

# THE PUNJAB FINANCE ACT 1998

(VII of 1998)

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**TEXT**

**'THE PUNJAB FINANCE ACT 1998  
(VII of 1998)**

[30<sup>th</sup> June, 1998]

**An  
Act**

*to levy and enhance the rates of certain taxes, duties and fees in the Punjab.*

**Preamble.**— Whereas, it is expedient to levy and enhance the rates of certain taxes, duties and fees in the Punjab;

It is hereby enacted as follows:—

**1. Short title, extent and commencement.**— (1) This Act may be called the Punjab Finance Act 1998.

(2) It shall extend to whole of the Punjab.

(3) It shall come into force on and from the first day of July 1998.

**2. Amendment of Act II of 1899.**— In the Stamp Act, 1899 (II of 1899), in Schedule I—

(1) in Article 4, for the word “ten”, the word “twenty” shall be substituted;

(2) in Article 5—

(i) in sub-article (cc), for the word “fifty”, the words “one hundred” shall be substituted; and

(ii) in sub-article (d), for the word “twenty”, the word “fifty” shall be substituted;

(3) after Article 11-A, the following Article 11-B shall be added—

**“11-B. AUTHENTICATED DECLARATIONS** that is to Five thousand say declarations of newspapers, periodicals or printing rupees per presses authenticated by a legally competent Declaration authority.

**Explanation I.**— The duty shall be paid by the declarant.

**Explanation II.**— The declaration shall not be authenticated unless the duty is paid.”;

(4) in Article 48—

(i) in sub-article (a), for the words “one hundred”, the words “five hundred” shall be substituted; and

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<sup>1</sup>This Act was passed by the Punjab Assembly on 25th June, 1998; assented to by the Governor of the Punjab on 30th June, 1998; and, was published in the Punjab Gazette (Extraordinary), dated 30th June, 1998, pages 1577-1580.

- (ii) after sub-article (b), the following new sub-article (bb) shall be added–
  - “(bb) when given without consideration for One thousand authorising the attorney to sell any rupees.”; immovable property.
- (5) in Article 53, the following sub-article (d) shall be added–
  - “(d) when issued by a courier service (*i.e.* any private Five percent of establishment engaged in the business of the amount transmitting or carrying for consideration letters, received by the parcels or other such materials from one place to courier another) for payment made to it by the consignor service.”; and for transmitting any material or object.
- (6) after Article 63, the following new Article 63-A shall be added–
 

**“63-A. TRANSFER OF PROPRIETARY RIGHTS** The same duty that is to say proprietary rights transferred by any as leviable on Development Authority or any Housing Authority or Conveyance any Cooperative Society, and every instrument by [No.23(b)].” which the property of such Authority/ Society is transferred.

**3. Amendment of Act V of 1958.–** In the Punjab Urban Immovable Property Tax Act, 1958 (V of 1958)–

- (1) in section 3, for sub-section (8), the following shall be substituted–
  - “(8) From the first day of July, 1998 for calculating tax on owner occupied properties the annual value shall be increased by twenty five percent of the annual value existing on the said day.”;
- (2) in section 4–
  - (1) for clauses (d) and (e), the following shall be substituted–
    - “(d) buildings and lands or portions thereof used exclusively for educational purposes including schools, boarding houses and hostels owned by the Government or by a body owned or controlled by the Government;
    - (e) public parks, playgrounds and libraries;”;
  - (2) for sub-section (gg), the following shall be substituted–
    - “(gg) one residential house owned and occupied for his residence by a retired Government Servant of the Federation or a Province;”;
  - (3) clause (h) shall be omitted;
- (3) after section 5, the following new section 5-A shall be added–
 

**“5-A. Valuation Tables to Ascertain Annual Value.–** Notwithstanding the provisions of section 5, the annual value may be determined on the basis of such valuation tables and for such localities as may be notified by or under the authority of the Government.”; and

- (4) in section 7, in sub-section (1), in proviso (a), for the words “one year”, the words “three years” shall be substituted.

**4. Amendment of Act XXXII of 1958.**— In the Punjab Motor Vehicles Taxation Act, 1958 (XXXII of 1958), in the Schedule—

- (1) in serial number 2—
- (a) for the figures “1240”, “2440”, “3680” and “5000”, the figures “1500”, “2800”, “4200” and “6000” shall respectively be substituted; and
- (b) after the existing clause (g), the following new clause (h) shall be added—
- “(h) vehicles with long trailers or other vehicles with Rs. maximum laden capacity exceeding 16000 Kg. 7500/-.”;
- (2) in serial number 3, for sub-clause (d) (iii), the following shall be substituted—
- “(iii) more than 6 persons—
- (1) non-air-conditioned. Rs. 168/- per seat
- (2) air-conditioned Rs. 300/- per seat.”; and
- (3) in serial number 4—
- (a) for the figures “250”, “700” and “1200”, the figures “500”, “1000” and “1800” shall respectively be substituted; and
- (b) for sub-clause (iv) and clause (c), the following shall be substituted—
- “(iv) with engine power exceeding 1600 cc—
- (1) ordinary vehicles. Rs. 2,500/-
- (2) luxury vehicles as defined under section 7 of the Punjab Finance Act 1997. Rs. 5,000/-
- (c) seating capacity of more than 6 persons—
- (1) ordinary vehicles. Rs. 300/- per seat
- (2) luxury vehicles as defined under section 7 of the Punjab Finance Act 1997. Rs.5,000/- .”

**5. Amendment of Act XIV of 1973.**— In the Punjab Finance Act, 1973 (XIV of 1973) in the Second Schedule -

- (1) in serial number 1—
- (a) for the figures “30” in sub-serial (i), “30” in sub-serial (iii), “100” in sub-serial (iv) , “50”, “60”, “50”, “60” and “40” in sub-serial (xii), the figures

“50” in sub-serial (i), “50” in sub-serial (iii), “150” in sub-serial (iv), “150”, “200”, “150”, “200” and “50” in sub-serial (xii) shall respectively be substituted; and

- (b) after sub-serial number (xii), the following new sub-serial number (xii-a) shall be added–

“(xii-a) Tractor Commercial Rs. 100”;

- (2) in serial number 2–

- (a) for the figures “100” in sub-serial (iv), “80”, “100” in sub-serial (vii) and “40” in sub-serial (ix), the figures “150” in sub-serial (iv), “150”, “200” in sub-serial (vii), and “50” in sub-serial (ix) shall respectively be substituted; and

- (b) after sub-serial number (xii), the following new sub-serial number (xii-a) shall be added–

“(xii-a) Tractor Commercial Rs. 100”; and

- (3) in serial number 9, in the proviso–

- (a) the following clause (i) shall be added–

“(i) private cars, jeeps, station wagons and pick ups with engine power exceeding 1300 cc meant for purposes other than commercial shall be charged at the rate of two percent of the value of the vehicle;”;

- (b) the existing clauses (i), (ii) and (iii) shall be renumbered as (ii), (iii) and (iv) respectively.”

**6. Amendment of Act XV of 1977.**– In the Punjab Finance Act, 1977 (XV of 1977) in the Second Schedule, the following serial number 1-A, 9, 10 and 11 shall be added–

<b>“S.No.</b>	<b>Class of Person</b>	<b>Rate of tax per annum</b>
1-A	Companies registered under the Companies Ordinance 1984, but not paying income tax and working with a paid up capital–	
	(i) exceeding rupees one million but not exceeding rupees ten million;	Rs.2,000.00
	(ii) exceeding rupees ten million but not exceeding rupees fifty million;	Rs.5,000.00
	(iii) exceeding rupees fifty million.	Rs.10,000.00
9.	Prize Bond dealers and money changers.	Rs.5,000.00
10.	Car dealers, Jewelers, Electronic goods dealers, owners of general stores selling cosmetics	Rs.1,000.00

exclusively or with other goods.

11. Member of a Stock Exchange Rs.5,000.00”

**7. Amendment of Ordinance VI of 1980.**— In the Punjab Real Estate Agents and Motor Vehicles Dealers (Regulation of Business) Ordinance, 1980 (VI of 1980)—

- (1) in section 5, in sub-section (1), the proviso shall be omitted;
- (2) in section 6, in sub-section (2), the proviso shall be omitted; and
- (3) after section 9, the following new section 9-A shall be added—

**“9-A. Recovery of dues.**— Any amount due under this Ordinance shall be recoverable as arrears of land revenue.”

<sup>2</sup>[8. *Tax on mobile phone services.*— \* \* \* \* \* ]

<sup>3</sup>[9. *Tax on Luxury Clubs.*— \* \* \* \* \* ]

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<sup>2</sup>Deleted by the Punjab Finance Ordinance, 2000 (III of 2000),w.e.f.1.7.2000, s.13; and published in the Punjab Gazette (Extraordinary), dated 30.6.2000, pages 587-595, which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

<sup>3</sup>Deleted by the Punjab Finance Ordinance, 2000 (III of 2000),w.e.f.1.7.2000, s.13; and published in the Punjab Gazette (Extraordinary), dated 30.6.2000, pages 587-595, which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.