



ISO 27001 Certified

National Clearing Company of Pakistan Limited

8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi

NCCPL/CM/JULY-17/03

July 12, 2017

AMENDMENTS MADE THROUGH THE FINANCE ACT 2017

Dear Clearing Members,

This is with reference to the amendments made in the Income Tax Ordinance, 2001 through Finance Act 2017. In this regard, the amendments pertaining to the Capital Gain Tax (“CGT”) Regime implemented through National Clearing Company of Pakistan Limited (“NCCPL”) are listed below and they shall be effective from July 01, 2017:

➤ **Revision of Holding Period and Tax Rates for Filer and Non-Filer**

Tax rates to be paid under section 37A on disposal of securities listed on Pakistan Stock Exchange (“PSX”) shall be as follows:

Holding Period	Tax Year 2017		Tax Year 2018			
			Securities Acquired before July 1, 2016	Securities Acquired before July 1, 2016	Securities Acquired on or after July 1, 2016	Securities Acquired on or after July 1, 2016
	Filer	Non-Filer	Filer	Non-Filer	Filer	Non-Filer
	Tax Rate	Tax Rate	Tax Rate	Tax Rate	Tax Rate	Tax Rate
Where holding period of a security is less than twelve months	15%	18%	15%	18%	15%	20%
Where holding period of a security is twelve months or more but less twenty-four months	12.5%	16%	12.5%	16%		
Where holding period of a security is twenty-four months or more but the security was acquired on or after 1 st July, 2013	7.5%	11%	7.5%	11%		
Where the security was acquired before 1 st July, 2013	0%	0%	0%	0%	0%	0%

Furthermore, tax rate of cash settled derivatives traded on PSX for the tax years 2018 to 2020 shall be 5%.



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Please note that there may be further procedural changes in the CGT System after promulgation of corresponding amendments in the Income Tax Rules, 2002 in relation to the above mentioned provisions that are pending to date. Any such subsequent material changes shall be duly communicated.

For any further queries or concerns, please feel free to contact the Customer Support Services of your respective locations.

City	Telephone Number	UAN Number	Fax Number
Karachi	021-32460811-19 Ext. 209, 214, 217, 218 & 224 Dir. 021-32438531-32-33	021-111-111-622	021-32462825
Lahore	042-36280815-7		042-36280818
Islamabad	051-2895460-62		051-2895463

Regards,

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Rehan Saif
Head of PD & CSS

CC:

1. Executive Director - Policy, Regulation and Development Department - SMD
Securities & Exchange Commission of Pakistan - Islamabad
2. Member Inland Revenue - Federal Board of Revenue
3. Managing Director - Pakistan Stock Exchange Limited
4. Chief Executive Officer - Central Depository Company of Pakistan Limited
5. Managing Director - Pakistan Mercantile Exchange Limited
6. Chief Executive Officer - Mutual Fund Association of Pakistan