

## **Punjab Finance Act, 1963**

**9 of 1963**

**[01 July 1963]**

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**Punjab Finance Act, 1963**

**9 of 1963**

**[01 July 1963]**

An Act to continue, levy and abolish certain taxes and duties in [3]  
[the Punjab] WHEREAS it is expedient to continue, levy and abolish  
certain taxes and duties in the province of [4][Punjab]; It is hereby  
enacted as follows:-

**1. Short Title, Commencement And Extent :-**

- (1) This Act may be called the [5][Punjab] Finance Act, 1963.
- (2) It shall come into force on and from the first day of July, 1963.
- (3) It shall extend, unless otherwise specified hereinafter, to the whole of [6][the Punjab].

**2. Definitions :-**

In this Act-

- (a) "Agricultural year" means the agricultural year as defined in the Punjab Land Revenue Act, 1887 (Act XVII of 1887);
- (b) "Government" means [7][the Provincial Government of the Punjab];
- (c) "Revenue year" means the revenue year as defined in the Sind Land Revenue Code, 1879 (Sind Act V of 1879).

**3. Section 3 :-**

[Surcharge on land revenue in certain districts]. Deleted by the Punjab Laws (Adaptation) Order, 1974 (Pb. A.O. 1 of 1974).

**4. Section 4 :-**

[Development cess]. Deleted by the Punjab Laws (Adaptation) Order, 1974 (Pb. A.O. 1 of 1974).

**5. 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 [8][\* \* \*] Campbellpur, Dera Ghazi Khan, Gujranwala, Gujrat, Jhelum, Jhang, Lahore, Lyallpur, Mianwali, Montgomery, Multan, Muzaffargarh, Rawalpindi, Sargodha, Sheikhpura and Sialkot, on the land revenue payable in the agricultural year 1962-63, an additional amount of agricultural income-tax by way of surcharge at

the rates specified in the Second Schedule to this Act.

(2) The provisions of [9][\* \* \*] the Punjab Agricultural Income-tax Act, 1951 (Punjab Act XVI of 1951) shall, so far as may be, apply to the assessment, collection and recovery of the surcharge imposed under this section.

### **5A. Amendment Of Schedule I To Act II Of 1899 :-**

Until the 30th June, 1964, Schedule I to the Stamp Act, 1899 (Act II of 1899) shall have effect as if-

(a) in Article I for the entries in the first and second columns, the following were substituted, namely:-

"ACKNOWLEDGMENT of a debt exceeding twenty rupees in amount or value written or signed by, or on behalf of, a debtor in order to supply evidence of such debt in any book (other than a bankers pass book) or on a separate piece of paper, when such book or paper is left in the creditors possession; provided that such acknowledgment does not contain any promise to pay the debt or any stipulation to pay interest or to deliver any goods or other property-

(i) if the amount or value does not exceed one hundred rupees 12 paisa.

(ii) in other cases 25 paisa.";

(b) in Article 53 for the entries except the exemptions in the first and second columns the following were substituted, namely:-

"RECEIPT (as defined by section 2(23) for any money or other property the amount or value of which-

(i) exceeds twenty rupees but does not exceed one hundred rupees 12 paisa.

(ii) in other cases 25 paisa".

### **6. Tax On Cinemas :-**

There shall be levied and collected a tax on cinemas payable by the owner or management thereof at the following rates for the financial year 1963-64:-

(i) In the case of a cinema classed as 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.

### **7. Tax On Callings, Professions, Etc :-**

There shall be levied and collected from the following classes of persons a tax of the amount specified against each for the financial year 1963-64:-

Class of persons Amount of tax

(i) Legal practitioners of not less than five years standing. Twenty rupees.

(ii) Income-tax practitioners. Twenty rupees.

(iii) Clearing agents, licensed or approved as Custom House agents. One hundred rupees.

(iv) Contractors supplying goods, commodities and services to the [12][Federal] Government or the Provincial Government or any local authority. Two hundred rupees or one hundred rupees or fifty rupees according to classification.

## **8. Tax On Trades, Import And Export Licences :-**

(1) For the financial year 1963-64 there shall be levied and collected from every person engaged in the import and export trade who holds a licence issued under the Imports and Exports (Control) Act, 1950 (Act XXXIX of 1950), a tax on the value of the goods imported or, as the case may be, exported against such licence, according to the scale set out in the Third Schedule to this Act.

(2) Government may, by a notification in the official Gazette, exclude any class of licence issued as aforesaid from the purview of sub-section (1) or, by a general or a special order in writing, exempt a person holding such licence from the payment of the whole or a part of the tax payable by him in respect of the goods imported or exported against such licence.

## **9. Tax On Motor Vehicles :-**

There shall be levied and collected in any area in which a tax is imposed on motor vehicles by or under any enactment a surcharge on such tax at the following rates for the financial year 1963-64:-

(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.

## **10. Tax On Railway Fares And Freights :-**

Until the 30th day of June, 1964, there shall be levied and paid on railway fares and freights a tax according to the scale set out in the Fourth and Fifth Schedules to this Act.

## **11. Section 11 :-**

[Tolls on vessels plying in inland water]. [Deleted by the Punjab Laws (Adaptation) Order, 1974 (Pb. A.O. 1 of 1974)].

## **12. Section 12 :-**

[Tolls on fares and freights on inland traffic by vessels]. [Deleted by the Punjab Laws (Adaptation) Order, 1974 (Pb. A.O. 1 of 1974)].

**13. Section 13 :-**

Surcharge on betting tax]. [Deleted by the Punjab Laws (Adaptation) Order, 1974 (Pb. A.O. 1 of 1974)].

**14. Enhanced Tax On Motor Vehicles :-**

With effect from 1st July, 1963, the Schedule to the [13][Punjab] Motor Vehicles Taxation Act, 1958 (West Pakistan Act No.XXXII of 1958) shall have effect subject to the modifications specified in the Sixth Schedule to this Act.

**15. Primary Education Surcharge :-**

(1) For the financial year 1963-64, a tax, called the Primary Education Surcharge, shall be levied on and collected from all persons who use the amenities and entertainment provided by any residential hotel.

Explanation- For the purposes of this section residential hotel shall mean a hotel as is equipped with a liquor bar and possesses not less than twenty-five rooms for lodging.

(2) (a) The surcharge shall be calculated at  $13\frac{1}{3}$  per cent of the amount charged by the management on account of the amenities and entertainment provided by the hotel.

(b) The charge on account of amenities and entertainment shall include the charge on account of sale of liquor consumed in the hotel, and service charges, if any.

(c) The charge on account of amenities and entertainment shall be calculated at 75 per cent of the gross amount charged by the hotel, the remaining 25 per cent being deemed to be the charge on account of foodstuffs and manufactured goods sold.

(3) The surcharge shall be shown as a separate item in the hotel bill and shall be collected by the owner or the management of the hotel and paid to Government.

(4) For the purposes of this section, Government may notify a list of such hotels as fulfil conditions mentioned in the explanation below sub-section (1).

(5) Government may, from time to time, by notification add to, delete or modify the entries in the list mentioned in sub-section

(4).

## **16. Section 16 :-**

## **17. Penalty :-**

If the person who is responsible for the payment of the toll or tax under section 7, 8, 11 or 16 or for the collection and payment of a toll or tax under section 12 or 15 fails to pay the tax or to collect and pay the tax, as the case may be, he shall be liable to pay a penalty not exceeding the amount of the toll, or tax payable.

## **18. Application Of Existing Laws :-**

Where any tax or surcharge imposed by this Act is by way of an addition to or a surcharge on any existing tax imposed by or under an enactment, the procedure provided in such enactment for the assessment, collection and recovery of such tax, shall, so far as applicable, apply to the assessment, collection and recovery of the additional tax or surcharge.

## **19. Power To Amend Or Vary An Act :-**

Government may, by notification, make such omissions from, additions to, adaptations and modifications of any[15][Punjab] Act as may be necessary for the purpose of the levy and collection of any tax imposed by this Act.

## **20. Rules :-**

(1) Government may make rules regarding-

- (i) classification of cinemas for the purposes of section 6;
- (ii) classification of contractors for the purposes of section 7;
- (iii) the procedure for the collection and payment of any tax or toll levied under this Act;
- (iv) any other matter incidental thereto.

(2) Any rules made or deemed to have been made under the corresponding provisions of the [16][Punjab] Finance Act, 1962 (West Pakistan Act No. I of 1962) shall, so far as may be, be continued and be deemed to have been made under this Act.

### **SCHEDULE 1**

#### **FIRST SCHEDULE**

(See SECTION 3)

Surcharge

Where the total land revenue and water rate for irrigation does not exceed Rs.

1,999 Nil

Where the total land revenue and water rate for irrigation exceeds Rs. 1,999 1½ per cent of such total.

## SCHEDULE 2

### SECOND SCHEDULE

(See SECTION 5)

Surcharge

Where the total land revenue payable does not exceed Rs. 349 Nil

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

Where the total land revenue payable exceeds Rs. 499 but does to exceed Rs. 749 Rupees twenty-four.

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

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

Where the total land revenue payable exceeds Rs. 1,999 but does not exceed Rs. 4,999 Rupees two hundred and fifty.

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

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

## SCHEDULE 3

### THIRD SCHEDULE

(See SECTION 8)

Amount of tax

When the licence is for an amount not exceeding Rs. 4,999 Nil

When the licence is for an amount exceeding Rs. 4,999 but not exceeding Rs. 9,999 Rupees ten.

When the licence is for an amount exceeding Rs. 9,999 but not exceeding Rs. 19,999 Rupees fifty.

When the licence is for an amount exceeding Rs. 19,999 but not exceeding Rs. 49,999 Rupees one hundred and fifty.

When the licence is for an amount exceeding Rs. 49,999 but not exceeding Rs. 99,999 Rupees five hundred.

When the licence is for an amount exceeding Rs. 99,999 Rupees one thousand.

## SCHEDULE 4

### FOURTH SCHEDULE

(See SECTIONS 10 AND 12)

Surcharge

Freights (goods)-

Where the freight on any consignment does not exceed Rs. 3 Nil

Where the freight on any consignment exceeds Rs. 3 but does not exceed Rs. 10 Six paisa.

Where the freight on any consignment exceeds Rs. 10 but does not exceed Rs. 25 Twelve paisa.

Where the freight on any consignment exceeds Rs. 25 but does not exceed Rs. 50 Twenty-five paisa.

Where the freight on any consignment exceeds Rs. 50 but does not exceed Rs. 75 Fifty paisa.

Where the freight on any consignment exceeds Rs. 75 but does not exceed Rs. 100

One rupee.

Where the freight on any consignment exceeds Rs. 100 but does not exceed Rs. 150 Two rupees.

Where the freight on any consignment exceeds Rs. 150 but does not exceed Rs. 225 Three rupees.

Where the freight on any consignment exceeds Rs. 225 but does not exceed Rs. 300 Four rupees.

Where the freight on any consignment exceeds Rs. 300 Four rupees plus one rupee for every hundred rupees in excess of three hundred rupees of freight.

#### SCHEDULE 5

##### FIFTH SCHEDULE

(See SECTIONS 10 AND 12)

Amount of tax

Fares (Passenger)-

On a First Class Ticket 50 paisa.

On a Second Class Ticket 25 paisa.

On an Inter Class Ticket 12 paisa.

On a Third Class or Deck Ticket 6 paisa.

Provided that no tax shall be levied where the fare does not exceed Rs. 3.

#### SCHEDULE 6

##### SIXTH SCHEDULE

(See Section 14)

1. For Article 3 of the Schedule attached to the [17][Punjab] Motor Vehicles Taxation Act, the following shall be substituted:-

"3. Motor vehicles used for the transport or haulage of goods or materials (including tri-cycles weighing more than 8 cwts. in unladen weight)-  
Rs.

(a) Electrically propelled but not exceeding 25 cwts. in unladen weight 35.00

(b) Vehicles other than such electrically propelled vehicles as aforesaid, not exceeding 12 cwts. in unladen weight 25.00

(c) All vehicles with maximum laden capacity up to 5,000 lbs. (including delivery vans) 120.00

(d) Vehicles with maximum laden capacity exceeding 5,000 lbs. but not exceeding 8,960 lbs. 240.00

(e) Vehicles with maximum laden capacity exceeding 8,960 lbs. but not exceeding 13,440 lbs. 400.00

(f) Vehicles with maximum laden capacity exceeding 13,440 lbs. but not exceeding 17,920 lbs. 800.00

(g) Vehicles with maximum laden capacity exceeding 17,920 lbs. 1,200.00

(h) Extra charges for trailer 100.00

2. In Article 5, for entries (b) and (c), the following shall be substituted:-

(b) Other vehicles seating not more than 4 persons 240.00

(c) Other vehicles seating more than 4 but not more than 6 persons 300.00

3. In Article 6, for entries (b) and (c), the following shall be substituted:-

(b) Other vehicles seating not more than 4 persons 240.00

(c) Other vehicles seating more than 4 but not more than 6 persons 300.00

4. For Article 7, the following shall be substituted:-

7. Motor Vehicles other than those liable to tax under the foregoing provision of this Schedule-

(a) Seating not more than one person 60.00

(b) Seating not more than three persons 110.00



(c) Seating not more than four persons 150.00

(d) Seating more than four persons-for every additional person that can be seated 40.00

Note-Station wagons used for private purposes shall be taxed under Article 7.

#### SCHEDULE 7

#### SEVENTH SCHEDULE

(See SECTION 16)

Amount of gains Rate of tax

Upto Rs. 10,000.00 Nil.

On the next Rs. 20,000.00 5 per cent.

On the next Rs. 70,000.00 10 per cent.

On the next Rs. 1,00,000.00 15 per cent.

On any amount exceeding Rs. 2,00,000.00 20 per cent.