

ORDER SHEET.

IN THE ISLAMABAD HIGH COURT, ISLAMABAD. **JUDICIAL DEPARTMENT.**

Writ Petition No. 326/2021

Pakistan WAPDA Foundation through its Managing Director.

Versus

Federation of Pakistan through Secretary, M/o Finance & others.

S. No. of order/ proceedings	Date of order/ Proceedings	Order with signature of Judge and that of parties or counsel where necessary.
(02)	03.02.2021	Mr. Muhammad Baqir Hussain, Advocate for the petitioner.

The petitioner is aggrieved by deduction of withholding tax by respondent No.6 at the rate of 7.5% instead of 3% in lieu of services provided by the petitioner. The petitioner has appended computerized payment receipts with this petition, which reflects that withholding tax is being deducted at the rate of 7.5%.

2. Learned counsel for the petitioner states that the rate applicable to collection of withholding tax is prescribed pursuant to Section 153(1) (b) in relation to Engineering Services, which is then provided in clause 2(i) of Division-III, Part-III, of the First Schedule of the Income Tax Ordinance, 2001, wherein a rate of 3% is prescribed for Engineering Services instead of 7.5% at which the petitioner's withholding tax is being deducted.

3. Issue notice to the respondents, who will file report and para-wise comments to reach this Court by or before 18.02.2021 with an advance copy to the learned counsel for the petitioner. Respondent No.6 in its report will state the rate at which the withholding tax is being deducted and the provision of law under which such deduction is being made.

4. Re-list on 01.03.2021.

C.M. No.01/2021

Notice to the respondents for 18.02.2021.

C.M. No.02/2021

Exemption sought for is allowed, subject to all just and legal exceptions.

**(BABAR SATTAR)
JUDGE**

A. Rahman Abbasi