

THE PUNJAB FINANCE ORDINANCE, 1971
(XI of 1971)

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'THE PUNJAB FINANCE ORDINANCE, 1971

(XI of 1971)

[30th June, 1971]

**An
Ordinance**

to continue and levy certain taxes, fees and surcharges in the Province of the Punjab.

Preamble.— WHEREAS it is expedient to continue and levy certain taxes, fees and surcharges in the Province of the Punjab;

NOW, THEREFORE, in pursuance of the Martial Law Proclamation of 25th March, 1969, read with the Provisional Constitution Order, and in exercise of all powers enabling him in that behalf, the Governor of the Punjab is pleased to make and promulgate the following Ordinance:-

1. Short title, extent and commencement.— (1) This Ordinance may be called the Punjab Finance Ordinance, 1971.

(2) It shall extend to the whole of the Province of the Punjab, except the Islamabad Capital Territory.

(3) It shall come into force on and from the 1st day of July, 1971.

2. Definition.— In this Ordinance, unless there is anything repugnant in the subject or context, "Government" means the Government of the Punjab.

3. Substitution of Schedule to Punjab Act XVI of 1951 and Bahawalpur Act XII of 1949.— With effect from 1st July, 1971, the Schedules appended to the Punjab Agricultural Income Tax Act, 1951 and the Bahawalpur State Agricultural Income Tax Act, 1949, shall be substituted by the First Schedule to this Ordinance.

4. Surcharge on Agricultural Income Tax in certain Districts.— (1) There shall be levied and collected from every owner of land which is assessed to agricultural income-tax in the districts of Campbellpur², Dera Ghazi Khan³, Gujranwala, Gujrat, Jhelum, Jhang, Lahore, Lyallpur⁴, Mianwali, Multan, Muzaffargarh, Rawalpindi, Sahiwal, Sargodha, Sheikhupura and Sialkot, on the land revenue payable in the agricultural year, 1970-71, an additional amount of agricultural income tax by way of surcharge at the rates specified in the Second Schedule to this Ordinance.

¹This Ordinance was promulgated by the Governor of Punjab on 30th June, 1971; published in the Punjab Gazette (Extraordinary), dated 30th June, 1971, pages 749 to 762; saved by Article 281 of the Interim Constitution of the Islamic Republic of Pakistan (1972); and, validated by the Validation of Laws Act, 1975 (LXIII of 1975); and published in the Gazette of Pakistan (Extraordinary), Part I, dated 29.7.1975, s.2 and Schedule.

²Now 'Attock'.

³Not printed in the original Gazette.

⁴Now "Faisalabad".

Explanation.— For purposes of this section, “agricultural year” means the agricultural year as defined in the West Pakistan⁵ Land Revenue Act, 1967.

(2) The provisions of the Punjab Agricultural Income Tax Act, 1951, and the rules made thereunder, shall, so far as may be, apply to the assessment, collection and recovery of the surcharge imposed under this section.

5. Cinema Tax.— (1) There shall be levied and collected a tax on cinemas payable by the owners or managements thereof at the following rates for the financial year 1971-72:-

- (i) In the case of a cinema classed as a first class cinema. One thousand rupees.
- (ii) In the case of a cinema classed as a second class cinema. Five hundred rupees.
- (iii) In the case of a cinema classed as a third class cinema. One hundred rupees.

(2) If the person responsible for the payment of the tax under sub-section (1) fails to pay the tax within the period prescribed under the rules for its payment, he shall be liable to pay, in addition to the amount of such tax, a penalty not exceeding the amount of the tax payable.

6. Amendment of West Pakistan Act X of 1958.— In the West Pakistan⁶ Entertainments Duty Act, 1958, in its application to the Province of the Punjab—

- (i) in section 2, clauses (aa), (aaa), (hh), (ii) and (k) shall be deleted;
- (ii) in sub-section (1) of section 3, the colon occurring before the proviso shall be replaced by a comma, and between the comma so replaced and the proviso, the following shall be inserted: —
“in case such payment does not exceed rupees one, and at the rate of seventy-five per cent, excluding the amount of duty, in case such payment exceeds rupee one:”;
- (iii) in section 6, the words and comma “or in the case of any cinema, the entertainment duty is not paid in accordance with the provisions of section 6-A” shall be deleted;
- (iv) section 6-A shall be omitted;
- (v) in sub-section (2) of section 11, after clause (i), the word “and” shall be added, and clauses (i-a), (i-b) and (i-c) shall be deleted; and
- (vi) the Schedule shall be omitted.

7. Surcharge on Motor Vehicle Tax.— There shall be levied and collected in any area in which a tax is imposed on motor vehicles by or under any enactment in

⁵Now “Punjab”, see the Punjab Laws (Adaptation) Order, 1974 (Pb A.O. 1 of 1974); and published in the Punjab Gazette (Extraordinary), dated 20.11.1974, pages 1425-A to 1425-PP, see Article 2 and Schedule, Part III, at entry No.90 (w.e.f. 14.8.1973).

⁶Substituted by the Punjab Laws (Adaptation) Order, 1974 (Pb A.O. 1 of 1974); and published in the Punjab Gazette (Extraordinary), dated 20.11.1974, pages 1425-A to 1425-PP, see Article 2 and Schedule, Part III, at entry No.6 (w.e.f. 14.8.1973).

force, a surcharge on such tax, payable by the person by whom the tax is payable at the following rates for the financial year 1971-72:-

- | | | |
|------|---|---------------------|
| (i) | Motor vehicles used for the transport or carriage of goods and materials. | Twenty-five rupees. |
| (ii) | Motor vehicles plying for hire and licensed to carry more than eight persons. | Fifty rupees. |

8. Enhancement of Motor Vehicle Tax.— (1) With effect from 1st July, 1971, the Schedule to the West Pakistan⁷ Motor Vehicles Taxation Act, 1958 (W.P. Act XXXII of 1958), in its application to the Province of the Punjab, shall be substituted by the Third Schedule to this Ordinance.

(2) Section 11 of the West Pakistan⁸ Finance Act, 1965 (W.P. Act I of 1965), in its application to the Province of the Punjab, including the Fourth Schedule appended thereto, is hereby repealed.

9. Enhancement of fees relating to motor vehicles.— Notwithstanding anything to the contrary contained in the West Pakistan⁹ Motor Vehicles Ordinance, 1965 (W.P. Ordinance IX of 1965) or the West Pakistan Motor Vehicles Rules, 1969, the fees payable under the rules mentioned in column 2 of the Fourth Schedule to this Ordinance, shall, in the financial year, 1971-72, be paid at the rates specified in column 3 thereof.

¹⁰[10. *Enhancement of Electricity Duty.*— * * * * *]

¹¹[11. **No levying of tax on buildings and lands by local bodies.**— Notwithstanding anything to the contrary contained in the Municipal Administration Ordinance, 1960, the Basic Democracies Order, 1959, or the Punjab People's Local Government Ordinance, 1972, or any rule made thereunder, as from 1st of July, 1971, no local body shall levy, charge or collect tax on any building or land situated in any urban area in respect of which a notification has been made under sub-section (1) of section 3 of the West Pakistan¹² Urban Immovable Property Tax Act, 1958:

⁷Now "Punjab", see the Punjab Laws (Adaptation) Order, 1974 (Pb A.O. 1 of 1974) the Punjab Laws (Adaptation) Order, 1974 (Pb A.O. 1 of 1974); and published in the Punjab Gazette (Extraordinary), dated 20.11.1974, pages 1425-A to 1425-PP, see Article 2 and Schedule, Part III, at entry No.12 (w.e.f. 14.8.1973).

⁸Now "Punjab", see the Punjab Laws (Adaptation) Order, 1974 (Pb A.O. 1 of 1974) the Punjab Laws (Adaptation) Order, 1974 (Pb A.O. 1 of 1974); and published in the Punjab Gazette (Extraordinary), dated 20.11.1974, pages 1425-A to 1425-PP, see Article 2 and Schedule, Part III, at entry No.77 (w.e.f. 14.8.1973).

⁹Now "Provincial", see the Federal Adaptation of Laws Order, 1975 (P.O. 4 of 1975); and published in the Gazette of Pakistan (Extraordinary), dated 1.8.1975, pages 435-467, see Article 2(1) and Schedule, Part I.

¹⁰Deleted by the Punjab Finance Ordinance, 1980 (VIII of 1980); and published in the Punjab Gazette (Extraordinary), dated 21.6.1980, pages 631-A to 631-D, s.3 (w.e.f. 1.7.1980).

¹¹Substituted by the Punjab Finance Act, 1972 (I of 1972); and published in the Punjab Gazette (Extraordinary), dated 29.6.1972, pages 1155-1161, s.7 (w.e.f. 1.7.1972)

¹²Now "Punjab", see the Punjab Laws (Adaptation) Order, 1974 (Pb A.O. 1 of 1974) the Punjab Laws (Adaptation) Order, 1974 (Pb A.O. 1 of 1974); and published in the Punjab Gazette (Extraordinary), dated 20.11.1974, pages 1425-A to 1425-PP, see Article 2 and Schedule, Part III, at entry No.5 (w.e.f. 14.8.1973).

Provided that the tax assessed by a local body before the 1st of July, 1971, shall be paid to, received or recovered by such local body in accordance with the provisions of the said Ordinances, order or rules, as the case may be.

Explanation.— In this section, “local body” means a Municipal Committee constituted under the Municipal Administration Ordinance, 1960, a Town Committee constituted under the Basic Democracies Order, 1959, and a People’s Municipal Corporation, a People’s Municipal Committee and a People’s Town Committee constituted under the Punjab People’s Local Government Ordinance, 1972.]

12. Amendment of West Pakistan Act V of 1958.— In the West Pakistan¹³ Urban Immovable Property Tax Act, 1958, in its application to the Province of the Punjab—

(a) in section 3, for sub-sections (2) and (3), the following sub-sections shall be substituted:-

“(2) Subject to the provisions of sub-sections (3) and (4) there shall be charged, levied and paid a tax on annual value of buildings and lands in a rating area at the following scales:-

- (i) In case the annual value Fifteen per cent of the exceeds two hundred and annual value. sixteen rupees but does not exceed six thousand rupees.
- (ii) In case the annual value Seventeen-and-a-half per exceeds six thousand cent of the annual value. rupees but does not exceed twelve thousand rupees.
- (iii) In case the annual value Twenty per cent of the exceeds twelve thousand annual value. rupees but does not exceed twenty thousand rupees.
- (iv) In case the annual value Twenty-five per cent of the exceeds twenty thousand annual value. rupees.

(3) Where a building is occupied for residential purposes by the owner himself and if such owner or any member of his family does not own any other building in that rating area, he shall be allowed a deduction from the annual value at the following rates:-

- (i) In case the building is Four hundred and eighty-six situated in a first class rupees. Municipal Committee.
- (ii) In case the building is Three hundred and seventy-eight rupees. situated in any other urban area.

¹³*Ibid.*

(4) Government may, by notification, for reasons to be recorded, remit in whole or in part, the payment of the tax by any class of persons in respect of any category of property.

Explanation.— The annual value for the purpose of this section shall be the aggregate annual value of all buildings and lands owned by the same person in a rating area.

(5) The tax shall be due from the owner of buildings and lands.”; and

(b) after section 3, the following new section shall be added:-

“3-A. Shares of Municipal Committees and Town Committees in the tax.— Out of the tax collected under the Act from within the limits of a Municipal Committee or a Town Committee, the Government shall, after retaining five per cent thereof as collection charges, pay forty per cent of the balance to such Municipal Committee or Town Committee, as the case may be.”.

13. Amendment of Punjab Act I of 1914.— In section 3 of the Punjab Excise Act, 1914, for sub-clause (a) of clause (6), the following shall be substituted:-

“(a) any alcoholic liquor; or”.

14. Application of existing laws.— Where any tax, duty or surcharge imposed or any fee levied by this Ordinance is by way of an addition to, or a surcharge on any existing tax or duty imposed or fee levied by or under any enactment and rules in force in the Punjab, the procedure provided in such enactment and rules framed thereunder for the assessment, collection and recovery of such tax, duty or fee shall, so far as applicable, apply to the assessment, collection and recovery of the additional tax, duty, surcharge or fee, as the case may be.

15. Bar of suits in civil courts.— No suit shall lie in any civil court to set aside or modify any assessment, levy or collection of a tax, duty, surcharge or fee made under this Ordinance and the rules framed thereunder or any penalty imposed under sub-section (2) of section 5.

16. Power to make rules.— (1) Government may make rules for carrying into effect the purposes of this Ordinance and such rules may, among other matters, prescribe the procedure for the assessment, collection and payment of any tax, duty, surcharge or fee levied or the imposition of any penalty under this Ordinance, in so far as such procedure is not provided in this Ordinance.

(2) Any rules made or deemed to have been made under the corresponding provisions of the West Pakistan (Punjab) Finance Ordinance¹⁴, 1970, shall, so far as may be, continue in force and be deemed to have been made under this Ordinance.

¹⁴Now ‘Punjab Finance Ordinance,’ see the Punjab Laws (Adaptation) Order, 1974 (Pb A.O. 1 of 1974); and published in the Punjab Gazette (Extraordinary), dated 20.11.1974, pages 1425-A to 1425-PP, see Article 2 and Schedule, Part III, at entry No.103 (w.e.f. 14.8.1973).

FIRST SCHEDULE

(See Section 3)

Slabs of total land-revenue

Upto Rs. 200

More than Rs.200 but not more than Rs.500.

More than Rs.500 but not more than Rs.750.

More than Rs.750 but not more than Rs.1,000.

More than Rs.1,000 but not more than Rs.2,000.

More than Rs.2,000 but not more than Rs.3,000.

More than Rs.3,000 but not more than Rs.5,000.

More than Rs.5,000 but not more than Rs.8,000.

More than Rs.8,000 but not more than Rs.10,000.

More than Rs.10,000.

Amount of tax in respect of each slab

Nil.

One-half of the land revenue.

Equal to the land revenue.

One-and-a-half times the land revenue.

Twice the land revenue.

Two-and-a-half times the land revenue.

Three times the land revenue.

Four times the land revenue.

Six times the land revenue.

Seven times the land revenue.

SECOND SCHEDULE
(See Section 4)

Slabs of total land-revenue

Surcharge

Where the total land revenue payable does not exceeds Rs.349.

Nil.

Where the total land revenue payable exceeds Rs.349 but does not exceed Rs.499.

Rs.12

Where the total land revenue payable exceeds Rs.499 but does not exceed Rs.749.

Rs.24

Where the total land revenue payable exceeds Rs.749 but does not exceed Rs.999.

Rs.50

Where the total land revenue payable exceeds Rs.999 but does not exceed Rs.1,999.

Rs.100

Where the total land revenue payable exceeds Rs.1,999 but does not exceed Rs.4,999.

Rs.250

Where the total land revenue payable exceeds Rs.4,999 but does not exceed Rs.9,999.

Rs.500

Where the total land revenue payable exceeds Rs.9,999.

Rs.1,000

THIRD SCHEDULE

(See Section 8)

<i>Serial Description of motor vehicles</i>	<i>Annual rate of tax.</i>
No.	
1. Cycles (including motor scooters and cycles with attachment for propelling the same by mechanical process not exceeding 8 cwts. in unladen weight—	
(a) Bicycles not exceeding 200 lbs. in unladen weight.	Rs.20
(b) Bicycles exceeding 200 lbs. in unladen weight.	Rs.40
(c) Bicycles if used for drawing a trailer or side-car, in addition.	Rs.10
(d) Tricycles.	Rs.40
2. Vehicles not exceeding 5 cwts. in unladen weight, adapted and used for invalids.	Rs.5
3. Vehicles used for the transport or haulage of goods or materials (including tricycles weighing more than 8 cwts. in unladen weight):—	
(a) Electrically propelled vehicles not exceeding 25 cwts. in unladen weight.	Rs. 35
(b) Vehicles other than such electrically propelled vehicles as aforesaid not exceeding 12 cwts. in unladen weight.	Rs. 25
(c) All vehicles with maximum laden capacity upto 5,000 lbs. (including delivery vans) .	Rs. 165
(d) All vehicles with maximum laden capacity exceeding 5,000 lbs. but not exceeding 8,960 lbs.	Rs. 330
(e) All vehicles with maximum laden capacity exceeding 8,960 lbs. but not exceeding 13,440 lbs.	Rs. 550
(f) All vehicles with maximum laden capacity exceeding 13,440 lbs. but not exceeding 17,920 lbs.	Rs. 1,105
(g) All vehicles with maximum laden capacity exceeding 17,920 lbs.	Rs. 1,655
(h) Extra charges for trailer.	Rs. 138
4. Vehicles plying for hire and ordinarily used for the transport of passengers (taxis and buses) exclusively within the limits of a Corporation, a Municipality or a Cantonment:-	
(a) Tram Cars.	Rs. 15

(b)	Tri-cycles propelled by mechanical power (rickshaw cabs seating not more than 3 persons).	Rs. 250
(c)	Other vehicles seating not more than 4 persons.	Rs. 330
(d)	Other vehicles seating more than 4 but not more than 6 persons.	Rs. 415
(e)	Other vehicles seating more than 6 persons.	Rs. 50 per seat.
5.	Vehicles plying for hire and ordinarily used for the transport of passengers (taxis and buses) not exclusively within the limits of a Corporation, a Municipality or a Cantonment—	
(a)	Tram Cars.	Rs. 15
(b)	Tri-cycles propelled by mechanical power (rickshaw cabs seating not more than 3 persons).	Rs. 250
(c)	Other vehicles seating not more than 4 person.	Rs. 330
(d)	Other vehicles seating more than 4 but not more than 6 persons.	Rs. 415
(e)	Other vehicles seating more than 6 persons.	Rs. 100 per seat.

Note— The number of persons mentioned in Articles 4 and 5 does not include the driver and, as the case may be, the cleaner, the conductor or the attendant of the vehicle.

6.	Motor vehicles other than those liable to tax under the foregoing provisions of this Schedule—	
(a)	seating not more than one person	Rs. 84
(b)	seating not more than 3 persons.	Rs. 161
(c)	seating not more than 4 persons.	Rs. 240
(d)	seating more than 4 persons for every additional person that can be seated.	Rs. 60 per seat.

Note— Station wagons used for private purposes shall be taxed under Article 6.

FOURTH SCHEDULE

(See Section 9)

Serial No.	Description of fee and the relevant rule of the West Pakistan Motor Vehicles Rules, 1969	Rate of fee
1	2	3
1.	Fee for the test of competence to drive, under sub-rule (3) of rule 8.	Rs. 10
2.	Fee for a duplicate licence, under sub-rule (6) of rule 13, sub-rule (4) of rule 14 and sub-rule (4) of rule 15.	Rs. 10
3.	Fee for learner's driving licence, under sub-rule (2) of rule 19.	Rs. 10
4.	Fee for the issue of driving licence, under clause (i) of rule 26.	Rs. 20
5.	Fee for renewal of driving licence, under clause (ii) of rule 26—	
	(a) where the application for renewal is made within thirty days from the date of the expiry of the licence; and	Rs. 10
	(b) where the application for renewal is made after thirty days of the date of the expiry of the licence.	Rs. 20
6.	Fee for a duplicate certificate on loss or destruction of certificate of registration and certificate of fitness of a vehicle, other than a transport vehicle, under rule 37.	Rs. 10
7.	Fee for duplicate certificate on loss or destruction of certificate of registration and certificate of fitness of a transport vehicle, under rule 38.	Rs. 15
8.	Fee for duplicate certificate of a defaced or torn certificate of registration and certificate of fitness of a transport vehicle, under rule 39.	Rs. 15
9.	Registration fee under rule 42—	
	(a) in respect of a motor-cycle and an invalid carriage or a trailer not having more than two wheels and not weighing more than one ton unladen;	Rs. 10
	(b) in respect of a heavy transport vehicle;	Rs. 60
	(c) in respect of any other vehicle; and	Rs. 30
	(d) in respect of temporary registration of any vehicle.	Rs. 10
10.	Fee for transfer of ownership of a motor vehicle, under rule 47.	Same as in Serial No. 9 for registration.

FIFTH SCHEDULE

(See Section 10)

Rates of Electricity Duty

1. For energy consumed in respect of premises not falling under Article 2 of this Schedule, used for—
 - (a) Residential, office or commercial purposes. Two-and-a-half paise for each unit of energy consumed.
 - (b) An industrial undertaking. One-and-a-half paise for each unit of energy consumed.
 - (c) Tubewells and irrigation and agricultural machinery. One-and-a-half paise for each unit of energy consumed.

Explanation.— Premises which are used wholly or principally for carrying on manufacturing processes within the meaning of section 2 of the Factories Act, 1934, shall be deemed to be used for an industrial undertaking.

2. For energy consumed in respect of all premises where the supply of energy by a licensee is unmetered. Four paise for every rupee of flat charge realised by the licensee; provided that no duty shall be levied where such a charge does not exceed five rupees during a month.

SIXTH SCHEDULE

(See Section 10)

Exemptions–

- (i) The Central and the Provincial Governments, save in respect of premises used for residential purposes.
- (ii) Such autonomous bodies as may be exempted by Government by means of notification in the official Gazette.
- (iii) Local Authorities in respect of public lighting only.
- (iv) Mosques, churches and other places of public worship.
- (v) All domestic consumers using not more than 20 units in any one month.
- (vi) Energy consumed (including losses of energy) in generation, transmission and transformation.
- (vii) Energy generated by plants having capacity not exceeding 2 1/2 kilowatts.