

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
CENTRAL BOARD OF REVENUE

No.F.4(1)ITP/2006-CVT

Islamabad, September 14, 2006

To : Regional Commissioner of Income Tax,
Central Region,
Multan.

Subject: **CLARIFICATION OF CIRCULAR NO.2 OF 2006 DATED JULY 1, 2006 – LEVY OF CAPITAL VALUE TAX (CVT).**

I am directed to enclose copy of e-mail received from Bank Alfalah, Multan, wherein it has been brought to the knowledge of the Board that Registration authorities are demanding CVT on mortgage deeds executed by the banking companies without power of attorney.

2. The matter has been considered in the Board and it is clarified that registration of mortgage deed in favour of a bank (without power of attorney) does not attract CVT. However, CVT will be charged at the time of actual transfer of asset, in case of default in loan repayment.

(Sajjad Ali)
Secretary (IT Policy)
Tel: 9205561

Copy for information to all Regional Commissioners of Income Tax and Director Generals of Large Taxpayer Units.

Secretary (IT Policy)