

Government of Pakistan
Federal Board of Revenue
(Revenue Division)

No.C.4(1)ITP/2008-EC-Pt.3 Islamabad, the August 27, 2008

Circular No. 10 of 2008

Subject: **CLARIFICATION REGARDING DEFINITION OF
MANUFACTURE-CUM-EXPORTER.**

Vide the Finance Act, 2008, a new clause (66) of Part IV of the Second Schedule has been inserted in the Income Tax Ordinance, 2001, which provides exemption from withholding tax to “manufacturer-cum-exporter” from the provisions of section 235 of the Income Tax Ordinance, 2001, where the electricity bill exceeds Rs.20,000/- per month. The Board has received queries regarding the term “manufacturer-cum-exporter”. It is, hereby, clarified that the term “manufacturer-cum-exporter”, means a person whose exports for the preceding tax year constitute 80% or more of the goods manufactured by him.

(Ali Husnain)
Secretary (IT Policy)
Ph : 9205561