

PROPOSED TAX CARD

Tax Year 2008

For Client and Staff Use

TAX RATES FOR IND. OTHER THAN SALARIED PERSON & AOP

| Income group | | Tax Rate | | Income group | | Tax Rate | |
|----------------------|-----------|----------|--|------------------------|-----------|----------|--|
| Up to Rs. | 100,000 | 0% | | Up to Rs. | 150,000 | 0% | |
| Rs. 100,001 to Rs. | 110,000 | 0.5% | | Rs. 150,001 to Rs. | 200,000 | 0.25% | |
| Rs. 110,001 to Rs. | 125,000 | 1.0% | | Rs. 200,001 to Rs. | 250,000 | 0.50% | |
| Rs. 125,001 to Rs. | 150,000 | 2.0% | | Rs. 250,001 to Rs. | 300,000 | 0.75% | |
| Rs. 150,001 to Rs. | 175,000 | 3.0% | | Rs. 300,001 to Rs. | 350,000 | 1.50% | |
| Rs. 175,001 to Rs. | 200,000 | 4.0% | | Rs. 350,001 to Rs. | 400,000 | 2.50% | |
| Rs. 200,001 to Rs. | 300,000 | 5.0% | | Rs. 400,001 to Rs. | 500,000 | 3.50% | |
| Rs. 300,001 to Rs. | 400,000 | 7.5% | | Rs. 500,001 to Rs. | 600,000 | 4.50% | |
| Rs. 400,001 to Rs. | 500,000 | 10.0% | | Rs. 600,001 to Rs. | 700,000 | 6.00% | |
| Rs. 500,001 to Rs. | 600,000 | 12.5% | | Rs. 700,001 to Rs. | 850,000 | 7.50% | |
| Rs. 600,001 to Rs. | 800,000 | 15.0% | | Rs. 850,001 to Rs. | 950,000 | 9.00% | |
| Rs. 800,001 to Rs. | 1,000,000 | 17.5% | | Rs. 950,001 to Rs. | 1,050,000 | 10.00% | |
| Rs. 1,000,001 to Rs. | 1,300,000 | 21.0% | | Rs. 1,050,001 to Rs. | 1,200,000 | 11.00% | |
| Rs. 1,300,001 to Rs. | | 25.0% | | Rs. 1,200,001 to Rs. | 1,500,000 | 12.50% | |
| | | | | Rs. 1,500,001 to Rs. | 1,700,000 | 14.0% | |
| | | | | Rs. 1,700,001 to Rs. | 2,000,000 | 15.0% | |
| | | | | Rs. 2,000,001 to Rs. | 3,150,000 | 16.0% | |
| | | | | Rs. 3,150,001 to Rs. | 3,700,000 | 17.5% | |
| | | | | Rs. 3,700,001 to Rs. | 4,450,000 | 18.5% | |
| | | | | Rs. 4,450,001 to above | 8,400,000 | 19.0% | |
| | | | | Rs. 8,400,001 to above | | 20% | |

- Special tax rebate of 75% of the tax payable shall be allowed for the assessee of 60 years of age or above and earning income upto Rs. 400,000/- per annum.

- The rate of tax as prescribed by section 113A for qualifying under PTR is 0.5% of the Turnover, provided the turnover does not exceed 5 Million. per annum.

- The rate of tax as prescribed by section 113B for qualifying under PTR are given as under:

| | |
|-------------------------|--|
| From Rs. 1 to Rs. 5 M | Rs. 25,000/- |
| From Rs. 5M to Rs. 10M | 25000+0.5% of the turnover exceeding Rs. 5M |
| From Rs. 10 M and above | Rs. 50,000/- + 0.75% of the turnover exceeding Rs. 10M |

- The income of the working women other than salaried class to the extent of Rs. 125,000/- will be exempt from tax.

- The income of the working women in case of salaried class to the extent of Rs. 200,000/- will be exempt from tax.

TAX RATES FOR SMALL COMPANIES

The tax rate for Small Companies is 20% of the taxable income.

COMPANIES

Rate of tax for all kinds of companies

TAX YEAR

| 2007 | 2008 |
|------|------|
| 35% | 35% |

OR

Minimum tax under section 113 @0.5% of the turnover whichever is higher

RATE OF TAX ON SHIPPING OR AIR TRANSPORT

The rate of tax imposed under section 7 shall be:

- In the case of shipping 8% of the gross amount received or receivable;
- In the case of air transport 3% of the gross amount received or receivable;

RATES FOR DEDUCTION OF TAX AT SOURCE

| Particulars | Rate |
|---|------|
| - Other dividend income | 10% |
| - Raffle lottery or crossword puzzle, Sales promotion schemes | 20% |
| - Yield on a National Saving Deposit Certificate, including a Defence Saving Certificate, under the National Saving Scheme. | |
| - Interest on an account or deposits with banks / financial institutions | 10% |
| - Profit on any security issued by the Federal Government, a Provincial Government or a local authority to any person other than a financial institution. | 20% |
| - Profit on any bond, certificate, debenture, security or instrument of any kind (not a loan agreement between a borrower and a banking company or a development finance institution) by a banking company, financial institution, finance society or a company as a as defined in the 2001 Ordinance, other than to a financial institution. | |
| - Rent | 5% |
| - Brokerage & Commission | 10% |
| - On Export of Raw Cotton and Cotton Yarn | 1.0% |
| - Brokerage & Commission-for Travel and Insurance Agents | 10% |
| - On Contracts of all types | 6% |
| - Telephone Bills/Prepaid payphone Cards | 10% |
| - Cash withdrawal from Bank | 0.2% |
| - Supply of Rice, Cotton and Cotton seed | 1.5% |
| - Edible oils | 1% |
| - Other supplies | 3.5% |
| - Imports other than following | 5% |
| - Tractors | 2% |
| - DAP Phosphate | 2% |
| - Plant and Machinery | 0% |
| - On gas consumption charges of CNG Stations | 6% |
| - On purchase of motorcars | 5% |
| - Services rendered: | |
| - Transport Services | 2% |
| - Other Services | 6% |
| - Import of edible oils | 2% |
| - Payments to non-residents for execution of: | |
| - Turnkey Contract | 6% |
| - Contract, Sub-Contract for the design, Construction or supply of plant & equipment: | |
| - Under a hydel power project or a transmission line project | 6% |
| - Under any other power project | 6% |
| - Any other contract: | 6% |
| - Advertisement by the Private TV Channels | 6% |
| - Petroleum Products | 10% |
| - Royalties / Fee for technical services | 15% |
| - On payment other than salary, dividend, supplies, services, execution of contracts, property, prize money, winning from reflex, lottery or cross word puzzles. | 30% |

Other rates

- On Sale and purchase of shares 0.01%

RATES OF APPEAL FEE

Commissioner (Appeals) /Addl. Commissioner

- Rs. 1,000 or 10% of tax levied whichever is less
- Where no tax is payable
- Rs. 1,000/- for companies
- Rs. 200/- for other cases

Income Tax Appellate Tribunal.

- Rs. 2,500/- or 10% of the tax levied whichever is less.
- Where no tax is levied Rs. 2,000/- for Companies and Rs. 500/- for others