



National Clearing Company of Pakistan Limited

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

NCCPL/CM/NOVEMBER-19/02

November 5, 2019

COLLECTION OF MONTHLY CAPITAL GAIN TAX ARISING ON REDEMPTION OF UNITS OF FUNDS OR SCHEMES AND ON TRADING OF COMMODITY FUTURES AND DERIVATIVE PRODUCTS / CONTRACTS

The Asset Management Companies The Pakistan Mercantile Exchange Limited

This is with reference to monthly capital gain tax (CGT) deposits with NCCPL. As per NCCPL Regulations clause 28.4.2 all **Asset Management Companies (AMCs)** and **Pakistan Mercantile Exchange (PMEX)** are required to deposit capital gain tax within 10 working days of the month end with NCCPL.

Clause 28.4.2 is reproduced as follows:

“For collection of tax on capital gains, arising on disposal of Listed Securities, futures and derivative products/contracts listed at Exchange, the Company shall provide an exclusive set of collection information to respective Settling Banks of Clearing Members by 7th Settlement Date of each month through NCSS Pay & Collect for the amount of tax determined for previous month or months. Provided that such 7th Settlement Date shall be considered from the date of which the net CGT amount for previous month or months has been computed in CGT System and client/investor level reports of CGT have been made available to Clearing Members.

Tax on capital gains arising on redemption of units of funds or schemes and on trading of commodity futures and derivative products/contracts at PMEX shall be deposited by asset management companies and PMEX respectively, within 10 working days of the month end as per the Rules to Company.”

Therefore, all AMCs are required to deposit CGT from July 2019 to October 2019 by November 15, 2019.

For any further queries or concerns, please feel free to contact the Customer Support Department at UAN No. 021-111-111-622.

Regards,

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Rehan Saif

Head of PD, CSS & Marketing

CC:

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