

**Government of Pakistan**  
**Revenue Division**  
**Federal Board of Revenue**  
**Inland Revenue**  
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C.No.4(32)IT-Budget/2023

Islamabad, the 26<sup>th</sup> July, 2023

**Circular No. 2 of 2023**  
**(Income Tax)**

Subject: **Finance Act, 2023 – Explanation Regarding Important Amendments made in the Income Tax Ordinance, 2001**

Important amendments made in the Income Tax Ordinance, 2001 (the Ordinance) through Finance Act 2023, are explained as under:

**1. Amendments in the definition of Permanent Establishment (PE)**

In order to enlarge the scope of definition of “Permanent Establishment” (PE), Finance Act has made amendment in section 2(41) of the Ordinance by removing word “fixed” wherever appearing in the definition. In the existing definition the word “fixed” preceded the word “place”. Hence, in the existing definition scope was limited to fixed place of business. In the present world non-residents also carry out business in other countries or territories through virtual presence or non-fixed presence, hence; the amendment is made to cater to new reality. Consequently, the second amendment is also made in the definition by enlarging the scope of PE to “virtual business presence”. The new clause (bb) has been inserted after the clause (ba) to define the virtual business presence in Pakistan as any business where transactions are conducted through internet or any other electronic medium, with or without physical presence. Further, a third amendment has also been made in clause (d) of sub-section (41) of section 2 of the Ordinance. This clause includes the furnishing of services, including consultancy services, by any person through employees or other personnel engaged by the person for such purpose in the definition of PE. In the clause word ‘entity’ has been inserted after the word personnel. Therefore, furnishing of services including consultancy services through an entity in Pakistan is now covered under the definition of PE. The definition of PE as amended shall apply for determination of status of the non-residents in Pakistan as regards existence of PE, however; the definition shall be applied based on

facts of each case and in accordance with relevant provisions of applicable Agreement for Prevention and Avoidance of Double Taxation between Pakistan and the country/state of the non-resident person.

## 2. **Amendment in the section 85 - Associate**

Finance Act has amended section 85 of the Ordinance to enlarge the scope of “associate” as under:

Two persons shall be associates where –

- (i) the relationship between the two is such that one may reasonably be expected to act in accordance with the intentions of the other, or both persons may reasonably be expected to act in accordance with the intentions of a third person;
- (ii) one person sufficiently influences, either alone or together with an associate or associates, the other person; an explanation has been inserted for the purpose of the section to the effect that two persons shall be treated as sufficiently influencing each other, where one or both persons, directly or indirectly, are economically and financially dependent on each other and, decisions are made in accordance with the directions, instructions or wishes of each other for common economic goal; or
- (iii) one person enters into a transaction, directly or indirectly, with the other who is a resident of a jurisdiction with zero taxation regime.

The above amendments in section 85 has enhanced and further elaborated the existing scope of law regarding associates for proper application of anti-avoidance measures and arm’s length principles. The Board is empowered to prescribe rules for the purpose of section 85 elaborating resident of a jurisdiction with zero taxation regime.

## 3. **Explanation in section 113 for Minimum Tax**

An explanation has been added in the provisions relating to Minimum Tax under section 113 of the Ordinance. In sub-section (2) there is a reference of the word ‘aforesaid Part’. The explanation has been added to clarify that ‘aforesaid Part’ refers to the actual tax payable under Part I, clause (1) of Division I, or Division II of the First Schedule. This explanation removes the ambiguity and clarifies that the excess amount of minimum tax paid over actual

tax shall be carried forward for adjustment against actual tax liability payable under Part-I, Clause (1) of Division I or Division II of the First Schedule to the Ordinance in the subsequent tax years.

**4. Amendments relating to Capital Gains on securities & shares under section 37 and 37A**

Through Finance (Supplementary) Act 2023 new sub-sections (6) to (10) have been inserted in section 37 providing for deduction of tax on sale of shares transactions other than covered under section 37A. New provisions inserted require the acquirer of the capital asset [being shares of the company, other than shares of companies listed on registered stock exchange traded on said stock exchange and settled by the NCCPL], to deduct advance adjustable tax at the rate of 10% from gross amount of the sale consideration at fair market value of shares. The fair market value of shares shall be determined without deduction of liabilities as envisaged in sub-section (4) of section 101A of the Ordinance. The person acquiring the shares may seek certificate of exemption or reduced rate certificate from the Commissioner holding the jurisdiction where the person considers the transaction of sale of shares is either exempt or subject to reduced rate of tax under any of the provisions of the Ordinance. A person disposing of the shares is required within 30 days to furnish to the Commissioner holding jurisdiction over the case, information or documents in a statement as may be prescribed. However, Commissioner can call for the said information or documents within less than 30 days by a notice in writing if necessitated. Moreover, proviso has been inserted in section 37A ousting shares of listed companies not traded on registered stock exchange and not settled through NCCPL from ambit of section 37A. In such cases provisions of section 37 shall apply with respect to collection and payment of taxes. This is done to capture off market transactions of shares of listed companies which are not traded through registered stock and not settled by NCCPL. In this regard relevant amendment in Income Tax Rules, 2002 has been made through SRO 776(I)/2023 dated 27<sup>th</sup> June, 2023.

The Finance Act, 2023 made further two amendments on account of capital gains on securities covered under section 37A of the Ordinance namely: –



- i. Through the Finance (Supplementary) Act, 2023, capital gain arising on disposal of shares of a listed company which is made otherwise than through registered stock exchange and which are not settled through NCCPL, is taxed under section 37 of the Ordinance instead of section 37A of the Ordinance. The said amendment had resulted in unwarranted tax implications on public offerings of listed securities. Through an amendment made by the Finance Act 2023, disposal of shares through initial public offer during the listing process will remain subject to tax under section 37A of the Ordinance provided the detail of such disposal is furnished to NCCPL for the computation of Capital Gains and tax thereon has been collected and paid.
- ii. Capital gains arising on disposal of securities that were acquired before July 1, 2013 were subject to tax at the rate of 12.5%. Through Finance Act 2023, capital gains arising on disposal of such securities will be subject to tax at 0%. Through the Finance Act 2022 the rate of 12.5% tax was applicable on capital gains arising on disposal where the securities were acquired on or before the 30th day of June, 2022 irrespective of holding period of such securities. Now the rate of 12.5% tax shall apply on capital gain arising on disposal where the securities are acquired on or after the first day of July, 2013 till the 30th day of June, 2022.
- iii. Moreover, reduced rate based on holding period shall continue to apply on securities acquired on or after July 1, 2022.

**5. Enabling NCCPL to collect supper tax under section 4C on Capital Gains on Securities**

Amendments have been made in section 4C, 100B and the Eighth Schedule to the effect that in addition to capital gains tax, NCCPL shall also compute and collect tax under section 4C at the rates specified in Division IIB of Part I of the First Schedule on the amount of capital gains computed under Eighth Schedule in the manner specified in the said Schedule and rules made thereunder.

**6. Tax on issuance of bonus shares [Section 236Z]**

The Finance Act has reintroduced tax on shareholders for any bonus share issued by a company. This law is applicable on both public and private companies. In this regard three amendments are made as under:

- i. In the definition of the 'income' under section 2(29) of the Ordinance reference to newly inserted section '236Z' has been added by treating any amount which is subject to tax collection and payment under section 236Z as 'income' under the Ordinance.
- ii. In section 39 of the Ordinance which is relating to head 'Income from other sources', a clause (1b) has been inserted to include income arising to the shareholder of a company, from issuance of bonus shares as income from other sources.
- iii. A new section 236Z has been inserted in the Ordinance for collection and payment of tax on issuance of bonus shares. The section 236Z of the Ordinance makes a company responsible for collection and payment of tax on issuance of bonus shares to any shareholder. Sub-section (1) of section 236 requires the company to with-hold 10% of the bonus shares as WHT to be deposited at the day-end price on the first day of closure of books in the case of listed companies. The shares so withheld will be available to the shareholder if he pays to the company an amount equivalent to the value of bonus shares with-held. As regards the value of bonus shares of other than listed company, separate rules will be laid down for prescribing value of bonus shares on which tax is to be collected and paid. If a shareholder does not pay the amount to acquire the with-held bonus shares, then the company is required to sell the with-held shares in the market and deposit the sale proceeds to the extent of tax liability on behalf of the shareholder. The tax shall be deposited by the company within 15 days of closure of books and the company will be entitled to recover the tax from the shareholder by way of disposal of 10% with-held shares or collection of such amount of tax from the shareholder. The tax collected and paid under this section by the company shall be treated as tax paid by the shareholder which shall be final discharge of tax liability of the shareholder on deemed income arising on account of issuance of bonus shares.

**7. Rationalizing Super Tax u/s 4C**

Super Tax on high earning persons was introduced through Finance Act, 2022 providing for graduated tax rates ranging from 1% to 4% on income slabs starting from Rs. 150 (m) to Rs. 300 (m) and above. Certain specified business

sectors were required to pay Super Tax at higher rate of 10% where income exceeded Rs. 300 (m). In order to broaden the scope of Super Tax as well as to bring progressivity and uniformity in Super Tax rates structure, additional income slabs of Rs. 350 (m) to Rs. 400 (m), Rs. 400 (m) to Rs. 500(m) and Rs. 500(m) and above providing for Super Tax rates of 6%, 8% and 10% respectively have been enacted through Finance Act, 2023. These Super Tax rates will apply on all persons across the board for Tax Year 2023 and onwards. However, under the second proviso to Division IIB of Part I of the First Schedule, for Tax year 2023, a banking company will be required to pay Super Tax at the rate of 10% if income as defined under section 4C exceeds Rs. 300(M).

Furthermore, an ambiguity persisted regarding payment of Super Tax as to whether Super Tax payable under section 4C of the Ordinance will only be discharged as lump sum amount at the time of filing of income tax return or Super Tax has to be paid along with monthly / quarterly installments of advance tax payable under section 147 of the Ordinance. In order to remove this ambiguity and to bring more clarity, Finance Act, 2023 has introduced a new sub-section (5A) in section 4C of the Ordinance whereby Super Tax liability computed by a person under the said section will be paid along with monthly/ quarterly installments, as the case may be, of advance tax payable under section 147 of the Ordinance. Corresponding amendments have also been made in section 147 of the Ordinance.

**8. Amendment in section 236C**

Finance Act, 2023 has introduced a new sub-section (2A) in section 236C of the Ordinance which places a bar on the person responsible for registering, recording or attesting transfer of any immovable property to register, record or attest such sale or transfer unless the seller or transferor has discharged his tax liability under section 7E of the Ordinance and evidence to this effect has been furnished to the withholding agent. In this regard, a separate circular No. 1 of 2023 has been issued describing mode, form and manner for furnishing evidence of the payment of tax under section 7E by both ATL and Non-ATL persons to the persons responsible for registering, recording or attesting transfer of any immovable property.

9. **Restriction on non-ATL persons to claim benefits of capital assets exclusion u/s 7E**

Section 7E was introduced through Finance Act, 2022 whereby every resident person is treated to derive, as income, an amount equal to five percent of the fair market value of capital assets situated in Pakistan. Certain capital assets themselves or capital assets up to a monetary limit of Rs. 25(m) are excluded from the purview of tax chargeable under sub-section (2) of this section. A new proviso has been added under section (2) whereby benefit of following capital assets exclusions mentioned at clauses (a), (e), (f) and (g) of sub-section (2) of section 7E of the Ordinance has been restricted to ATL persons only.

- (a) one capital asset owned by the resident person;
- (e) any property from which income is chargeable to tax under the Ordinance and tax leviable is paid thereon;
- (f) capital asset in the first tax year of acquisition where tax under section 236K has been paid;
- (g) where the fair market value of the capital assets in aggregate excluding the capital assets mentioned in clauses (a), (b), (c), (d), (e) and (f) does not exceed Rupees twenty-five million;

However, this newly introduced proviso to sub-section (2) of section 7E will not apply on persons covered under rule (2) of Tenth Schedule to the Ordinance who are not required to file an income tax return under section 114 of the Ordinance.

10. **Additional Tax on Windfall Profit**

Finance Act, 2023 has introduced a new section 99D which will provide for imposition of additional tax on windfall income profits and gains of any person being a company. The Federal Government has been empowered under this section to prescribe any rate not exceeding fifty percent, specify any sector or sectors for which this section will apply, determine economic factor or factors including but not limited to international price fluctuation having bearing on any commodity price in Pakistan or any sector of the economy and or difference in income, profit or gains on account of foreign currency fluctuation, provide for the scope, time and payment of tax payable and include or exempt any person or classes of persons, any income or classes of income from the application of this section through a notification in the official gazette.

Corresponding amendments have also been incorporated in Fourth Schedule, Fifth Schedule and Seventh Schedule dealing with Insurance companies, Oil and Gas Exploration companies and Banking companies, respectively.

This section will apply for last three preceding tax years commencing from tax year 2023 and onwards. All notifications issued by the Federal Government under this section will be presented before the National Assembly within 90 days of the issuance of the notification or by 30th June of the financial year whichever is earlier.

#### **11. Revamping of Alternate Dispute Resolution Mechanism**

Through the Finance Act, 2023, the mechanism of alternate dispute resolution has been revamped. Major highlights and departure points from previous regime are highlighted as under:

- (a) Previously, the initial proposition for resolution of the dispute including an offer of tax payment required to be filed with application for dispute resolution could not be retracted by a taxpayer. Through Finance Act, 2023, now a taxpayer is only required to offer an initial proposition for resolution of the dispute including an offer of tax payment;
- (b) The Board will appoint the committee within 15 days of receipt of application for dispute resolution instead of previous 45 days;
- (c) The third member of the dispute resolution committee which previously was appointed through consensus between the Chief Commissioner and taxpayer nominated member from the panel has been replaced with a retired judge not below the rank of a judge of a High Court, who will also be the Chairperson of the dispute resolution committee, to be nominated by the Board from a panel notified by the Law and Justice Division;
- (d) Previously, both taxpayer and Commissioner were required to withdraw pending appeals before appellate fora in respect of the dispute. Now no such requirement of withdrawal of appeal is binding on both taxpayer and the Commissioner for the resolution of the dispute. The Board will only communicate the order of appointment of Committee to the aggrieved person, court of law or the appellate authority where the dispute is pending and to the concerned Commissioner;

- (e) Dispute resolution committee will decide the dispute within 45 days extendable by 15 days for reason to be recorded in writing. Previously, the dispute resolution committee was bound to decide the dispute within 120 days;
- (f) Recovery of tax payable by the taxpayer in connection with the dispute will be deemed to be stayed from the constitution of the committee till decision or dissolution of committee. Previously, the deemed stay was applicable from withdrawal of appeal from appellate fora till decision or dissolution of committee;
- (g) The decision of the committee will be binding on commissioner after the aggrieved person has withdrawn his appeal and communicate the same to Commissioner within 60 days of such decision instead of previous binding nature of decision to both Commissioner and aggrieved person;
- (h) The Commissioner will withdraw the appeal pending before any court of law or an appellate authority within thirty days of the communication of the order of withdrawal of appeal by the aggrieved person to the Commissioner subject to payment of income tax and other taxes within such time as decided by the Committee.

**12. Recovery of Liabilities outstanding under other laws**

A new section 146D has been introduced in the Ordinance through Finance Act, 2023 enabling the Commissioner Inland Revenue to recover the outstanding amount of liabilities which is treated as income tax arrear and payable in or under any other statute or law for the time being in force enacted through an Act of Parliament.

**13. Payment of Advance Tax u/s 147 by Builders and developers**

A new sub-section (5C) has been inserted in section 147 through Finance Act, 2023 whereby builders and developers, instead of discharging advance tax liability on the basis of tax payable to turnover ratio, are now required to compute their advance tax liability on the basis of area and size of the building or land development project and the liability so computed will be paid in terms of other provisions of the section 147 of the Ordinance. The rates of tax for the purpose of sub-section (5C) of section 147 have been provided in Part IIB of First Schedule to the Ordinance. The advance tax will be computed by builders

and developers on the basis of rates provided in aforementioned division which will be paid in four equal quarterly installments and shall be paid in terms of sub-sections (5) and (5A) of section 147. Furthermore, the builder and developer will compute and pay the advance under this section on project-to-project basis. Rules for the purpose of sub-section (5C) of section 147 will be notified accordingly.

**14. Automatic issuance of exemption certificate u/s 152**

For ease of doing business, automatic issuance of exemption certificate has been provided under sections 159 ad 153 of the Ordinance. However, the same facilitative measure was missing in section 152. For achieving the purpose of ease of doing business also for resident persons who intends to make time bound payments to non-resident persons, a new proviso has been inserted vide Finance Act, 2023 in sub-section (5A) of section 152 of the Ordinance whereby an application filed by a taxpayer for issuance of exemption certificate will be deemed to have been granted after expiry of 30 days from the date of application where the Commissioner Inland Revenue fails to pass an order within said period of 30 days.

For computing the above mentioned period of 30 days, the adjournment period sought by the applicant will be excluded. Furthermore, Commissioner Inland Revenue has been empowered to modify or cancel the certificate issued automatically by Iris on the basis of reasons to be recorded in writing and after providing an opportunity of being heard to the taxpayer to whom exemption certificate has been issued automatically.

**15. Amendments made in section 154A read with Division IVA of Part III of First Schedule to the Ordinance**

- (i) An exporter of IT & ITeS is charged to concessionary final tax rate of 0.25% on export proceeds realised if such exporter is registered with and duly certified by the Pakistan Software Export Board (PSEB). The exporters of IT & ITeS can avail above referred concessionary final tax rates after fulfilment of conditions listed in sub-section 2 of section 154A of the Ordinance. One such condition was filing of sales tax returns if required to be filed. In order to facilitate the exporters of IT & ITeS, through Finance Act, 2023, a new proviso has been inserted in sub-section (2) of section 154A, whereby the aforesaid mandatory condition

of filing of sales tax return if required, for the purpose of availing concessionary final tax regime under this section has been withdrawn. Needless to say that this relaxation is for availing reduced rate of 0.25% under section 154A of the Ordinance, and does not by itself absolve the exporter to file Sales Tax return under respective statutes if required to be filed.

- (ii) Furthermore, in order to provide certainty of tax rates for exporters for IT & ITeS, an amendment has been made in Division IVA of Part III of First Schedule to the Ordinance through Finance Act, 2023 whereby the concessionary final tax rate of 0.25% will continue for tax years 2024, 2025 and 2026.

**16. Advance Tax on Cash Withdrawal from Bank [Section 231AB]**

The Finance Act, 2023 has reintroduced tax collection on cash withdrawals from Non-ATL persons by Banks. A new section 231AB has been introduced, requiring every banking company to deduct advance adjustable tax @ 0.6% from a person whose name is not appearing in Active Taxpayer List, at the time of making payment for sum total of cash withdrawal (aggregate cash withdrawal) in a single day exceeding Rs.50,000/-. Cash withdrawals made on credit cards or from ATMs shall also be covered by this provision.

**Illustration:** If aggregate of cash amount withdrawn in a single day exceeds Rs.50,000, the tax is required to be deducted on the entire amount of cash withdrawn as illustrated below:

<u>Amount of Cash Withdrawal in a single day</u>	<u>Tax to be withheld @ 0.6%</u>
Rs. 50,000	Nil
Rs. 50,500	Rs. 303
Rs. 55,000	Rs. 330
Rs. 75,000	Rs. 450

The withholding tax on cash withdrawal is an adjustable tax against tax liability of the person for a tax year. The tax shall not be deducted in the case of withdrawals made by –

- (a) the Federal Government or a Provincial Government;

- (b) a foreign diplomat or a diplomatic mission in Pakistan; or
- (c) a person who produces a certificate from the Commissioner that his income during the tax year is exempt.

**17. Withholding Tax on Payments to Foreign Domestic Helpers Employed in Pakistan [Section 231C]**

Finance Act, 2023 has introduced a new section 231C whereby advance tax of Rs. 200,000 will be collected and deposited by any Pakistan authority issuing or renewing domestic aide visa to such foreign domestic worker. Such authority will collect this advance tax from the employer or sponsor or agency, as the case may be, at the time of issuance or renewing of domestic aide visa. This is an adjustable tax and the person from whom this tax has been collected can adjust this advance tax against tax liability assessed for a tax year. The provision of rule (1) of Tenth Schedule to the Income Tax Ordinance will apply if the person name, from whom the tax is collectable under this section, is not appearing in Active Taxpayer list.

**18. Extension of Exemption available to the erstwhile Tribal Areas:**

The exemptions available under clause (145A) of Part I of the Second Schedule to the Ordinance on any income that was not chargeable to tax prior to the commencement of the Constitution (Twenty-fifth Amendment) Act, 2018 (XXXVII of 2018) of any individual domiciled or company and association of persons resident in the erstwhile Tribal Areas forming part of the Provinces of the Khyber Pakhtunkhwa and Balochistan under paragraph (d) of Article 246 of the Constitution were expiring on 30<sup>th</sup> June, 2023. Through Finance Act, 2023, this exemption under clause (145A) of Part I of the Second Schedule to the Ordinance including exemption from tax withholding under clauses (109A) and (110) of Part IV of the Second Schedule to the Ordinance have been extended upto 30<sup>th</sup> June, 2024.

**19. Rationalization of Withholding Tax Rates:**

**(a) Increase in Withholding Tax Rates on Import of Goods by Commercial Importers**

The rate of withholding tax on import of goods falling in Part III of Twelfth Schedule to the Ordinance has been enhanced from 5.5% to 6% for commercial importers, which shall be minimum tax.

**(b) Increase in Withholding Tax Rates on Supply of Goods, on Rendering of Services and on Execution of Contracts**

Through Finance Act, 2023, rate of existing WHTs on payments made by resident and non-resident persons having Permanent Establishment in Pakistan have been increased by 1% of their existing rates in the following manner.

Description/ Section	Person	Previous rates		New rates	
		ATL	Non-ATL	ATL	Non-ATL
On supply of goods u/s 152(2A)(a)/ 153(1)(a)	Company	4%	8%	5%	10%
	Individual & AOP	4.5%	9%	5.5%	11%
On rendering of services u/s 152(2A)(b)/ 153(1)(b)	Individual, AOP & Company for specified services	3%	6%	4%	8%
	Company	8%	16%	9%	18%
	Individual & AOP	10%	20%	11%	22%
On execution of contract u/s 152(2A)(c)/ 153(1)(c)	Resident company	6.5%	13%	7.5%	15%
	Individual, AOP & non-resident company	7%	14%	8%	16%

**(c) Advance Tax on Motor Vehicle**

Previously, fixed amount of withholding tax was required to be collected by the withholding agent under section 231B of the Ordinance at the time of purchase or registration of motor vehicle having engine capacity of 2001cc and above. Through Finance Act, 2023, this fixed amount of tax on motor vehicle having engine capacity of 2001cc and above has been replaced with collection of tax at the rate of 6%, 8% and 10% of the value of motor vehicle having engine capacity of 2001cc to 2500cc, 2501cc to 3000cc and above 3000cc respectively. The aforementioned rates will apply for persons on ATL. In case of non-ATL persons, the rates will be

increased by two hundred percent i.e. 18%, 24% and 30% respectively in terms of second proviso to rule 1 of Tenth Schedule to the Ordinance.

The value of the motor vehicle having engine capacity of 2001cc and above for the purpose of collection of withholding tax is provided in the following manner:

- (i) Imported vehicle: The import value assessed by the Customs authorities as increased by customs duty, federal excise duty and sales tax payable at import stage.
- (ii) Vehicle manufactured or assembled locally in Pakistan: The invoice value inclusive of all duties and taxes.
- (iii) Auctioned Vehicle: the auction value inclusive of all duties and taxes.

It has been further provided that where engine capacity is not applicable and the value of vehicle is Rupees five million or more, the rate of tax collectible will be 3% of the import value as increased by customs duty, sales tax and federal excise duty in case of imported vehicles or invoice value in case of locally manufactured or assembled vehicles.

**(d) Increase in withholding tax rates on sale and purchase of immovable property**

Through Finance Act, 2023, the withholding tax rates on sale and purchase of immovable property have been increase from 2% to 3% under sections 236C and 236K respectively. Now any person responsible for registering, recording or attesting transfer of any immovable property at the time of registering, recording or attesting the transfer will collect 3% or 6% tax of the gross amount of the consideration received under section 236C from the seller on ATL or non-ATL respectively. Similarly, the aforementioned withholding agent will collect 3% or 10.5% tax of the fair market value under section 236K from the purchaser on ATL or non-ATL respectively.

**(e) Increase in Tax Rates on Payments to Non-Residents Persons Through Debit/Credit Card**

Section 236Y was introduced through Finance Act 2022, whereby payment to non-residents through a debit/credit card had been subjected to 1% withholding tax rate for ATL persons and 2% for Non-ATL persons.

These payments to non-resident persons have substantial impact on foreign exchange outflow from the country. In order to discourage unnecessary outflow of foreign exchange reserves, withholding tax rates under section 236Y have been increased from 1% to 5% for ATL persons and from 2% to 10% for non-ATL persons through Finance Act, 2023.



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