

Government of Pakistan
Revenue Division
Federal Board of Revenue

C.No.1(12)WHT/2010

Islamabad, June 30, 2010.

CIRCULAR NO.06/2010
INCOME TAX

Subject: **FINANCE ACT 2010 – EXPLANATORY CIRCULAR ON NEWLY INTRODUCED ADVANCE TAX DEDUCTIBLE ON AIR TICKETS UNDER SECTION 236B OF THE INCOME TAX ORDINANCE 2001**

Through Finance Act 2010, a new section 236B has been inserted in the Income Tax Ordinance 2001. The new enactment provides that person preparing the air ticket shall charge advance tax on the **gross amount** of **domestic** air ticket, at the time of its purchase.

2. Accordingly a new *Division-IX* has been inserted in *Part-IV of the First Schedule* to the Income Tax Ordinance 2001, which provides that advance tax under section 236B shall be charged @ **5%** of the gross amount of domestic air ticket.

3. This enactment shall be effective from 1st July 2010 onwards.

(MOHAMMED IMTIAZ)
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