | 13 | 10 | 3 |
| | | Sub-Streets | 36 | 30 | 23 | 18 | 15 | 7 | 17 | 10 | 7 | 2 |
| 2 | B | Main | 45 | 36 | 30 | 23 | 18 | 10 | 20 | 13 | 10 | 3 |
| | | Adjoining | 36 | 30 | 23 | 18 | 15 | 8 | 15 | 10 | 8 | 3 |
| | | Sub-Streets | 30 | 23 | 18 | 15 | 12 | 6 | 12 | 8 | 6 | 2 |
| 3 | C | Main | 36 | 30 | 23 | 18 | 15 | 8 | 15 | 10 | 8 | 3 |
| | | Adjoining | 30 | 23 | 18 | 15 | 12 | 6 | 12 | 8 | 6 | 2 |
| | | Sub-Streets | 23 | 18 | 15 | 12 | 10 | 5 | 10 | 6 | 5 | 2 |
| 4 | D | Main | 30 | 23 | 18 | 15 | 12 | 6 | 12 | 8 | 6 | 2 |
| | | Adjoining | 23 | 18 | 15 | 12 | 10 | 5 | 10 | 7 | 5 | 2 |
| | | Sub-Streets | 18 | 15 | 12 | 10 | 8 | 4 | 8 | 5 | 4 | 1 |
| 5 | E | Main | 23 | 18 | 15 | 12 | 10 | 5 | 10 | 7 | 5 | 2 |
| | | Adjoining | 18 | 15 | 12 | 10 | 8 | 4 | 8 | 5 | 4 | 1 |
| | | Sub-Streets | 15 | 12 | 10 | 8 | 6 | 3 | 7 | 4 | 3 | 1 |

| TABLE 02: RESIDENTIAL UNITS (SELF) Rates in PKR/Sq.ft | | | | | | | | | | | | |
|--|--------------------|----------------------|------------------------|------------|--------------|-------------------------|----------|-------------------|--------------|-----------|-----------|-----------|
| Sr # | Category/ Locality | Description | General Property Units | | | | | Flats /Apartments | | | | |
| | | | Type-1 | Type-2 & 3 | Type-4,5 & 6 | Type-7, 8 & Unspecified | Mud Made | In Basement | Ground Floor | 1st Floor | 2nd Floor | Any other |
| 1 | A | Covered Area (sq/ft) | 4 | 3 | 2 | 2 | 1 | 3 | 4 | 3 | 2 | 2 |
| | | Land (sq/yard) | 4 | 3 | 2 | 2 | 1 | -- | -- | -- | -- | -- |
| 2 | B | Covered Area (sq/ft) | 3 | 3 | 2 | 1 | 1 | 2.5 | 3 | 2.5 | 1.5 | 1.5 |
| | | Land (sq/yard) | 3 | 3 | 2 | 1.5 | 1 | -- | -- | -- | -- | -- |
| 3 | C | Covered Area (sq/ft) | 3 | 2 | 1.5 | 1 | 0.5 | 2 | 2.5 | 2 | 1 | 1 |
| | | Land (sq/yard) | 3 | 2 | 1.5 | 1 | 0.5 | -- | -- | -- | -- | -- |
| 4 | D | Covered Area (sq/ft) | 2 | 1.5 | 1 | 0.5 | 0.2 | 1.5 | 2 | 1.5 | 0.8 | 0.8 |
| | | Land (sq/yard) | 2 | 1.5 | 1 | 0.5 | 0.2 | -- | -- | -- | -- | -- |
| 5 | E | Covered Area (sq/ft) | 1 | 1 | 0.5 | 0.5 | 0.2 | 1 | 1.5 | 1 | 0.5 | 0.5 |
| | | Land (sq/yard) | 1 | 1 | 0.5 | 0.5 | 0.2 | -- | -- | -- | -- | -- |

TABLE 02 A: RESIDENTIAL UNITS (RENTED) Rates in PKR/Sq.Ft.

| Sr # | Category/ Locality | Description | General Property Units | | | | | Location of Flats /Apartments | | | | |
|------|--------------------|----------------------|------------------------|------------|-------------|-------------------------|----------|-------------------------------|--------------|-----------|-----------|-----------|
| | | | Type-1 | Type-2 & 3 | Type-4,5 &6 | Type-7, 8 & Unspecified | Mud Made | In Basement | Ground Floor | 1st Floor | 2nd Floor | Any other |
| 1 | A | Covered Area (sq/ft) | 10 | 8 | 7 | 5 | 3.5 | 5 | 10 | 8 | 5 | 4 |
| | | Land (sq/yard) | 10 | 8 | 7 | 5 | 3.5 | -- | -- | -- | -- | -- |
| 2 | B | Covered Area (sq/ft) | 9 | 8 | 5 | 3.5 | 2.5 | 4 | 8 | 6.5 | 4 | 3 |
| | | Land (sq/yard) | 9 | 8 | 5 | 3.5 | 2.5 | -- | -- | -- | -- | -- |
| 3 | C | Covered Area (sq/ft) | 8 | 5 | 3.5 | 2.5 | 1.5 | 3 | 6.5 | 5 | 3 | 2.5 |
| | | Land (sq/yard) | 8 | 5 | 3.5 | 2.5 | 1.5 | -- | -- | -- | -- | -- |
| 4 | D | Covered Area (sq/ft) | 5 | 3.5 | 2.5 | 1.5 | 1 | 2.5 | 5 | 4 | 2.5 | 2 |
| | | Land (sq/yard) | 5 | 3.5 | 2.5 | 1.5 | 1 | -- | -- | -- | -- | -- |
| 5 | E | Covered Area (sq/ft) | 4 | 3 | 2 | 1 | 0.8 | 2 | 4 | 3 | 2 | 1.5 |
| | | Land (sq/yard) | 4 | 3 | 2 | 1 | 0.8 | -- | -- | -- | -- | -- |

Table 03 (Special /Specific Properties)

| Sr# | Type of Property | Annual Rental Value Assessment Criteria |
|-----|---|---|
| 1. | Buildings and lands acquired for the use by Government, Semi-Government, Foreign Missions, Consulates, Banks, Private Hospitals, Marriage Halls, Marquees, Banquet Hall, Marriage Lawns, Event Halls, Hotels, Restaurants, Industrial Properties and IPPs /Grid Stations, Registered Dealers of Motor Vehicle Manufactures, and Communication /Mobile Towers. | The tax shall be levied on the assessed annual rental value of such buildings on the basis of actual rent agreement. In case, if the property is in personal use of the owner 50% of table value of relevant category shall be applied. |
| 2. | Plant/Flower Nurseries | Land area and Cover area shall be assessed on self/rented commercial rates of the locality as the case may be. |
| 3. | Stadium, sports complex, sports sites like swimming pools, race courses venues of any other games or sports sites. | Land area and Covered area including having installation/ equipment shall be assessed on self /rented commercial rates of the locality as the case may be. |

Note:

- (1)
- (a) Open land shall be calculated in sq/yards and covered area shall be calculated in sq/ft while determining the Property Tax.
 - (b) Shops/ offices in multi-story buildings at ground floor opening to main road shall be charged with rates specified for Type-1.
 - (c) Passageways, common wash rooms, parking area and other public utilities shall not be counted while calculating the covered area of Plazas, Multi story buildings and Flats.
- (2) The Department shall notify, review and/or revise the combination of classes referred to in Column-2 titled “Categories /Locality (“A” to “E”)” of the valuation tables above.

**Amendment of
Stamp Duty Act
1899 (Act II of
1899)**

4. In the Stamp Act, 1899 (Act II of 1899): -

(1) In the First Schedule; -

(a) for Article No. 33, the following shall be substituted namely; -

| Article Number | Description of Instrument | Proposed Stamp Duty |
|----------------|--|--|
| 33 | <p>GIFT---Instrument of, including a memorandum of oral gift of an immovable property, not being a settlement (No.58) or will or transfer (No.62).</p> <p>Hiring agreement or agreement for service, see agreement (No.15).</p> <p>(a) In case of immovable property in urban area.</p> <p>(b) In any other area</p> | <p>(a) 0.5% (of every one hundred rupees) of the value of the property provided that if that gift deed is executed between spouses, father, mother, son, daughter, grandson, sibling or from one wife or widow of the same husband.</p> <p>(b) 2% in other case.</p> |

(b) in Article (40), in second and third columns (Description of Instrument and Proper Stamp Duty respectively) of the schedule-I, sub-article (d) shall be substituted namely;

| | |
|---|--|
| <p>(d) mortgage with banking companies, that to say, simple or legal mortgage for banking companies or other financial institutions, when the entire finance is not based on interest; and</p> <p><i>Exemptions</i></p> <p>(a) Instruments, executed by persons taking advances under the Land Improvement Loans Act,1958, or the Agriculturists Loans Act,1958 or by their of sureties as security for the repayment of such advances.</p> <p>(b) Letter of hypothecation accompanying a bill of Exchange.</p> | <p>(i) Stamp duty on token mortgage deed should be 8% of loan amount mentioned in Bank's letter.</p> <p>(ii) Stamp duty on actual amount should be 0.5%.</p> |
|---|--|

**Amendments in 5.
the Balochistan
Sales Tax on
Services Act, 2015
(Act No.VI of 2015)**

In the Balochistan Sales Tax on Services Act,2015 (Act No.VI of 2015), -

(1) For "Preamble", the following shall be substituted: -

"WHEREAS in accordance with the constitution of the Islamic Republic of Pakistan, 1973 the imposition, administration, collection and enforcement of taxes on service is the prerogative of the Provinces.

AND WHEREAS it is expedient to provide for the levy of a tax on services provided rendered, initiated, originated executed, received or consumed in

the Province of Balochistan and to deal with all matters incidental and ancillary thereto or connected therewith.

(2) In section 1, in sub-section (2), after the word “whole”, the words “**of the Province**” shall be inserted;

(3) in section 2, -

(a) in clause (25), in the heading the word “**Business**” shall be inserted before the words “Bank Account” in the heading of the said sub section;

(b) after clause (89), the following new clause(89A) shall be inserted: -
“(89A) “**Insurance Agent**” includes an agent as defined in clause (a) of sub-rule (1) of rule 2 of the Insurance Rules, 2017 and also includes as insurance broker as defined in clause (xxviii) of section 2 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000);”

(c) in clause (115), the words “**in Balochistan**” shall be inserted after the words “Place of Business” in the heading of the of the said sub section;

(4) In section 3, sub-section (4), after the expressions, “The Authority may” the expression “**with prior approval of the Government,**” shall be omitted;

(5) In section 4; -

(a) in sub-section (1), and sub-section (3), the word “**rendering or**” shall be inserted before the word “providing”;

(b) in sub-section (8), after the expression, “Act or the rules and the”, the word “Government” shall be substituted with the word “**Authority**”;

(6) In section 5, -

(a) in sub-section (1), the words, “Second Schedule” shall be substituted with the words “**any Schedule to this Act**”;

(b) in sub-section (3), the expression: “to the amendments” the words “the Second Schedule” shall be substituted with the expression: “**any Schedule to this Act**”

(7) In section 7, -

- (a) in sub-section (1), the word **“rendering or”** shall be inserted before the word “providing”;
 - (b) in sub-sections (1), (2), (3) and (5), after the words “the tax”, the expression, **“under this Act”** shall be inserted;
 - (c) in sub-section (6), after the words “market price”, the expression **“determined under section 8 of this Act.”** shall be inserted;
 - (d) in sub-section (7), after the words “Notwithstanding anything”, the word **“contained”** shall be inserted;
- (8) In section 9, in sub-section (2), after the word “basis” and before the full-stop, the expression **“except where otherwise prescribed”** shall be inserted;
- (9) In section 14, in sub-section (3), after the expression “pay the amount of tax”, the expression, **“and the amount of default surcharge thereon”** shall be inserted;
- (10) In section 16, in sub-section (4), after the expression: “or the rules made thereunder, the Authority”, the expression **“, with the approval of the Government,”** shall be omitted;
- (11) In section 18, in sub-section (1), after the words, “shall be paid by a person”, the expression **“by due date prescribed under sub section (56) of section 2 and”** shall be inserted;
- (12) In section 23, the following expression shall be inserted before the word “where” after the heading, namely; -
- “Notwithstanding anything contained in the Companies Act, 2017 (Act XIX OF 2017) or the repealed Companies Ordinance, 1984 (XLVII of 1984)”;**
- (13) In section 24; -
- (a) after sub-section (1), the following new sub-section (1A) shall be inserted;
- “(1A) Notwithstanding anything contained in this Act and subject to such conditions and guidelines as may be prescribed by the Authority in this regard, where a registered person fails to file the return for a tax period by the due date or where the registered person fails to furnish any information, explanation,**

documents, record or any other details as may be required in a notice issued under this section or sections 33, 34 or 57, an officer of the Authority, not below the rank of an Assistant Commissioner, shall, based on any available information or material, make an assessment order, to the best of his judgment, determining the minimum tax liability of such registered person for the tax period specified in the notice. The minimum tax liability shall be in addition to the penalty and default surcharge in accordance with sections 48 and 49.”

- (b) in sub-section (2), the word, “ground” shall be substituted with the word, “**grounds**”;
- (c) sub-sections (2), (3) and (5), after the expressions: “under sub-section (1)” the expression “**or (1A)**” shall be inserted;
- (d) after section 24, a new section 24 A shall be inserted namely;

‘‘24A. Place of provision of Services. – Notwithstanding the provisions contained in this Act, the Authority may, in relation to any or all of the taxable services or group of taxable services as may be specified, by notification in the official Gazette, make rules or special rules prescribing the place of provision of the services or the group of services specified in such rules.’’

(14) In section 25; -

- (a) in clause (b) of sub section (1), the words “**from his office or place of business;**” shall be omitted;
- (b) in sub section (4), after the words: “The Authority”, the word, “may” shall be substituted with the word, “**shall**” and the word “or” shall be substituted with the word “**of**”;
- (c) in sub-section (5) after the ‘‘Explanation’’ the following new sub-section shall be inserted, namely: -

“(5A) It shall not be reasonable for a person to believe that another person is registered under this Act if that other person is not on the list placed on the website of the Authority”;

(15) In section 27, for sub-section (1), the following shall be substituted namely; -

“(1) If the Authority or any officer of the Authority authorized in this behalf is satisfied that a person or a withholding agent who is required to be registered and has not applied for registration, the Authority or the officer shall after such enquiry as may be deemed fit, register the person through an order to be issued in writing and shall, not later than fifteen days before the day on which the registration takes effect, notify the person of the registration, the day on which it takes effect, and the registration number issued to the person.”

(16) In section 31, -

- (a)** in sub-section (2), the word “The” at the beginning of the sub-section shall be substituted with the expression: **“Notwithstanding anything contained in any other law for the time being in force, the”**;
- (b)** in sub-section (2), the word “by” shall be substituted by the word **“be”** after the phrase “business bank accounts as may”;
- (c)** in sub-section (5), after the expression “the Companies Act, 2017 (Act No.XIX of 2017)” the expression **“or any other law for the time being in force,”** shall be inserted;

(17) In section 32; -

- (a)** after sub-section (1), the following two Provisos shall be inserted, namely: -
“Provided that in case of any records or documents related to refund claim a person shall retain such records or documents for a period of ten years from the end of the financial year in which the refund is issued.
Provided further that the time limit of ten years will be applicable to records and documents related to tax period July, 2023 and onwards.”
- (b)** in sub-section (2), after the phrase, “such data of any machine”, the expression **“and use of any machine on which such data is kept.”** shall be inserted;

(18) In section 33; -

- (a) in sub-section (2) the expression **“under section 53”** shall be inserted after the words “inquiry or investigation” and before the coma;
- (b) in sub-section (6), after the phrase; “if required, pass an order” the expression **“in accordance with the provisions of section 24 or section 52, as the case may be, assessing or”** shall be inserted;

(19) In section 34; -

- (a) clause (e) of sub-section (1) shall be renamed as sub-section **“(1A)”**;
- (b) after sub section (4) the following new sub-sections (5), (6) and (7) shall be added, namely:-

“(5) Each special audit panel shall be headed by a Chairman who shall be an officer of the Authority not below the rank of a Deputy Commissioner.

(6) If a member of the special audit panel, other than the Chairman, is absent from conducting an audit, special audit or forensic audit, the proceedings of such audit under this section shall continue and audit conducted by the special audit panel shall neither be invalid nor shall be called in question merely on the ground of such absence.

(7) The Authority may prescribe regulations and procedures in respect of the constitution, procedure and working of the special audit panel.”

(20) In section 39; -

- (a) in sub-section (1), after the word “cases”, the expression **“or class of cases”** shall be inserted;
- (b) in sub-section (2), after the word, “Authority”, the words, letters and expression, **“and any other officer of the Authority so designated by the Authority.”** shall be inserted.

(21) In section 41, in sub-section (1), in clause (a) after the words, “functions of a commissioner”, the words **“or a Commissioner (Appeals);”** shall be inserted;

(22) In section 43, in sub-section (3), after the expression “complaint or information under clause (b) of sub-section (1), on the basis of his own knowledge”, the

expressions “**or acquires knowledge under clause (c) of sub-section (1)**” shall be inserted;

(23) In section 45, the word “No” at the beginning of section shall be replaced by the expression, “**Notwithstanding anything contained in this Act, the rules made thereunder or in any other law for the time being in force no;**”

(24) In section 47, in sub-section (1), the word, “An” at the beginning of section shall be replaced by the expression “**Notwithstanding anything contained in the Code of Criminal Procedure, 1898 (No. V of 1898) an**”;

(25) In section 48; -

(a) in sub-section (2) in the table; -

(i) against S.No.1, in column 3, the words, “ten thousand” shall be substituted by the word “**fifty thousand**”

(ii) against S.No.1, in column 3, the expression “in case of non-compliance of compulsory registration, the minimum penalty shall be ten thousand” shall be substituted with the words and expression, “**in case of non-compliance of a notice for compulsory registration, after lapse of 15 days, the minimum penalty shall be one hundred thousand rupees and for a person, other than a company, shall be fifty thousand**”.

(iii) against S.No.2, in column 3, the word “five” shall be replaced with the word “**ten**” and after the words “penalty of “a word “**two**” shall be added;

(iv) against S.No.3, in column 3, after clause (a) the following proviso shall be inserted namely “**Provided that, if the amount of tax or any part thereof is paid within ten days from the due date, the defaulter shall pay a penalty of five hundred rupees for each day of default:**”

(v) against S.No.4, in column 3, the expression “Such person shall pay a penalty of ten thousand rupees or five percent of the total tax payable for the tax period for which he has failed

to maintain the required record, whichever is higher.” shall be substituted with the following expression, namely: -

“Such person shall be liable to a penalty which may extend to 100,000 rupees subject to a minimum penalty of 10,000 rupees or five *per cent* of the total tax payable for the tax period for which he has failed to maintain the required record, whichever is higher. Moreover, such person if convicted by a Special Judge, will, in addition to the above penalty, be liable to imprisonment which may extend to one year or with fine which may extend to 100,000 rupees or with both.”

- (vi) against S.No.5, in column 3, the word fifty thousand shall be substituted with the word **“one hundred thousand”** and in the same column the following proviso shall be inserted, namely: -

“Provided that if record is not produced despite issuance of three notices over a period of three months, it shall be considered as sufficient evidence that the person has failed to maintain record.”

- (vii) against S.No.6, in column 3, the word, 'twenty' shall be substituted with the word **“fifty”**

- (viii) against S.No.6, in column 2, the full-stop at the end of clause “(c)”, shall be replaced by a semicolon and the word “or” and thereafter the following shall be added: - **“(d) fails to pay, recover or deposit the actual amount of tax, or claims inadmissible tax credit or adjustment or deduction or refund.”**.

- (ix) against S.No.8, in column 3, the expression **“but not less than twenty-five thousand rupees,”** shall be omitted;

- (x) against S.No.9, in column 3, the words “twenty-five” shall be substituted with the word **“hundred”**;

- (xi) against S.No.10, in column 3, the words “twenty-five” shall be substituted with the word **“one hundred”**;
 - (xii) against S.No.11, in column 3, the word “five” shall be substituted with the word **“ten”**;
- (b) After sub-section (2), the following sub-section (3), sub-section (4) and sub-section (5) shall be inserted;

“(3) The penalties specified under sub-section (1) shall be applied in a consistent manner and no penalty shall be payable unless an order in writing is passed by an officer of the Authority not below the rank of an Assistant Commissioner, the Commissioner (Appeals) or the Appellate Tribunal after providing an opportunity of being heard to the person concerned.

Provided that where the taxpayer admits his default, he may voluntarily pay the amount of penalty due under this section.

(4) Where an officer of the Authority not below the rank of an Assistant Commissioner, a Commissioner (Appeals) or the Appellate Tribunal makes an order under sub-section (3), the officer of the Authority not below the rank of an Assistant Commissioner, the Commissioner (Appeals) or the Appellate Tribunal, as the case may be, shall immediately serve a copy of the order on the concerned person and the Commissioner and thereupon all the provisions of this Act relating to the recovery of tax shall apply accordingly.

(5) Where in consequence of any order under this Act, the amount of tax in respect of which any penalty payable under sub-section (1) is reduced, the amount of penalty shall be reduced accordingly.”

(26) In section 49; -

- (c) in sub-section (1), in clause (a) the expression “inter-bank rate plus three” shall be substituted with the word **“twelve;”**
- (d) after Explanation to sub section (2) the following sub-sections (3), (4) and (5) shall be inserted, namely: -

“(3) An officer of the Authority not below the rank of an Assistant Commissioner shall make an assessment of any default surcharge under this section through an order in writing after providing an opportunity of being heard to the person concerned.

(4) Where an officer of the Authority not below the rank of an Assistant Commissioner makes an order under sub-section (3), the officer of the Authority not below the rank of an Assistant Commissioner, shall immediately serve a copy of the order on the person concerned and thereupon all the provisions of this Act relating to the recovery of tax shall apply accordingly.

(5) Where a person is liable for default surcharge, an officer of the Authority not below the rank of an Assistant Commissioner may, at his discretion, make assessment of default surcharge for the period of default or part thereof, notwithstanding that the tax due has not actually been paid.”;

(27) In section 50, the number 1,000,000 appearing twice shall be substituted with the number, **‘5,000,000;’**

(28) In section 52; -

- (a)** in sub-section (1) the phrase, “five years of the relevant tax period” shall be substituted with the expression, **“five years from the end of the financial year to which the relevant tax period relates,”**
- (b)** in sub section (2), in clause (a), the word “or” after the phrase “not been paid or is short paid” shall be substituted by the comas and words **“, assessed or collected.”;**
- (c)** in sub-section (2) in clause (a), the words, “five years of relevant tax period” shall be substituted by the phrase, **“five years from the end of the financial year to which the relevant tax period relates,”**
- (d)** in sub-section (2), clause (b), the words, “five years of the receipt of such refund” shall be substituted by the phrase, **“five years from the end of the financial year in which the refund was received,”**

(e) in sub-section (2), after clause (b), the following proviso shall be inserted, namely: -

“Provided that the time limit of five years will be applicable to returns related to tax period from July, 2023 and onwards. For returns for all other tax periods, whenever filed, time limit of eight years will be applicable.”

(29) In section 53, in sub-sections (1), (2) and (4) after the word “officer” the words, **“of the Authority”** shall be inserted;

(30) In section 54, in sub-section (3) after the expression, “officer of that Company whom the officer” the expression, **“authorized by the Authority has”** shall be inserted;

(31) In section 55; -

(a) in sub-section (1), after the word “expedient” the words, letters and expressions, **“and the officer shall act accordingly.”** shall be inserted;

(b) in sub-section (2) after the expression “to the court of Special Judge or”, the expression **“, as the case may be,”** shall be inserted.

(c) in sub-section (3), the word, “bound” shall be substituted with the word, **“bond”**;

(d) in sub-sections (6), (7), (8), (9), (11) and (12) after the word, “officer” the expression, **“of the Authority”** shall be inserted;

(e) in sub-section 11, the word, “Government” shall be substituted by the word, **“Authority”**;

(32) In section 56, sub section (1) after the words, “any officer”, the expression, **“of the Authority, not below the rank of an Assistant Commissioner,”** shall be inserted;

(33) In section 57, -

(a) in sub-section (1) after the expression “any other law”, the expressions, **“for the time being in force”** shall be inserted;

(b) in sub-section (1) after the words, “demand by an officer” the words, letters and expressions **“of the Authority”** shall be inserted;

(34) In section 58, in sub section (1) after the word “officer” the words, “**of the Authority**” shall be inserted;

(35) In section 59, in sub-section (3) after the words, “departmental requirements of such posting as” the words “**may be**” shall be inserted;

(36) After section 59, the following new section 59A shall be inserted, namely: -

“59A. Power to Seal the Business Premises. – When an officer of the Authority not below the rank of Commissioner has reason to believe that the Act or the rules made thereunder are not obeyed and observed at a business premises, he may by an order in writing, seal that premises for a period which may extend to one month upon giving a notice in writing to this effect.”

(37) In section 60; -

(a) in sub-section (1),in clause (b), the words “two and a half million” shall be substituted by “**five million**”;

(b) in sub-section (1), in clause (c) the words “one million rupees; and” shall be substituted by the words “**two million rupees**”;

(38) In section 60A, in sub-section (3) after the words “for issuance of tax invoice” the expression “**under the e-invoicing system**” shall be inserted;

(39) In section 61, in sub-section (2), after the word “passed by an officer” the words “**of the Authority**” shall be inserted;

(40) In section 62, in sub-section (1), after the words, “passed therein by an officer” the expression, “**of the Authority other than the Commissioner (Appeals).**” shall be inserted;

(41) In section 63; -

(a) in sub-section (3),in clause (a), the word, “one” shall be shall be substituted with the word “**two**”;

(b) in sub-section (3),in clause (b) the words “two hundred” shall be substituted with “**one thousand**”;

(c) sub-section (4) shall be substituted by the following, namely: -

“(4) An appeal under sub-section (1) may be filed to the Commissioner (Appeals), manually or electronically as may be specified by the Authority, within thirty days from the date on which the decision or order is served upon the appellant.”;

(42) In section 65; -

- (a)** in sub-section (7), after the words “the Commissioner (Appeals) shall transfer”, the word “his” shall be substituted by the phrase **“the undecided”**;
- (b)** in subsection (8) after the phrase: “appeal could not be decided within time”, the words, letters and expressions: **“provided under sub section (5) of this section”** shall be inserted;

(43) In section 67; -

- (a)** in sub-section (1), after the word, “Where the taxpayers or an officer” the words, **“of the Authority”** shall be inserted;
- (b)** in sub-section (2) after clause (b) the following new clause**(bb)**shall be inserted, namely: -
 - “(bb) in case the appellant desires to be heard through an agent or authorized representative in terms of section 73 or section 76, be accompanied with a Letter of Authorization, as prescribed;”**
- (c)** in sub-section (2) in clause (d) the words, “sixty” shall be substituted with the word, **“forty”**;

(44) In section 68; -

- (a)** in sub-section (4),in clause (b), after the words “to the officer” the words, **“of the Authority”** shall be inserted;
- (b)** in sub-section (6) before the word, “Commissioner” the word, **“concerned”** shall be inserted;
- (c)** in sub-section (7), after the phrase, “Save as provided”, the expressions, **“in section 69 or”** shall be inserted;
- (d)** in sub-section (7), after the phrase, “any other law”, the expression, **“for the time being in force”** shall be inserted;

(45) In section 69, -

- (a) after sub-section (2) the following new sub-sections (2A) and (2B) shall be inserted, namely: -

“(2A) The statement to the High Court referred to in sub-section (1), shall set out the facts related to the determination of the Appellate Tribunal and the question of law, which arises out of its order.

(2B) Where, on an application made under sub-section (1), the High Court is satisfied that a question of law arises out of the order referred to in sub-section (1), it may proceed to hear the case.”

- (b) after sub-section (4), following new subsection (4A) shall be inserted, namely: -

“(4A) The High Court upon hearing a reference under this section shall decide the question of law raised by the reference and deliver a judgment thereon specifying the grounds on which the judgment is based and the order of the Tribunal shall stand modified accordingly.”;

- (c) after sub-section (5) following new sub-section (5A) shall be inserted, namely: -

“(5A) The cost of any reference to the High Court shall be in the discretion of the Court”;

- (d) after sub-section (7) following new sub-section (7A) shall be inserted:

“(7A) Where recovery of tax has been stayed by the High Court by an order, such order shall cease to have effect on the expiration of a period of six months following the day on which it is made unless the reference is decided, or such order is withdrawn by the High Court before the expiry of six months.”;

(46) In section 76 after the word, “officer”, the words, “of the Authority” shall be inserted;

(47) In section 78, sub-section (2) shall be omitted;

(48) In section 78A, -

(a) after the phrase, “require that any authority”, the expression, “**including a regulatory authority,**” shall be inserted;

(b) the word “grantee” shall be substituted with the words, “**permission-holder**”

(49) In section 80, in sub-section (7), after the word, “or any officer” the word, “**of the Authority**” shall be inserted;

(50) In section 92, after the end of provision of the said section, the following proviso shall be added, namely: -

“Provided that the insertion of 24 A shall be deemed to be and shall always be deemed to have been validly incorporated on and from the 12th day of April, 2023 notwithstanding anything contained in this Act or any law for the time being in force or any judgment or decree or order of any court.”

(51) In Second Schedule; -

(a) against the Tariff Heading 9801.1000, in column 3 of rate of tax the figure and sign “15%”, shall be substituted as follows namely;

(i) **5% without input tax adjustment for non-corporate, non-franchise, non-chain businesses; and**

(ii) **15% for corporate, franchise and chain businesses.**

(b) against the Tariff Heading 9801.2000, “clause (i)” appearing in column 3 of rate of tax, **shall be omitted.**

(c) against the Tariff Heading 9801.2000, in column 3 of rate of tax in clause (ii), the figure and sign “6%”, shall be substituted with the figure and sign “**4%**”;

(d) against the Tariff Heading 9801.2000 the explanation appearing after clause (ii), shall be substituted with the following:

“Explanation: - services provided or rendered by restaurants whose monthly utility bills (Electricity, Gas and Telephone) are less than Rs. 20,000 per month shall be exempted.”

- (e) against the Tariff Heading 9801.2000 after the explanation, substituted as above, the following two provisos shall be inserted namely; -

“Provided that the restaurants providing or rendering services shall pay Rs. 15,000 per month or 4% of the taxable services provided or rendered during a month, whichever is higher, without input tax credit or adjustment.

Provided further that the above provision of minimum tax of Rs.15,000 per month shall not apply to following restaurants which shall continue to pay sales tax at the rate of 4% of taxable services provided or rendered without input tax credit or adjustment namely;

- (i) **which are air-conditioned on any day in a financial year and are located within the building or premises of shopping malls or shopping plazas; or**
- (ii) **located within the building, premises or precincts of any hotel, motel, guest house or club whose services are liable to sales tax; or**
- (iii) **which are franchisers or franchisees; or**
- (iv) **having branches or more than one outlet in Balochistan”;**

‘Provided further that 2% percent will be charged, without input tax adjustment, where payment against services is received through debit or credit cards, mobile wallets or QR scanning”;

- (f) against the Tariff Heading 9805.5000, in column 3 of rate of tax, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“6% without input tax credit or adjustment”;**
- (g) against the Tariff Heading 9805.5100, in column 3 of rate of tax, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“6% without input tax credit or adjustment”;**
- (h) against the Tariff Heading 9805.5200, in column 3 of rate of tax”, the

figure and sign “15%”, shall be substituted with the figure, sign and expression **“6% without input tax credit or adjustment”**;

- (i) against the Tariff Heading 9805.9400, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“6% without input tax credit or adjustment”**;
- (j) against the Tariff Heading 9806.2000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“6% without input tax credit or adjustment”**;
- (k) against the Tariff Heading 9810.0000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“6% without input tax credit or adjustment”**;
- (l) against the Tariff Heading 9811.0000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“6% without input tax credit or adjustment”**;
- (m) against Tariff Heading 9814.2000; -
 - (i) in column 2, the explanation shall be omitted;
 - (ii) in column 3, clauses (i) and (ii) shall be renumbered as **(ii) and (iii)** and new clause with number **“(i)”** and the **following two provisos** shall be inserted before the renumbered clause (ii) namely;

“(i) 15%.

provided that from July 01, 2023, 4% for all services specified at Tariff Heading 9814.2000 without input tax credit or adjustment to the extent of contracts for which payment is made from Provincial Consolidated Fund and the Federal Consolidated Fund in respect of Government civil works involved in the ongoing development schemes and projects launched during Financial Year 2016-17 and onwards.

Provided further that Zero percent (0%) for all services specified at Tariff Heading 9814.2000 without input tax

credit or adjustment to the extent of contracts for which payment is made from Provincial Consolidated Fund and the Federal Consolidated Fund in respect of Government civil works involved in the ongoing development schemes and projects launched prior to Financial Year 2016-17.”

- (n) against the Tariff Heading 9815.1000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the words **“Rs. 3,000 per month or 2% of the gross amount of service provided, whichever is higher, without input tax credit or adjustment”**;
- (o) against the Tariff Heading 9815.2000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the words **“Rs. 3,000 per month or 2% of the gross amount of service provided, whichever is higher, without input tax credit or adjustment”**;
- (p) against the Tariff Heading 9815.9100, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the words **“Rs. 3,000 per month or 2% of the gross amount of service provided, whichever is higher, without input tax credit or adjustment”**;
- (q) against the Tariff Heading 9816.0000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the words **“exempt from Sales Tax on services”**
- (r) against the Tariff Heading 9817.1000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“2% of the gross amount of service provided without input tax credit or adjustment”**;
- (s) against the Tariff Heading 9817.2000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“2% of the gross amount of service provided without input tax credit or adjustment”**;
- (t) against the Tariff Heading 9817.3000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“2% of the gross amount of service provided without input tax credit or adjustment”**;

- (u) against the Tariff Heading 9817.4000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (v) against the Tariff Heading 9817.5000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (w) against the Tariff Heading 9817.6000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (x) against the Tariff Heading 9817.7000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (y) against the Tariff Heading 9817.8000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the words **“Rs. 4,000 per month or 6% of the gross amount of service provided, whichever is higher, without input tax credit or adjustment”**;
- (z) against the Tariff Heading 9819.1000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (aa) against the Tariff Heading 9819.1100, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (bb) against the Tariff Heading 9819.1200, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;

- (cc) against the Tariff Heading 9819.1300, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (dd) against the Tariff Heading 9819.1400, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (ee) against the Tariff Heading 9819.3000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (ff) against the Tariff Heading 9819.3100, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“2% of the gross amount of service provided without input tax credit or adjustment”**;
- (gg) against the Tariff Heading 9819.5000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (hh) against the Tariff Heading 9819.6000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (ii) against the Tariff Heading 9819.7000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (jj) against the Tariff Heading 9819.8000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;

- (kk) against the Tariff Heading 9819.8100, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“2% of the gross amount of service provided without input tax credit or adjustment”**;
- (ll) against the Tariff Heading 9819.8200, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (mm) against the Tariff Heading 9819.8300, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (nn) against the Tariff Heading 9819.8400, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (oo) against the Tariff Heading 9819.8500, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (pp) against the Tariff Heading 9819.9100, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (qq) against the Tariff Heading 9819.9200, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the figure, sign and expression **“4% of the gross amount of service provided without input tax credit or adjustment”**;
- (rr) against the Tariff Heading 9824.0000,
 - (i) in column 2, the explanation shall be omitted;
 - (ii) in column 3, after the number and sign ‘15%’ the following Provisos shall be inserted namely;

provided that, from July 01, 2023, 4% for construction

service specified at Tariff Heading 9824.0000 without input tax credit or adjustment to the extent of contracts for which payment is made from Provincial Consolidated Fund and the Federal Consolidated Fund in respect of Government civil works involved in the ongoing development schemes and projects launched during Financial Year 2016-17 and onwards.

Provided further that Zero percent (0%) for construction service specified at Tariff Heading 9824.0000 without input tax credit or adjustment to the extent of contracts for which payment is made from Provincial Consolidated Fund and the Federal Consolidated Fund in respect of Government civil works involved in the ongoing development schemes and projects launched prior to Financial Year 2016-17.”

- (ss) against the Tariff Heading 9847.0000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the words **“Rs. 3,000 per month or 2% of the gross amount of service provided, whichever is higher, without input tax credit or adjustment”**;
- (tt) against the Tariff Heading 9854.0000, in column 3 of rate of tax”, the figure and sign “15%”, shall be substituted with the words **“Rs.3,000per month without input tax credit or adjustment”**;

**Amendments in 6.
the Balochistan
Revenue Authority
Act, 2015
(Act No.VII of 2015)**

In the Balochistan Revenue Authority Act,2015 (Act No.VII of 2015), -

- (1) for “Preamble”, the following shall be substituted;

WHEREAS it is expedient to provide for the establishment of the Balochistan Revenue Authority and to regulate matters relating to the fiscal and related economic policies; administration, management, imposition, levy and collection of taxes, duties, cess and other levies by establishing an organization, capable of enforcing the tax system through application of

modern techniques of information and developing automated system of collection and assessment of taxes, duties, cess and other levies.

AND WHEREAS it is expedient to reform and modernize, the system of taxation, to provide assistance to taxpayers, to promote compliance with fiscal laws, to establish a progressive and professionally efficient tax management organization, and to provide for ancillary matters thereto.

(2) In section 3, -

(a) after sub-section (3), the following new sub-section (3A) shall be inserted, namely:

“(3A) The Authority shall exercise all powers and functions assigned to it under this Act and the rules made thereunder.”

(b) in sub-section (4), the proviso shall be omitted;

(c) after sub-section (5), the following new sub-section (5A) shall be inserted namely:

“(5A) The Government or the Chief Minister, Balochistan may delegate any of its/his powers to the Chairperson on such terms and conditions as the Government or the Chief Minister may determine.”

(d) after sub-section (6), the following new sub-sections (6A), (6B), (6C) and (6D) shall be added namely: -

“(6A) The Tax Operations Member shall have following additional qualifications and experience:

(a) Master degree or equivalent in Taxation, Law, Economics, General/ Business Administration, Accountancy, Finance, Mathematics;

(b) has at least ten years of experience in the relevant field, five years of shall be at a senior position;

(6B) The Audit Member shall have following additional qualifications and experience:

(a) **Master degree or equivalent in Taxation, Law, Economics, General/ Business Administration or Accountancy, Mathematics, Corporate Finance;**

(b) **has at least ten years of experience in the relevant field, five years of shall be at a senior position in a Chartered Accountant Firm or in a Public Sector/Government Organization;**

(6C) The Information Technology Member shall have following additional qualifications and experience:

(a) **Master degree or equivalent in Computer Science, Information Technology, Database Administration, Network Administration, Software Development or Software Engineering or Software Designing;**

(b) **has at least ten years of experience in the relevant field, five years of shall be at a senior position;**

(6D) The Human Resource Member shall have following additional qualifications and experience:

(a) **Master degree or equivalent in Public Administration, Business Administration, Human Resource Management or Human Resource Development, Finance, Economics;**

(b) **has at least ten years of experience in the relevant field, five years of shall be at a senior position;**

(e) in sub-section (7) after the phrase: “for a period of three years and shall be eligible for” the word “re-appointment” shall be replaced with the phrase: “**extension by the Chief Minister, Balochistan, subject to satisfactory performance during first term,**”.

(3) In section 4 in sub-section (2), in clause (e) after the words “information technology systems” the expression: “, including POS,” shall be inserted;

(4) In section 5; -

- (a) in sub-section (1), in clause (a) after the words: “management policies” the expression “**and strategies and introduce tax reforms**” shall be inserted;
 - (b) in sub-section (1), in clause (h) the words “advisory council” shall be substituted with the words: “**the Chief Minister Balochistan**”;
 - (c) in sub-section (1), in clause (i) the phrase: “with the approval of the Advisory Council” shall be omitted;
 - (d) in sub-section (3), the words “Government” shall be substituted with the word. “**Chief Minister**” appearing in the expression “the Government shall be competent”;
- (5) In section 10, in sub-section (1), after the phrase “a data bank containing “, the words “**database of taxpayers and**” shall be inserted;
- (6) In Section 17, sub section (1) the word “Government” may be substituted with the word “**Finance Department Government of Balochistan**”
- (7) In section 23; -
- (a) in sub-section (1) the word “three” shall be substituted by “**four**” and expression “, whether audited or not” shall be inserted after the words “annual report” and before the full stop.
 - (b) in sub-section (3) the word “shall” appearing after the word “Government” shall be omitted.
- (8) In section 24, the comma and the word, “Secretary” shall be omitted;
- (9) In section 27, after the words “under any fiscal law” the phrase: “and for such purposes the Authority may hire as many tax surveyors as required, for a period of not more than six months, on remuneration as deemed appropriate by the Authority, to undertake the task efficiently and successfully.” shall be added;

**Enactment of Gwadar 7.
District (Tax Exemptions)
Act, 2023**

It is hereby enacted the Gwadar Special Economic District (Tax Exemptions) Act, 2023 in the following manner; -

to give effect to the proposals of the provincial government for awarding exemption from various provincial taxes to the Gwadar Special Economic District

WHEREAS it is expedient to promote business, investments and other port related activities including tourism, real estate, hoteling and boosting overall business competitiveness in the Gwadar Special Economic Zone, which, among various reforms, also requires extending tax incentives in the form of exemptions from various provincial taxes;

It is hereby enacted as follows;

- Short title, extent and** (1) (1) This Act may be called the Gwadar Special Economic District (Tax Exemptions) Act, 2023.
- (2) It extends only to the Gwadar Special Economic Zone as demarcated under the declaration for Gwadar Special Economic District.
- (3) This Act shall come into force at once, and shall keep in-force for a period of 35 years unless the said period is reduced or extended by the Government through notification in the Official Gazette.

Definitions. -

- (2) (1) In this Act, unless there is anything repugnant in the subject or context, -
- (a) **“Act”** means the Gwadar Special Economic District (Tax Exemptions) Act, 2023;
- (b) **“Beneficiaries”** mean and include those businesses or economic activities including industrial establishments and undertaking setup within the jurisdiction of this Act and are declared by the Governments as eligible businesses or services for exemptions;
- (c) **“Delimitation”** means the delimitation, by the Government in consultation with the Federal Government, of the Gwadar Special Economic District and Gwadar Special Economic Zone falling within the jurisdiction and premises of the Gwadar Special Economic District;
- (d) **“Exemption”** means and is limited to the exemptions from tax specifically provided under Act;
- (e) **“Government”** means the Government of Balochistan and the **“Governments”** mean both the Federal Government of Pakistan and the Provincial Government of Balochistan;

- (f) **“Gwadar Special Economic Zone”** means the area with the Gwadar Special Economic District delimited by Government;
- (g) **“Rules”** mean the rules made under this Act and;
- (h) **“Taxes”** means provincial taxes promulgated through provincial acts having jurisdiction and applicability defined in each of the respective acts;

(2) The words and expressions used and not defined in this Act but defined in the relevant provincial or federal acts shall have the same meanings respectively assigned to them in those Acts.

Exempt Provincial Taxes (3) The Gwadar Special Economic Zone falling under the jurisdiction of Gwadar Special Economic District shall be exempt from taxes and fees chargeable under the following Acts and Regulation of Balochistan, namely: —

- (i) The Stamp Act, 1899;
- (ii) The Excise Regulation, 1915;
- (iii) The Balochistan Urban Immovable Property Tax Act, 1958 (West Pakistan Act V of 1958);
- (iv) The Balochistan Motor Vehicles Taxation Act, 1958 (XXXII of 1958);
- (v) the Balochistan Entertainments Duty Act, 1958 (West Pakistan Act X of 1958);
- (vi) Section 11 “Tax on trades, professions, callings and employment” under Section 11 of the Balochistan Finance Act, 1964 (W.P. Act XXXIV of 1964);
- (vii) Section 12 “Tax on Hotels” of the Balochistan Finance Act, 1965 (West Pakistan Act I of 1965);
- (viii) The Balochistan Land Revenue Act, 1967 (Act XVII of 1967);
- (ix) Section 5 “Trade Tax on Business/Services” under the Balochistan Finance Act, 1996;
- (x) The Balochistan Sales Tax on Services Act, 2015 (Act No. VI of 2015);

**Extent and Procedure
for seeking Exemptions**

4. (1) Any taxes or fees, exempted under this Act, shall only and only be limited to the Gwadar Special Economic Zone and on business situated with that premises for goods and services or other economic activities undertaken within the said jurisdiction:

Explanation: Any services provided beyond the jurisdiction of the Gwadar Special Economic Zone from within the premises of the Zone shall be taxable according to the applicable laws and rules.

- (2) Exemptions under this Act shall not be construed as general exemptions, therefore, at the time of registration of business the application for exemption from above taxes shall also be submitted for award of specific exemption to the applicant.

**Power of Provincial
Government to make
Rules**

- (5) The Government shall have power to make rules for the matters under this Act required to be prescribed;
Provided that the Government shall circulate draft rules for eliciting opinion of the other departments and authorities before finalizing and notifying the said rules.

Removal of Difficulties

- (6) If any difficulty arises in giving effect to any of the provisions of this Act, the Government may make such order, not inconsistent with the provisions of this Act, as may appear to it to be necessary for the purpose removing the difficulty.

Act to override

- (7) The Provisions of this Act shall have effect notwithstanding anything Inconsistent therewith contained in any other law for the time being in force.

(TAHIR SHAH KAKAR)
Secretary.

No.PAB/Legis:V(05)/2023/19.

Dated Quetta, the 04th July, 2023.

A copy is forwarded to the Chief Controller, Government Printing Press, Balochistan, Quetta for favour of publication in the next issue of Balochistan Gazette. Before final printing, a copy thereof be sent to this Secretariat for proof reading. Fifty copies of the Act may please be supplied to this Secretariat for record.

(ABDUL REHMAN)
Special Secretary (Legis:)

No.PAB/Legis:V(05)/2023/19.

Dated Quetta, the 04th July, 2023.

A Copy is forwarded for information and necessary action: -

1. The Principal Secretary to Governor Balochistan, Quetta.
2. The Principal Secretary to Chief Minister Balochistan, Quetta.
3. The Secretary Government of Balochistan, Finance Department, Quetta.
4. The Secretary, Government of Balochistan, Law and Parliamentary Affairs Department, Quetta.
5. The Director General, Public Relations, Balochistan, Quetta.
6. The System Analyst, Balochistan Provincial Assembly.
7. P.S. to Secretary, Balochistan Provincial Assembly.

Special Secretary (Legis:)