

A. Communitie to all the concerned, immediately.

Government of Pakistan
Central Directorate of National Savings
Islamabad.

STATE BANK OF PAKISTAN
SBPBS - Bank Karachi
PRIZE BONDS DIVISION
23 FEB 2015
(SPMS) Unit 3(A)
Diary No1671

F.13(1)Rules.Sch-III/04.VOL-II

February 20, 2015

JD(PB)

OFFICE MEMORANDUM

DIRECTOR (CMD)
By. No. 56
Dated 24/2/15

Subject: - CLARIFICATION OF 15% WITHHOLDING TAX ON PRIZE MONEY ON NATIONAL PRIZE BONDS..

I am directed to refer to this Directorate U.O of even no. dated 01-07-2013 on the captioned subject and to enclose herewith a copy of clarification issued by Federal Board of Revenue, Islamabad vide letter no.1(36)WHT/2006.21555-R dated 12-01-2015 for compliance . This may be considered in supersession of all previous correspondence on the subject issue.

2. This issues with the approval of Director General, National Savings

(Zahoor Abbas)
Assistant Director
051-9215751

Distribution:-

1. The Director, Directorate of Inspection & Accounts, National Savings
2. All Regional Directors, Regional Directorate of National Savings.
3. All Zonal Inspection and Accounts Offices, National Savings.
4. All Regional Accounts Offices, National Savings.
5. Director Legal, CDNS.
6. Director Operation, CDNS.
7. ADS-I & ADS-II, CDNS.
8. Mr.Muhammad Mazharul Haq Director, SBP Banking Services Corporation (Bank)Head Office, Karachi with reference to his reference letter No.CMD/GSSAD /PBU/PB-94/2015-48 dated 09-01-2015.
9. Mr. Aamar Javed, Deputy Commissioner (Hqrs), Regional Tax office, Islamabad with reference to his letter No.CCIR/RTO/Coord.DT/13(5)2015/208 dated 03/02/2015.
10. Mr. Ishtiaq Ahmed, Officer Inland Revenue, Withholding Unit-I, (WHT)Zone, Regional Tax Office, Plot # 20, I & T Center, G-9/2, Islamabad with reference to his letter No.WHT Unit-I/2014/485 dated 02-02-2015.

Government of Pakistan
Revenue Division
Federal Board of Revenue

C.No.1(36)WHT/2006. 21555-R

Islamabad, February 12, 2015.

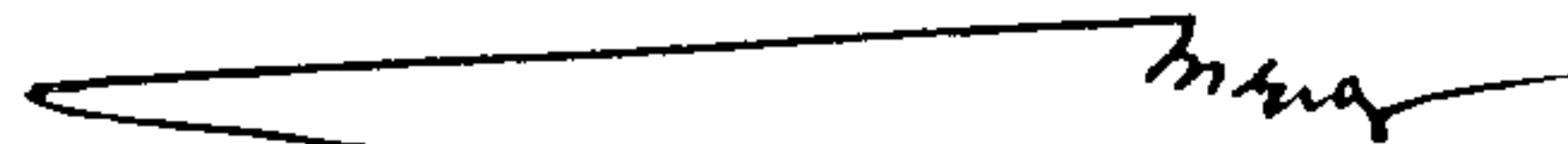
To

Mr. Zaheer Abbas,
Assistant Director,
Central Directorate of National Savings,
Islamabad.

SUBJECT: **CLARIFICATION OF 15% WITHHOLDING TAX ON PRIZE MONEY ON NATIONAL PRIZE BONDS**

Please refer to your letter No.F.13(1)Rules/2004 Vol-II dated 28.01.2015 on the subject.

2. I am directed to say that Section 156 of the Income Tax Ordinance, 2001 provides for deduction of tax on prize on a prize bond on the gross amount **paid** at the rate specified in Division VI of Part III of the First Schedule. Therefore, it is clarified that the rate of tax deduction as specified in Division VI of Part III of the First Schedule to the Income Tax Ordinance, 2001 is applicable at the time of payment in respect of prize on a prize bond irrespective of the date of draw.


(Muhammad Asghar Khan Niazi)
Secretary (Law and Clarification)