

**SIND ACT NO.III OF 1995**  
**THE SINDH FINANCE ACT, 1995.**

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# SIND ACT NO.III OF 1995

## THE SINDH FINANCE ACT, 1995.

[16<sup>th</sup> August, 1995]

An Act to rationalize, levy and enhance certain taxes and duties in the Province of Sindh.

**WHEREAS** it is expedient to rationalize, levy and enhance certain taxes and duties in the Province of Sindh;

**Preamble.**

It is hereby enacted as follows:—

1. (1) This Act may be called the Sindh Finance Act, 1995.

**Short title and commencement.**

(2) It shall come into force on and from 1<sup>st</sup> day of July, 1995.

2. In this Act, unless there is anything repugnant in the subject or context—

**Definitions.**

(a) "Government" means the Government of Sindh;

(b) "prescribed" means- prescribed by rules;

(c) "rules" means rules made under this Act.

3. In the Stamp Act, 1899, in its application in the Province of Sindh, in Schedule-I,

**Amendment of Act II of 1899.**

(a) after Article 6, the following new Article shall be inserted—

**"6-A.—ALLOTMENT ORDER** in respect of plots and flats issued by a developer or builder—

(i) in the case of plots of 400 sq. yds. and above. Two percent of the cost of the plot.

(ii) in the case of flats having covered area exceeding 1500 sq. ft. One percent of the cost of the flat.

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Explanation: — The expressions “developer” and “builder” shall have the same meanings as aye assigned to them in the Sindh Buildings Control Ordinance, 1979.

- (b) in Article 14, in column 2, for the words “One hundred rupees” the words “Ten rupees for every one lac rupees or part thereof of the value at the Bill subject to a minimum of one hundred rupees” shall be substituted;
- (c) in Article 20, in column 2, for the words “Ten rupees”, the words “One hundred rupees for every one lac rupees or part thereof of the value of the charter party” shall be substituted;
- (d) after Article 20, the following new Article shall be inserted:-  
“21.— Cheque, Pay Order or Bank Draft-Fifty paisa”.
- (e) in Article 37, against entry in clause (c), in column 2, for the words “Fifty’ rupees”, the words “One hundred rupees” shall be substituted:
- (f) for Article 63-A, the following shall be substituted:—

“63—A.— Transfer of an allotment order of plot before lease—

- (a) in the case of residential plots—
  - (i) exceeding 200 sq. yds. but Four rupees per sq. yd. not exceeding 240 sq. yds.
  - (ii) exceeding 240 sq. yds, but Five rupees per sq. yd. not exceeding 400 sq. yds.
  - (iii) exceeding 400 sq. yds. Ten rupees per sq. yd.
- (b) in the case of commercial plots, Twenty five rupees per sq. yd.

4. In the Sindh Urban Immovable Property Tax Act, 1958, after section 7-B, the following new section shall be inserted: —

**Amendment of  
West Pakistan Act  
V of 1958.**

**Additional  
Surcharge**

“7-C. There shall be levied and collected an additional surcharge on the tax at the rate of twenty five percent of such tax:

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Provided that the additional surcharge shall not be levied on a building on a plot of less than six hundred square yards and a flat having covered area below the two thousand square feet used exclusively for residential purposes."

5. In the Sindh Motor Vehicles Taxation Act, 1958, in the Schedule, in entries at serial No.6(i) and (ii), for the figures "100" and "200", the figure "200" and "300" shall be substituted respectively.

**Amendment of  
West Pakistan Act  
XXXII of 1958.**

6. In the Sindh Finance Act, 1964.

**Amendment of  
West Pakistan Act  
XXXIV of 1964.**

(i) in the Fifth Schedule, for serial No.2 and entries thereunder, the following shall be substituted: —

"2. Domestic	one paisa per unit of energy
Office or commercial	one paisa per unit of energy
industrial undertakings.	one and a half paisa per unit of energy

Tube wells and Irrigation and Agricultural machinery. One paisa per unit of energy."

(ii) in the Seventh Schedule, in serial No.2, after its entries, the following Explanation shall be added:—

**"Explanation:—** The paid up share capital in the case of Foreign Banks shall be the minimum paid up capital as determined by the State Bank of Pakistan."

7. In the Sindh Finance Act, 1977, in section 8—

**Amendment of  
Sindh Act VII of  
1977.**

(i) for sub-section (1), the following shall be substituted: —

"(1) There shall be levied a tax on hotels to be called the hotel tax on advalorem basis at the rate of seven and half percent of room rent per lodging unit per day as specified below:—

(a) in the case of a hotel on sixty percent of the total charging one hundred number of lodging units rupees or above but not exceeding four hundred rupees.

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- (b) in the case of a hotel on seventy percent of the total charging above four hundred rupees but not exceeding seven hundred rupees;
  - (c) in the case of a hotel on eighty percent of the total charging above seven hundred rupees but not exceeding one thousand rupees.
  - (d) in the case of a hotel on eight five percent of the charging exceeding one thousand rupees.
- (ii) in sub-section (4), in the Explanation, after clause (b), the following new clause shall be inserted:—
- “(c) "room rent" includes the charges for air-condition, eatables including complimentary breakfast, services or other facilities normally provided to a customer occupying the lodging unit.”.

8. In the Sindh Finance Act, 1994, in section 8, for the words “eighty percent”, the words “seventy-five percent” shall be substituted.

**Amendment of Sindh Act No.XIII of 1994.**

9. There shall be levied and collected in such manner as may be prescribed a tax on all ceremonial parties or gatherings including marriage parties, birthday celebrations, annual and periodical meetings, get-together and receptions arranged in a marriage hall, lawn, community centre or hall, club, gymkhana or hotel at the rate of two hundred and fifty rupees per party or function from the person referred to in section 7 of the Sindh Finance Act, 1994.

**Tax on ceremonial parties, functions, etc.**

10. Government may make rules for carrying into effect the purpose of this Act and such rules may among other matters, prescribe the procedure for the assessment collection and payment of and exemption from the taxes and cesses levied under this Act.

**Rules.**