

GOVERNMENT OF PAKISTAN  
REVENUE DIVISION  
FEDERAL BOARD OF REVENUE

\*\*\*

Islamabad, the 2<sup>nd</sup> May, 2011

**NOTIFICATION**  
(Income Tax)

S.R.O. 333 (I)/2011.- In exercise of powers conferred by sub-section (2) of section 53 of the Income Tax Ordinance 2001 (XLIX of 2001), the Federal Government is pleased to direct that the following amendments shall be made in the Second Schedule to the said Ordinance, namely:-

In the aforesaid schedule, in Part-IV, for clause (45A), the following shall be substituted, namely:-

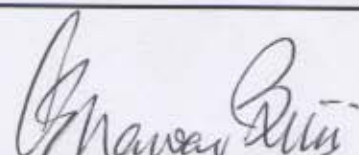
"(45A) (a) The rate of deduction of withholding tax under clauses (a) and (b) of sub-section (1) of section 153 shall be one percent on local sales, supplies and services provided or rendered to the following categories of sales tax zero-rated taxpayers, namely:-

- (i) textile and articles thereof;
- (ii) carpets;
- (iii) leather and articles thereof including artificial leather footwear;
- (iv) surgical goods; and
- (v) sports goods;

Provided that withholding tax under clauses (a) and (b) of sub-section (1) of section 153 shall not be deducted from sales, supplies and services made by traders of yarn to the above mentioned categories of taxpayers. Such traders of yarn shall pay minimum tax @ 0.1% on their annual turnover on monthly basis on 30<sup>th</sup> day of each month and monthly withholding tax statement shall be e-filed under the provisions of section 165 of this Ordinance;

- (b) provisions of clause (a) of sub-section (1) of section 111 of this Ordinance shall not apply to the amounts credited in the books of accounts maintained for the period ending on the 30<sup>th</sup> June 2011, by the sellers suppliers, service providers to the categories of sales tax zero-rated taxpayers, as mentioned in sub-clause (a); and
- (c) provisions of sub-clauses (a) and (b) shall be applicable only to the cases of sellers, suppliers, service providers of the above mentioned categories of sales tax zero-rated taxpayers, who are already registered and to those taxpayers who get themselves registered by the 30<sup>th</sup> June, 2011".

[C. No.1(21)WHT/2006]

  
( KHAWAR KHURSHID BUTT )  
MEMBER (INLAND REVENUE)/  
ADDITIONAL SECRETARY