

Consulting | Training | Web based
Taxation Support Services

TAX TIP OF THE WEEK

Imputable income in relation to an amount subject to final tax means the income which would have resulted in the same tax, had this amount not been subject to final tax.

WEEKLY UPDATES (SROs, Circulars etc.)

Income Tax	
No update	
Sales Tax	
SRB-3-4/8/2016	20-June-2016
SRB Circular No. 3/2016	23-June-2016
General Order # 73/2016	22-June-2016
General Order # 68/2016	20-June-2016
Federal Excise Duty	
No update	

QUOTE OF THE WEEK

Correction does much, but encouragement does more. **Johann Wolfgang von Goethe**

BUSINESS TERM OF THE WEEK

Corporate governance

The framework of rules and practices by which a board of directors ensures accountability, fairness, and transparency in a company's relationship with its all stakeholders (financiers, customers, management, employees, government, and the community).

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

إِنَّ اللَّهَ اصْطَفَىٰ آدَمَ وَنُوحًا وَآلَ إِبْرَاهِيمَ وَآلَ عِمْرَانَ عَلَى الْعَالَمِينَ

Surah Al-i'Imran, Ayat 33

Maulana Muhammad Joona Garhi	بِسْمِ اللَّهِ تَعَالَىٰ نَعَمَ جِهَانِ كَلِّ لَوَّغُوں مِیْن سَعِ آدَمَ عَلَیْهِ السَّلَامُ كَوِ اَوَّلِ نُوْحٍ عَلَیْهِ السَّلَامُ كَوِ اِبْرَاهِیْمَ عَلَیْهِ السَّلَامُ كَلِّ خَانْدَانَ اَوْرِ عِمْرَانَ كَلِّ خَانْدَانَ كَوِ مَنْتَجِبَ فَرَمَايَا (۱)۔
Maulana Ishaq Madni	بِسْمِ اللَّهِ نَعَمَ جِهَانَ چِن لِيَا آدَمَ اَوْرِ نُوْحٍ كَوِ اَوْرِ اِبْرَاهِیْمَ اَوْرِ آلِ عِمْرَانَ كَوِ سَبِّ جِهَانُوں پَرِ،
Maulana Mahmood ul Hassan Deobandi	بِسْمِ اللَّهِ نَعَمَ جِهَانَ چِن لِيَا آدَمَ كَوِ اَوْرِ نُوْحٍ كَوِ اَوْرِ اِبْرَاهِیْمَ كَلِّ گُھَرِ كَوِ اَوْرِ عِمْرَانَ كَلِّ گُھَرِ كَوِ سَارَے جِهَانَ سَعِ
Maulana Fateh Muhammad Jalandhri	خُدَانِے آدَمَ اَوْرِ نُوْحٍ اَوْرِ خَانْدَانَ اِبْرَاهِیْمَ اَوْرِ خَانْدَانَ عِمْرَانَ كَوِ مَنْتَجِبَ فَرَمَايَا تَهَا
Maulana Ahmad Ali Lahori	بے شَكِّ اللَّهِ نَعَمَ آدَمَ كَوِ اَوْرِ نُوْحٍ كَوِ اَوْرِ اِبْرَاهِیْمَ كَلِّ اَوْلَادِ اِبْرَاهِیْمَ كَوِ اَوْرِ عِمْرَانَ كَلِّ اَوْلَادِ سَارَے جِهَانَ سَعِ پَسِنْدَ كِيَا بَے
Maulana Abul Aala Maududi	اللَّهُ نَعَمَ آدَمَ اَوْرِ نُوْحٍ اَوْرِ آلِ اِبْرَاهِیْمَ اَوْرِ آلِ عِمْرَانَ ۳۰ كَوِ مَنْتَجِبَ دُنْيَا وَاَوْلَادُوں پَرِ تَرَجِیْحَ دَے كَرِ (اِپْنِ رَسَالَتِ كَلِّ لِيَا) مَنْتَجِبَ كِيَا تَهَا۔
Maulana Abdur Rehman Kilani	اللَّهُ تَعَالَىٰ نَعَمَ آدَمَ كَوِ نُوْحٍ كَوِ آلِ اِبْرَاهِیْمَ اَوْرِ آلِ عِمْرَانَ كَوِ مَنْتَجِبَ فَرَمَايَا (۳۵) سَعِ (رَسَالَتِ كَلِّ لِيَا) مَنْتَجِبَ كِيَا تَهَا
Maulana Taqi Usmani	Verily, Allah has chosen 'Adam and NuH (Noah) and the House of Ibrahim and the House of 'Imran over all the worlds
Maulana Abdul Majid Daryabadi	Verily did Allah choose Adam and Nuh and the house of Ibrahim and the house of 'Imran out of the worlds
Sahih International	Indeed, Allah chose Adam and Noah and the family of Abraham and the family of 'Imran over the worlds -

صحیح بخاری: جلد اول: حدیث نمبر ۱۸۲۲ حدیث مرفوع مکررات ۱۷ متفق علیہ ۶

خالد بن مخلد، سلیمان بن بلال، ابو حازم، سہل بنی صلی اللہ علیہ وسلم سے روایت کرتے ہیں۔ آپ صلی اللہ علیہ وسلم نے فرمایا کہ جنت میں ایک دروازہ ہے جس کو ربان کہتے ہیں قیامت کے دن اس دروازے سے روزے دار ہی داخل ہوں گے کوئی دوسرا داخل نہ ہوگا، کہا جائے گا کہ روزہ دار کہاں ہیں؟ وہ لوگ کھڑے ہوں گے اس دروازہ سے ان کے سوا کوئی داخل نہ ہو سکے گا، جب وہ داخل ہو جائیں گے تو وہ دروازہ بند ہو جائے گا اور اس میں کوئی داخل نہ ہوگا۔

MEMBERS QUERIES

Question: Sir, What is the technical difference between Extra & Further Tax in sales tax.

Answer: The Manufacturer/Importer of Goods specified in Chapter XIII of Sales Tax Special Procedure Rules, 2007 is required to charge 2% extra tax resultantly the goods become exempt from levy of sales tax on further supplies.

The supplier is liable to charge 2% further tax to the person who is not registered under the Sales Tax Act, 1990.

Question: Please guide the application of super tax.

Answer: Please read section 4B of the Income Tax Ordinance, 2001. It is applicable to every banking company (payable @ 4% of the income) and person (Individual, AOP and other companies) other than banking company having income equal to or exceeding Rs. 500 million (payable @ 3% of the income).

Question: Our company is not registered in gst as we are a ngo. We are purchasing electronic items like air conditioners and water dispenser from a registered sales tax vendor. They are charging us 17% gst plus 2% additional tax and 2% further tax. We are not sure that the tax they are charging is correct or not? And as a withholding agent should we withheld 20% on 17% gst charged or on the whole 21% percent?

Answer: 1. Electronics Falls under Chapter XIII of the Sales Tax Special Procedure Rules, 2007 where 2% extra tax is charged by the Manufacturer/Importer and the item became exempt for further taxation towards downstream sales.

2. The supplier is charging 2% further tax, because you are not registered under the Sales Tax Act, 1990

3. It means he is rightly charging 21% sales tax

4. As well as withholding is concerned you'll have to withheld tax from the whole amount of sales tax i.e. 21% (17 + 2 + 2).