

TAX RATES FOR THE TAX YEAR 2020

TAX RATES FOR BUSINESS INDIVIDUALS*

1	Upto Rs 400,000	0%
2	Rs 400,001 To 600,000	5% of the exceeding Rs 400,000
3	Rs 600,001 To 1,200,000	Rs 10,000 + 10% of the amount exceeding Rs 600,000
4	Rs 1,200,001 To 2,400,000	Rs 70,000 + 15% of the amount exceeding Rs 1,200,000
5	Rs 2,400,001 To 3,000,000	Rs 250,000 + 20% of the amount exceeding Rs 2,400,000
6	Rs 3,000,001 To 4,000,000	Rs 370,000 + 25% of the amount exceeding Rs 3,000,000
7	Rs 4,000,001 To 6,000,000	Rs 620,000 + 30% of the amount exceeding Rs 4,000,000
8	Exceeding 6,000,000	Rs 1,200,000 + 35% of the amount exceeding Rs 6,000,000

TAX RATES FOR SALARIED INDIVIDUALS*

1	Upto Rs. 600,000	0%
2	Rs. 600,001 to Rs. 1,200,000	5% of the amount exceeding Rs 600,000
3	Rs. 1,200,001 to Rs. 1,800,000	Rs 30,000 + 10% of the amount exceeding Rs 1,200,000
4	Rs. 1,800,001 to Rs. 2,500,000	Rs 90,000 + 15% of the amount exceeding Rs 1,800,000
5	Rs. 2,500,001 to Rs. 3,500,000	Rs 195,000 + 17.5% of the amount exceeding Rs 2,500,000
6	Rs. 3,500,001 to Rs. 5,000,000	Rs 370,000 + 20% of the amount exceeding Rs 3,500,000
7	Rs. 5,000,000 to Rs. 8,000,000	Rs 370,000 + 22.5% of the amount exceeding Rs 5,000,000
8	Rs. 8,000,001 to Rs. 12,000,000	Rs 670,000 + 25% of the amount exceeding Rs 8,000,000
9	Rs. 12,000,001 to Rs. 30,000,000	Rs 1,345,000 + 27.5% of the amount exceeding Rs 12,000,000
10	Rs. 30,000,001 to Rs. 50,000,000	Rs 7,295,000 + 30% of the amount exceeding Rs 30,000,000
11	Rs. 50,000,001 to Rs. 75,000,000	Rs 13,295,000 + 32.5% of the amount exceeding Rs 50,000,000
12	Exceeding 75,000,000	Rs 21,420,000 + 35% of the amount exceeding Rs 75,000,000

TAX RATES OF COMPANIES

Banking Company	35%
Public & Private Company	29%
Small Company	23%

DEDUCTION ON INCOME FROM PROPERTY U/S 155 FOR IND & AOP

Upto Rs 200,000	Nil
Rs 200,001 To 600,000	5.0% of the gross amount Exceeding Rs. 200,000
Rs 600,001 To 1,000,000	Rs. 20,000 + 10.0% of the gross amount Exceeding Rs. 600,000
Rs 1,000,001 To 2,000,000	Rs. 60,000 + 15.0% of the gross amount Exceeding Rs. 1,000,000
Rs. 2,000,000 to Rs. 4,000,000	Rs. 210,000 + 20.0% of the gross amount Exceeding Rs. 2,000,000
Rs. 4,000,001 to Rs. 6,000,000	Rs. 610,000 + 25.0% of the gross amount Exceeding Rs. 4,000,000
Rs. 6,000,001 to Rs. 8,000,000	Rs. 1,110,000 + 30.0% of the gross amount Exceeding Rs. 6,000,000
Exceeding 8,000,000	Rs. 1,710,000 + 35.0% of the gross amount Exceeding Rs. 8,000,000

DEDUCTION ON INCOME FROM PROPERTY U/S 155 FOR COMPANIES

The rate of tax to be deducted shall be 15% of gross amount of rent

CAPITAL GAIN ON DISPOSAL OF IMMOVABLE PROPERTY

Where the gain does not exceed Rs. 5 Million	5%
Where the gain exceed Rs. 5 Million but does not exceed Rs.10 Million	10%
Where the gain exceed Rs. 5 Million but does not exceed Rs.15 Million	15%
Where the gain exceed Rs. 15 Million	20%

RATE FOR PROFIT ON DEBT - SECTION 7B

Where profit on debt does not exceed Rs. 5,000,000	15%
Where profit on debt exceeds Rs. 5,000,000 but not exceed Rs. 25,000,000	17.5%
Where profit on debt exceeds Rs. 25,000,000 but does not exceed Rs. 36,000,000	15%

FINAL DISCHARGE OF TAX

Nature Of Payment	Section	Rate (ATL)
Purchase of Locally produced edible oil by manufacturer of cooking oil or vegetable ghee or both	148A	2.0%
Dividend	150	7.5% to 15.0%
Exports	154	1.0%
Prize Bond(winning icom raffle, lottery, quiz@ 20% u/s156(2))	156(1)	15.0%
Commission on Petroleum Products	156A	12.0%

ADJUSTABLE TAX

Nature Of Payment	Section	Rate (ATL)
Royalty to Resident Persons	153(B)	15.0%

Nature Of Payment	Section	Rate (ATL)
Individuals & AOPs(having annual turnover Rs. 10 Million or more) & Companies (Except otherwise specified)	113	1.50% of Turnover
Oil Marketing Companies, Refineries, SSGCL, SNGPL, PIA, Dealer or Distributors of Fertilizers & Poultry Industry	113	0.75% of Turnover
Distributors of Pharma, Fast Moving Consumer goods Cigarettes, Petroleum Agent, Rice Mills & Flour Mills & dealers of sugar, cement & edible oil (if ATL in ST & IT)	113	0.25% of Turnover
Motorcycles Dealers	113	0.30% of Turnover
Imports of Remelttable Steel, Potassic Fertilizer, Urea, LNG, Cotton, Gold & Manufactures under SRO. 1125(1)/2011	148	1.0%
Persons Importing Coal	148	4.0%
All Other Imports including edible oil & packing material by Companies & Industrial Undertakings u/s 148 (8)	148	5.5%
imports of raw material, plant, machinery, equipment & parts by Ind. Undertaking or by large import house are adjustable 148(7)	148	6.0%
All other Imports including edible oil & Packing material	148(8)	1.75%
Imports of Plastic Raw Material by Ind. Undertaking for own.	148(8)	4.5%
Imports Commercial of Plastic Raw Material	148(8)	3.0%
Imports Commercial covered under SRO. 1125(1)/2011	148(8)	10.0%
Profit on debt upto Rs 500,000 (not minimum in case u/s)		15.0%
Profit on debt exceeding Rs 500,000 (7B or Company)	151	7.0%
Contracts by non-residents	152(1A)	4.0%
Sale of Goods (Comapanies)	153(1)(a)	4.5%
Sale of Goods (Other than Companies)	153(1)(a)	1.5%
Sale of Rice, Cotton Seed Oil & Edible Oils	153(1)(a)	2.0%
Sale by Distributer of Fast Moving Consumer Goods (Companies)	153(1)(a)	2.5%
Sale by Distributer of Fast Moving Consumer Goods (Others)	153(1)(a)	0.25%
Sale by dealers, sub-dealers of sugar, cement & edible oil	153(1)(a)	8.0%
Services (Companies)	153(1)(b)	10.0%
Services (Other than Companies)	153(1)(b)	3.0%
Transport Services, freight, air cargo, courier, hotel, security guards, manpower outsourcing, car rental, advertising excluding electronic & print media, software development, IT, tracking, building maintenance & allied.	153(1)(b)	1.5%
Electronic & Print Media advertising Services	153(1)(b)	7.0%
Contracts (Companies)	153(1)(c)	7.5%
Contracts (Other than Companies)	153(1)(c)	10.0%
Contracts (Sportspersons)	153(1)(c)	1.0%
Services of Stitching, Dyeing, Printing, Embroidery, Washing, Sizing & Weaving to Exporters	153(2)	10.0%
Advertising Commission		8.0%
Life Insurance Agent Commission upto Rs. 500,000	233(1)	12.0%
Brokerage & Commission (Other than above)	233(1)	4.0%
CNG Station on Gas bills	234A	
Electricity Bills	234(A) (a)	Upto Bill Rs. 360,000 PA Upto Bill Rs. 30,000 PM

TRANSITIONAL ADVANCE TAX

Nature Of Payment	Section	Rate (ATL)
Cash withdrawal from bank	231AA	231A
Sale by auction (right to collect tolls shall be final tax)	236A	10%
Sale or transfer of immovable property (same year minimum)	236C	1%
Functions and gatherings Minimumm Rs. 20,000 or Rs. 10,000 city wise & 5% of bill whichever is higher	236D	5%
Sale of distributors, dealers or wholesalers- Fertilizer		0.7%
Sale of distributors, dealers or wholesalers- Other	236G	0.1%
Sale to retailers - Electronics	236H	1%
Sale to retailers - Other	236H	0.5%
On dealers, commission agents and arhatis, etc.	236J	
Group or Class A	Rs. 100,000	Group or Class B
Group or Class C	Rs. 50,000	Any other category
Purchase of immovable property.	236K	1%
Banking transaction otherwise than through cash	236P	0.6% Not in ATL
Payment to resident for right to use machinery and equip	236Q	10%

PUNJAB AGRICULTURE INCOME TAX ACT.1997

1	Upto Rs 400,000	0%
2	Rs 400,001 To 800,000	Rs 1,000
3	Rs 800,001 To 1,200,000	Rs 2,000
4	Rs 1,200,001 To 2,400,000	5% of the amount exceeding Rs 1,200,000
5	Rs 2,400,001 To 4,800,000	Rs 60,000 + 10% of the amount exceeding Rs 2,400,000
6	Exceeding 4,800,000	Rs 300,000 + 15% of the amount exceeding Rs 4,800,000