

Government of Pakistan  
Federal Board of Revenue  
(Revenue Division)

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Circular No. 13 of 2008  
**INCOME TAX.**

No.C.4(137)ITP/2003

Islamabad, October 23, 2008

Subject: **LEVYING OF WORKERS WELFARE FUND (WWF) UNDER WORKERS WELFARE ORDINANCE, 1971 IN PRESUMPTIVE TAX REGIME (PTR) CASES.**

Vide clause 12 of the Finance Act, 2006, the definition of "total income" under the WWF Ordinance, 1971, was substituted and the persons, who were required to file the statement, the profit (before taxation or provision for taxation) as per accounts or 4% of the receipts as per the statement filed under section 115 of the Ordinance, whichever is higher, were made liable to WWF. However, corresponding changes in section 4 of WWF Ordinance, 1971, were not made. In view of this lacuna in law, the chargeability of the WWF in PTR cases, where only statements under section 115 of the Income Tax Ordinance, 2001 were filed, was agitated by these taxpayers.

2. The FBR has taken up the matter with the Labour and Manpower Division (WWF Wing) and has pointed out the deficiency. The aforesaid Division has accordingly agreed that the status quo be maintained in PTR cases and demand of WWF for the tax years 2007 and 2008 may not be created, as it will not be maintainable by the appellate authorities.

3. The said lacuna, however, has been removed vide the Finance Act, 2008. In the wake of this amendment levy of WWF may be pressed, wherever exigible in Tax Year 2009.



**(Ali Husnain)**

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