

GOVERNMENT OF PAKISTAN  
CENTRAL BOARD OF REVENUE

Islamabad, the 5th August, 1998

NOTIFICATION  
(INCOME TAX)

S.R.O. **871**(I)/98.- In exercise of the powers conferred by sub-section (2) of section 14 of the Income Tax Ordinance, 1979 (XXXI of 1979), the Federal Government is pleased to direct that the following further amendments shall be made in the Second Schedule to the said Ordinance, namely:-

In the aforesaid Schedule,-

(a) in Part-I, after clause (78C), the following clauses shall be inserted, namely:-

"(78D) Any profit on Special U.S. Dollar Bonds issued under the Special U.S. Dollar Bonds Rules, 1998.

(78E) Any profit or interest derived from Pak rupee account or certificates of deposit which have been created by conversion of a foreign currency account or deposit held on the 28th day of May, 1998, with a bank authorised under the Foreign Currency Accounts Scheme of State Bank of Pakistan:

Provided that nothing contained in this clause shall apply to such Pak rupee account or certificates which are created out of foreign currency deposits which are not exempt under clause (78)."; and

(b) In Part IV,-

(i) for clause (6D), the following shall be substituted, namely:-

"(6D) The provision of section 13 or section 65 or Chapters XI and XII shall not apply in respect of rupees withdrawn or assets created out of such withdrawal in rupees from private foreign currency accounts, or encashment of Foreign Exchange Bearer Certificates, U.S. Dollar Bearer Certificates and Foreign Currency Bearer Certificates.";

(ii) after clause (6H), the following clause shall be inserted, namely:-

"(6HA) The provisions of section 13 and Chapters XI and XII shall not apply in respect of any amount invested by a Foreign Currency Account holder in the purchase of Special U.S. Dollar Bonds, issued under the Special U.S. Dollar Bond Rules, 1998; and

(iii) the following new clauses shall be added, namely:-

"(39) The provisions of sub-section (2) of section 50 shall not apply in respect of any amount paid as interest or profit on Special U.S. Dollar Bonds issued under the Special U.S. Dollar Bonds Rules, 1998.

(40) The provisions of sub-section (2A) and (7D) of section 50 shall not apply to Pak rupee accounts or certificates referred to in clause (78E) of Part I of this Schedule.".

[C.No.4(32)TP-I/90.PT-I]

( MUHAMMAD SARWAR KHAWAJA )  
MEMBER(INCOME TAX)/ADDITIONAL SECRETARY

