



**GOVERNMENT OF KHYBER PAKHTUNKHWA  
FINANCE DEPARTMENT**

**NOTIFICATION**

Peshawar, dated the 31.07.2020

**NO. BO(Res-III)/FD/2-2/2019-20/Vol-I:-** In exercise of the powers conferred under sub-section (1) of section 21 of the Khyber Pakhtunkhwa Finance Act, 2013 (XXI of 2013), the Government of Khyber Pakhtunkhwa is pleased to make the following amendment in its Second Schedule, namely- In the said Schedule, in entry at serial number 14 of the table thereof,

- (i) In column (2),
- the caption "**Reduced Rate of Tax**" and sub-entry relating thereto shall be omitted,
  - the caption "**Explanation**" and sub-entry relating thereto shall be omitted, and
  - for the existing "**Clarification**" in the end and sub-entry relating thereto, the following clarification and sub-entry relating thereto shall be substituted, namely, -  
**"Clarification:** For the purpose of removal of any doubt, it is clarified that for the purpose of this serial number:
    - construction services shall also cover all such construction and allied services as are financed and funded either under Annual Development Program (ADP) or under Public Sector Development Program (PSDP) and
    - self-construction of residential houses for personal use shall not be liable to tax."
- (ii) In column (3), for the words, bracket and figure "Fifteen Percent (15) %", the words, bracket and figure "Two Percent (2%) without any input tax adjustment" shall be substituted.

2. This notification shall take immediate effect.

  
**SECRETARY TO  
GOVERNMENT OF KHYBER PAKHTUNKHWA  
FINANCE DEPARTMENT**

Peshawar, dated the 31.07.2020

**Endst.No. & date even**

**Copy is forwarded to the:-**

- Chairman, Federal Board of Revenue, Islamabad.
- Member (Customs), Federal Board of Revenue, Islamabad.
- Principal Secretary to the Chief Minister, Khyber Pakhtunkhwa.
- The Director General, Khyber Pakhtunkhwa Revenue Authority (KPRA), Peshawar.
- Collector Customs, Model Customs Collectorate, Peshawar.
- The Director General Excise, Taxation and Narcotics Control, Khyber Pakhtunkhwa Peshawar.
- All Divisional Commissioners, Khyber Pakhtunkhwa.
- PSO to Chief Secretary, Khyber Pakhtunkhwa.
- Chief Executive Officer, Pakistan Revenue Automation Ltd.
- All Deputy Commissioners, Khyber Pakhtunkhwa.
- The Manager Government Printing Press, Peshawar for publishing the notification in the official gazette.
- The Section Officer (Cabinet), Establishment and Administration Department w/r to their letter No. SOC(E&AD)9-39/2020 dated 27.07.2020.

  
**BUDGET OFFICER (RESOURCE-III)  
FINANCE DEPARTMENT**