

<sup>1</sup>[(18) The rate of withholding tax on value of offshore supply contract of an Independent Power Producer located wholly or partly in territories of AJ&K shall be 1% provided:

- (i) PPIB has issued Letter of Support for the project;
- (ii) its EPC Contract has been executed and submitted to NEPRA for EPC stage tariff determination prior to the enactment of Finance Act, 2018;
- (iii) offshore supply contract arrangement of offshore supply contractor having permanent establishment in Pakistan falls under the purview of cohesive business operation as contemplated under Income Tax Ordinance, 2001; and
- (iv) such 1% tax shall be full and final liability of the offshore contractor.

(19) The tax payable by woman enterprises on profit and gains derived from business chargeable to tax under the head "Income from Business" shall be reduced by 25%.

*Explanation.*—For the purpose of this clause a woman enterprise means a startup established on or after first day of July 2021 as sole proprietorship concern owned by a woman or an AOP all of whose members are women or a company whose 100% shareholding is held or owned by women:

Provided that benefit of this clause shall not be available to a business that is formed by the transfer or reconstitution or reconstruction or splitting up of an existing business.

(20) The tax payable by a person other than a banking or insurance company in respect of profit on debt from investment in Federal Government securities shall be fifteen percent of the gross amount of the profit on debt:

Provided that tax so payable shall be final tax on the income representing profit on debt from investment in Federal Government securities.]

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<sup>1</sup> Clauses (18), (19) and (20) inserted by the Finance Act, 2021.