

TAXCEL LLP

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INCOME TAX WITHHOLDING CHART 2026-27



Tax Withholding Chart



Tax Year 2027



w.e.f 01st July 2026

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SALARIED INDIVIDUALS [SEC. 149]
TAX RATES

SR. NO.	INCOME RANGE (PKR)	TAX RATES
1	Up to Rs. 600,000	0%
2	Rs. 600,001 to Rs. 1,200,000	1% exceeding Rs. 600,000
3	Rs. 1,200,001 to Rs. 2,200,000	Rs. 6,000 + 11% exceeding Rs. 1,200,000
4	Rs. 2,200,001 to Rs. 3,200,000	Rs. 116,000 + 20% exceeding Rs. 2,200,000
5	Rs. 3,200,001 to Rs. 4,100,000	Rs. 316,000 + 25% exceeding Rs. 3,200,000
6	Rs. 4,100,000 and Rs. 5,600,000	Rs. 541,000 + 29% of the amount exceeding Rs. 4,100,000
7	Rs. 5,600,001 to Rs. 7,000,000	Rs. 976,000 + 32% of the amount exceeding Rs. 5,600,000
8	Above Rs. 7,000,000	Rs. 1,424,000 + 35% of the amount exceeding Rs. 7,000,000



NOTE: The person whose salary income exceeds seventy five percent (75%) of his/her total taxable income shall be treated as salaried individual.

DIRECTORSHIP FEE

DESCRIPTION	TAX RATE
Directorship fee or fee for attending board meeting	20%

DIVIDEND [SEC. 150]

SR. NO.	DESCRIPTION	FILER	NON-FILER
a	Received from Power Generation Independent Power Producers	7.5%	15%
b	Received from mutual Funds to the extent of income derived from average annual investment in equities	15%	30%
c	Received from Real Estate Investment trust	15%	30%
d	Received from mutual Funds to the extent of income derived from average annual investment in debt securities	25%	50%
e	Received from companies whose income is exempt of tax or incurring losses	25%	50%
e	Dividend received by corporate entities from mutual funds on component of income from debt securities	29%	58%

Payment for Digital Transactions (Goods or Services) on E-commerce platforms [Sec. 6A]

	FILER	Non-FILER
In case of payment through Digital Means or Banking Channels	1%	2%
In case of payment of cash on delivery	2%	4%

- For taxpayer having turnover exceeding 200M, this withholding tax is adjustable.
- For taxpayer having annual turnover up-to 200M, this withholding tax is final tax with an option to opt for NTR.

Super Tax on High earning persons- Section 4C


	Tax Rates
Where banking income exceed Rs 150 M	10% of the Income
Income of a person, whose income is computed as per Part I of 5th Schedule exceeding Rs 150 M, so far as it does not exceed the limit specified in rule 4 of that part.	10% of the Income
Income of a person, engaged in deriving income from sale of any kind of fertilizer, exceeding Rs 150 M.	10% of the Income
Income of a person other than those mentioned above exceeding Rs 500 M	8% of the Income
Super tax shall not apply to a person if the export proceeds realized for the tax year represent more than eighty percent of his total turnover for the tax year.	Exempt





Rates for Profit on Debt [Sec. 151]

	FILER	Non-FILER
a Profit on debt on Bank Account/ Financial Institutions	20%	40%
b Profit on debt on Federal/ Provincial/ Local Government Bonds - In case of other than individuals	20%	40%
c In any case other than Sr.no a & b	15%	30%

Gain arising on disposal of certain debt securities. [Sec. 151 A]

	FILER	Non-FILER
In case of disposal of debt securities including government securities held through Investor Portfolio (IPS) Account - other than those disposed through Stock Exchange / settled through NCCPL	20%	40%

 PAYMENT TO NON-RESIDENTS [SEC.152]	TAX RATE
Royalty, Technical services fee and fee of offshore digital services	15% [Sec.152(1)]
Execution of a contract	7% [Sec. 152(1A)]
a) contract or sub-contract under a construction, assembly or installation project in Pakistan, including a contract for the supply of supervisory activities in relation to such project; or b) any other contract for constructions or services rendered relating thereto or a contract for advertising services rendered by T.V satellite channel	
Insurance and re-insurance premium	5% [Sec. 152(1AA)]
Advertisement services to a media person relaying from outside Pakistan	10% [Sec. 52(1AAA)]
Foreign produced commercial for advertisement on any television channel or any other media	20% [Sec.152(1BA)]
Capital gain (of a non-resident company having no permanent establishment in Pakistan) arising on the disposal of debt instruments and Government securities including treasury bills and Pakistan investment bonds invested through special convertible rupee account (SCRA)	10% [Sec. 152(1C)]






 PAYMENTS TO A PE OF NON-RESIDENT ON ACCOUNT OF SALE OF GOODS [SEC 152(2A)(A)]	FILER	NON-FILER
Company	5%	10%
Other taxpayers	5.5%	11%
 PAYMENTS TO A PE OF NON-RESIDENT ON ACCOUNT OF RENDERING OF SERVICES [SEC. 152(2A)(B)]	FILER	NON-FILER
Receipt on account of rendering of following services through a PE: Transport services, freight forwarding services, air cargo services, courier services, manpower outsourcing services, hotel services, security guard services, software development services, tracking services, advertising services (other than by print or electronic media), share registrar services, engineering services, car rental services, building maintenance services, services rendered by Pakistan Stock Exchange Limited, Pakistan Mercantile Exchange Limited and inspection and certification, testing and training services, oilfield services.	8%	16%
 In case of IT services and IT enabled services	4%	8%
 Other services	15%	30%




 PAYMENTS TO A PE OF NON-RESIDENT ON ACCOUNT OF RENDERING OF SERVICES [SEC. 152(2A)(C)]	FILER	NON-FILER
Sports person	15%	30%
Other person	8%	16%



EXPORT [SEC. 154]		TAX RATE
154	Exports, Export of Goods, Inland Bank to Bank Letter of Credit, Export Processing Zone, Indirect Exporter;	1.25%
	Export of services including computer software or IT services or IT enabled services by person registered with Pakistan software export board.	0.25%
	All other Export services	1%

PAYMENT FOR GOODS [SEC. 153(1)(a)]		FILER	NON-FILER
Sale of rice, cotton seed, edible oils		1.5%	3%
Sale by distributors of cigarettes		2.5%	5.0%
Sale by distributors of pharmaceutical products		1%	2%
Supply made by distributor, wholesaler, retailer, dealer, and sub dealer of FMCG, fertilizer, electronics excluding mobile phones, sugar, cement, steel and edible oil. Provided that the person should appear in Active Taxpayers' Lists issued under the provisions of the Sales Tax Act, 1990 and the Income Tax Ordinance, 2001 Provided that the benefit under this clause shall only be available to those Tier-1 retailers as defined under Sales Tax Act, 1990 who are integrated and configured with Board or its computerized system for real time reporting of sales or receipts. (Clause 24C Part II of Second Schedule)		0.25%	0.5%
OTHER GOODS EXCLUDING TOLL MANUFACTURING			
By company		5%	10%
In any other case (AOP/individual)		5.5%	11%
DIGITAL ORDERED GOODS THROUGH E-COMMERCE PLATFORMS INCLUDING WEBSITES			
In case of payment through Digital Means or Banking Channels		1.0%	2%
In case of payment of cash on delivery		2.0%	4%
TOLL MANUFACTURING			
By company		9%	18%
In any other case (AOP/individual)		11.0%	22%

Payment for Services [Sec. 153(1)(b)]		FILER	Non-FILER
General services		14%	28%
Professional services such as doctors, lawyers, architects, accountants, software engineers or developers, working independently		15%	30%
Transport Services		7%	14%
Freight Forwarding Services			
Air Cargo Services			
Courier Services			
Manpower Outsourcing Services			
Hotel Services			
Security Guard Services			
Software Development Services			
Tracking Services			
Advertising Services (Other than Print/Electronic Media)			
Share Registrar Services			
Engineering Services			
Warehousing Services			
Services Rendered by Asset Management Companies			
Data Services provided under License issued by PTA			
Telecommunication Infrastructure (Tower) Services			
Car Rental Services			
Building Maintenance Services			
Services Rendered by Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited			
Inspection, Certification, Testing, Training Services			
Oilfield Services			
Travel and Tour Services			
Digital ordered goods through e-commerce platforms including websites			
	In case of payment through Digital Means or Banking Channels	1.0%	2%
	In case of payment of cash on delivery	2.0%	4%
	IT services and IT enabled services	4%	8%
	Terminal and Port Services	12%	24%
	Payments to electronic/print media for advertisement	1.5%	3%

Contracts [Sec. 153(1)(c)]		FILER	Non-FILER
	In case of sportspersons	15%	30%
	By Company	7.5%	15%
	In any other case (AOP/individual)	8%	16%


ADVANCE TAX ON CASH WITHDRAWAL [SEC. 231AB]
TAX RATES

Cash withdrawal in a day, exceeding fifty thousand rupees by a person whose name is not appearing in FILER/ACTIVE

0.8%


TAX RATES FOR RENT OF IMMOVABLE PROPERTY [SEC. 155] - INDIVIDUAL & AOP
TAX RATES

Up to 300,000

NIL

Rs.300,001 to Rs.600,000

5% on the amount exceeding Rs.300,000

Rs.600,001 to Rs.2,000,000

Rs.15,000 + 10% on amount exceeding Rs.600,000

Rs.2,000,001 and above

Rs.155,000 + 25% on amount exceeding Rs.2,000,000

Tax Rates for rent of immovable property [Sec. 155]

FILER

NON - FILER

For Companies

15%

30%


PRIZE BONDS [SEC. 156]
FILER
NON - FILER

Prize on prize bond and crossword puzzle

15%

30%

Winnings from a raffle, lottery, prize on winning a quiz, prize offered by a company for promotion of sale

20%

40%


SALE OR TRANSFER OF IMMOVABLE PROPERTY [SEC. 236C]
FILER
NON-FILER

Where the gross amount of the consideration received does not exceed Rs.50 million

2.75%

Where the gross amount of the consideration received exceeds 50 million but does not exceed Rs. 100 million

2.75%

11.5%

Where the gross amount of the consideration received exceeds Rs. 100 million

2.75%


ADVANCE TAX ON PURCHASE OF IMMOVEABLE PROPERTY [SEC. 236K]
FILER
NON-FILER

Where Fair Market value does not exceed Rs. 50 million

1.25%

10.5%

Where Fair Market value exceeds 50 million but does not exceed Rs. 100 million

1.25%

14.5%

Where Fair Market value exceed Rs. 100 million

1.25%

18.5%


ADVANCE TAX ON PERSONS REMITTING AMOUNTS ABROAD THROUGH CREDIT, DEBIT OR PREPAID CARDS [SEC. 236Y]

FILER

NON-FILER

Collected by banking company from a person remitting amounts abroad through debit, credit or prepaid card.

0.5%

1%


BROKERAGE AND COMMISSION [SEC.233]

FILER

NON-FILER

Advertising agents

10%

20%

Life insurance agents where commission received is less than Rs.0.5 million per annum

8%

16%

Other cases

12%

24%


TAX RATES FOR SALE TO DISTRIBUTOR, DEALERS, WHOLESALERS BY MANUFACTURER & COMMERCIAL IMPORTER [SEC. 236G]

ATL

NON -ATL

Collected by every manufacturer or commercial importer other than Fertilizer

0.1%

2.0%

Fertilizers (for the person appearing in ATL of both sales & Income Tax)

0.7%

1.4%


TAX RATES FOR SALE TO RETAILERS BY MANUFACTURERS, DISTRIBUTORS, DEALERS, WHOLESALERS & COMMERCIAL IMPORTERS [SEC. 236H]

ATL

NON -ATL

Collected by every manufacturer, distributor, dealer, wholesaler or commercial importer

0.5%

2.5%


RATE OF TAX FOR BUSINESS INDIVIDUALS & ASSOCIATION OF PERSONS (FIRST SCHEDULE)

TAX RATES





1	Upto Rs. 600,000	0%
2	Rs. 600,001 to Rs.1,200,000	15% of the amount exceeding Rs.600,000
3	Rs.1,200,001 to Rs.1,600,000	Rs. 90,000 + 20% of the amount exceeding Rs.1,200,000
4	Rs.1600,001 to Rs.3,200,000	Rs. 170,000 + 30% of the amount exceeding Rs.1600,000
5	Rs.3,200,001 to Rs.5,600,000	Rs. 650,000 + 40% of the amount exceeding Rs. 3,200,000
6	Rs.5,600,000 and above	Rs.1,610,000 + 45% of the amount exceeding Rs.5,600,000










NOTE: If taxable income exceeds Rs.10,000,000/-

10% of Income tax imposed as a surcharge us (4AB)

Minimum Tax Sec. 113	Tax Rate
<ul style="list-style-type: none"> • Sui Southern Gas Company Limited and Sui Northern Gas Pipelines Limited (where annual turnover exceeds Rs.1 billion) • Pakistan International Airlines Corporation; and • Poultry industry including breeding, broiler production, egg production, feed production 	0.75%
<ul style="list-style-type: none"> • Oil Refineries • Motorcycle dealers registered under the Sales Tax Act, 1990 • Oil marketing companies 	0.50%
<ul style="list-style-type: none"> • Person's turnover from supplies through ecommerce including from running an online marketplace as defined in clause (38B) of section 2 • Persons engaged in the sale and purchase of used vehicles • Petroleum agents and distributors registered under the Sales Tax Act, 1990 • Rice mills and dealers • Tier-1 retailers of fast-moving consumer goods who are integrated with Board or its computerized system for real time reporting of sales and receipts • Flour mill 	0.25%
<p>In the case of distributors, dealers, sub dealers, wholesalers of goods specified in the following Table, subject to the conditions that beneficiaries of reduced rate are appearing on the active taxpayers' lists issued under 64 the provisions of the Sales Tax Act, 1990 and the Income Tax Ordinance, 2001. Clause 24D of Part II of Second Schedule.</p> <ul style="list-style-type: none"> • Pharmaceutical • Fertilizer • Cigarette • Sugar • locally manufactured mobile phones • Fresh and frozen food in canned or packaged form • Electronics • Beverages and dairy products Pasta, cereals, biscuits, nuts, snacks and similar packaged food items • Condiments and baking items in bottled or packaged form • Skincare and cosmetics, haircare, oral care, baby care • Cleaning agents like laundry detergents, dishwashing soaps and floor cleaners • Toilet paper, paper towels, facial tissues, napkins, and similar products • Trash bags, aluminum foil, air freshener and insect sprays. 	0.5%
<p>In all other cases</p> <ul style="list-style-type: none"> • Individual (turnover 100 million and above) • Association of persons (turnover 100 million and above) • Company 	1.25%

Rate of Tax for Companies [First Schedule]		Tax Rates
 Small Company		20%
 Banking Company		39%
 All other Companies		29%
 Alternate Corporate Tax (ACT) [Sec.113C]		17%

Capital Gain on Immoveable property [Sec. 37 (1A)]	Tax Rates on Properties acquired on or before June 30, 2024			Tax Rates on Properties acquired on or after July 1, 2024	
	Open Plot	Con. Property	Flats	FILER	Non FILER
 Holding Period					
 Where the holding period does not exceed 1 year	15%	15%	15%	15%	For Non - FILER: Higher of 15% of CG or Rate specified in division I of 1st Schedule for Individuals & AOP AND Division II for Companies.
 Where the holding period exceeds 1 year but does not exceed 2 years	12.5%	10%	7.5%		
 Where the holding period exceeds 2 years but does not exceed 3 years	10%	7.5%	0%		
 Where the holding period exceeds 3 years but does not exceed 4 years	7.5%	5%	0%		
 Where the holding period exceeds 4 years but does not exceed 5 years	5%	0%	0%		
 Where the holding period exceeds 5 years but does not exceed 6 years	2.5%	-	0%		
 Where the holding period exceeds 6 years	0%	-	0%		

SALES TAX WITHHOLDING CHART

W.e.f 1st July 2026	Tax Authority	Standard Sales Tax Rate	Status	Registered Person	Un registered Person	Advertisement Services
FEDERAL	FBR (In case of Supplies)	18%	Active	No Withholding of GST	5% WH of Invoice Value	N/A
			Non Active	5% WH of Invoice Value	5% WH of Invoice Value	N/A
	ICT (In case of Services)	15%	Active	No Withholding of GST	100% WH of Invoice Value	100% Withholding of ICTST
			Non Active	5% WH of Invoice Value	100% WH of Invoice Value	100% Withholding of ICTST
	SRB (In case of Services)	15%	Active	20% WH of SST	100% WH of SST	100% WH of SST
			Non Active	100% WH of SST	100% WH of SST	100% WH of SST
PROVINCIAL	PRA (In case of Services)	16%	Active	20% Withholding in case of Company *(100% in case of other than Company) & 80% of Sales Tax falling in ATL List of PRA (telecom, banking and Insurance companies)	100% Withholding of PST	100% Withholding of PST
			Non Active	100% Withholding of PST	100% Withholding of PST	100% Withholding of PST
	KPRA (In case of Services)	15%	Active	50% WH of KST	100% Withholding of KST	100% Withholding of KST
			Non Active	100% Withholding of KST	100% Withholding of KST	100% Withholding of KST
	BRA (In case of Services)	15%	Active	20% WH of BST	100% Withholding of BST	100% Withholding of BST
			Non Active	100% Withholding of BST	100% Withholding of BST	100% Withholding of BST



NOTES

- ✓ In Sales tax Act 1990 Individual & AoP becomes the sales tax withholding agent, where turnover exceed 200M
- ✓ For the purpose withholding of Provincial ST, value is required to be worked out on the basis of gross value of taxable services under tax fraction formula.
- ✓ Exclusion from WH in PST: - Telecommunication - Banking Companies - Financial Institution - Insurance (except Re-Insurance) - Port operator, Airport operator - Terminal operator - Airport ground services.
- ✓ Sales tax reduced rates shall to apply on different class of services according to their Provincial Sales Tax Act on Services.

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