

**AZAD GOVT. OF THE STATE OF JAMMU & KASHMIR,
LAW & PARLIAMENTARY AFFAIRS SECRETARIAT,**

MUZAFFARABAD.

Dated the September 8, 1974

No. 2272/SL/74. The following Act of the Legislative Assembly received the assent of the President on the 31st of August, 1974, and is hereby published for general Information:-

(ACT XV OF 1974)

An Act to give effect to the Financial Proposals of the Azad Govt. of the State of Jammu & Kashmir for the year beginning on the First day of July, 1974 and to Amend the Law relating to the Income Tax.

PREAMBLE WHEREAS it is expedient to make provisions to give effect to the financial proposals of the Azad Government of the State of Jammu and Kashmir, and to amend the Law relating to the Income Tax for the purposes hereinafter appearing ;

It is hereby enacted as follows :-

1. **Short title Extent and Commencement.**- (1) This Act may be called the Azad Jammu and Kashmir Finance (Supplementary) Act, 1974.
(2) It shall extend to the whole of Azad Jammu and Kashmir.
(3) It shall come in to force at once and shall be deemed to have taken effect from the first day of July, 1974, and all orders Notifications made not inconsistent with the provisions of this Act; shall be deemed to have been made under this Act and shall continue in force.
2. **Amendment of Act XI of 1922**:- The following amendments shall be made in the income Tax Act, 1922 (XI of 1922), namely:-

(1) In section 2- for clause (14) the following shall be substituted and shall be deemed always to have been so substituted, namely

“(14)” tax means income-tax, super-tax, surcharge and additional tax chargeable or payable under this Act and includes any interest, penalty, fee or any sum or amount or other charge livable or payable under this Act”.

(2) In section 4, in sub-section (3);

(a) In clause (xii), —after sub-clause (e) the following sub-clause shall be inserted, namely:-

"(f) in. respect of a building the erection of which is completed at any time between the 'first day of July, 1974, and the thirtieth day of June, 1980 (both days inclusive) and the building is intended to be, and is actually, used for residential purposes only, for a period of five years from the date of such completion, subject to the following limits., namely;

(i)	where the annual value does not exceed twelve thousand rupees	The whole or such value
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(ii)	In other cases	Six thousand rupees
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(b) clause (xiiaa) shall be re-numbered as (xiiaaa) and before the said clause (xiiaaa) as so re-numbered the following clause shall be inserted, namely:.

“(xiiaa) any income chargeable under the head Income from property" In respect of any unit of a building comprising multi storeyed flats, apartments or apartment houses if the annual value of the unit does not exceed three thousand

and six hundred rupees and the erection of the building is completed at any time between the first day of July, 1974 and the thirtieth day of June, 1980 (both days inclusive), for a period of five years from the date of such completion;":

- (c) In clause (xv), —
 - (a) in sub-clause (1), for the word "two" twice occurring and the word "Two", the word "ten" shall be substituted, and
 - (b) in sub-clause (2), for the word "two" twice occurring and the word "Two", the word "five" shall be substituted;
- (3) in section 5,-
 - (a) in sub-section (6),-
 - (i) for the words "notification in the official Gazette" the words an order in writing" shall be substituted;
 - (ii) for the word's, brackets, and figures beginning with the words "notification" and ending with the brackets and figure, "(3)", the words comma, brackets and figures "order either to the exclusion of or concurrently, with any other authority appointed under sub-section (2) or (3) as the Central Board of Revenue may direct" shall be substituted;
 - (b) in sub-section (7A), after the words "from one", occurring for the first time, the words "Commissioner or" shall be inserted ;
- (4) for section 15A, the following section shall be substituted, namely :-

"15A. Exemption of portion of earned income.— The tax

shall not be payable by an assessee in respect of the earned income, if any, subject to the following limits, namely:-

- (a) Where such income is chargeable under the head "Salaries"

(i)	where such income does not exceed twelve thousand and five hundred rupees.	The whole of such income or two thousand and five hundred rupees, whichever is the less.
(ii)	where such income exceeds twelve thousand and five hundred rupees.	Twenty percent of such income or five thousand rupees, whichever is the less.

- (b) In other cases :-

(i)	where such income does not exceed ten thousand rupees.	The whole of such income or one thousand rupees, whichever is the less.
(ii)	where such income exceeds ten thousand rupees	Ten percent of such income or two thousand rupees, whichever is the less.

Provided that where an assessed derives earned income from salaries" and sources other than "Salaries", the aggregate amount of income exempt under this section shall not be less than two thousand five hundred rupees and not more than five thousand rupees.

- (5) after section 15F, the following section shall be inserted, namely:-

"15-F. (1) Tax credit for investments:- Where a company invests any amount in the purchase of shares issued by a Company which fulfils the conditions specified in sub-section (6) credit for the amount so invested shall be given to the company against the tax payable by it in the manner hereinafter provided, at the following rates, namely :-

Where the industrial undertaking setup by the company located in

(a)	Baluchistan, Tribal Areas Northern Areas and Azad Kashmir.	Thirty per cent of the amount invested.
(b)	Other places excluding the Karachi and Hyderabad Talukas and Tehsils of Lyallpur and Lahore and such adjoining areas of Lahore Tehsil as may be notified by the Federal Government.	Fifteen per cent of the amount invested.

(2) The amount of the credit shall be deducted from the tax payable by the company in respect of the previous years in which the investment was made.

(3) Where no tax is payable by a company in respect of the year in which It makes such investment or where the amount, of tax payable is less than the amount of credit, the amount of credit or so much if it as has not been deducted, as the case may be, shall be carried forward and deducted from the tax payable by the company in the

following year and so on.

(4) Credit under this section shall not be available in respect of any shares acquired by purchase or transfer from a previous holder of such shares or in respect of any shares sold or transferred or otherwise disposed of within five years from, the date of their purchase.

(5) Where any credit is given under this section in any year in respect of any investment made in the purchase of any shares and subsequently such shares are sold, transferred or otherwise disposed of within five years of the date of their purchase, the company shall, notwithstanding anything to the contrary contained in any law for the time being in force, be liable to pay additional tax equal to the amount of the credit allowed to it in respect of the said shares and all the provisions of this Act shall apply accordingly.

(6) The following are the conditions referred to in subsection (1) that is to say the company is —

- (a) a company formed and registered in Pakistan / Azad Kashmir under the Companies Act, 1913 (VII of 1913) or a body corporate formed in pursuance of any government Act;
- (b) a public company as defined in the Companies Act, 1913(VII of 1913); and
- (c) a company engaged in an industrial undertaking, approved by the Central Board of Revenue for the purposes of this section.

(7) The Central Board of Revenue may make rules regarding the procedure for the grant of the credit and any other matter incidental to the operation of this section.

(8) in section 17, is sub-section (5), for the full stop at the end, a colon shall be substituted and thereafter the following proviso shall be added, namely:-

"Provided that as respects the assessments for the years beginning on the first day of July, 1975 and ending on the thirtieth-day of June, 1977, income-tax and supertax shall, subject to the other provisions of this Act, be payable on the total income as reduced by the said income.

(9) in section 18, in sub-section (3BB), after the words "deemed to be", the word "advance" shall be omitted;

(10) in section 24, in sub-section (2B), in the proviso, for the full stop at the end a colon shall be substituted and thereafter the following further proviso shall be added, namely:-

"Provided that as respects the assessments for the years-beginning on the first day of July, 1975 and ending on the thirtieth day of June, 1977, this sub-section shall have effect as if the year beginning on the first day of July, 1977 were the next following year for the years ending on the thirtieth day of June, 1975 and the thirtieth day of June, 1976 and the first proviso were omitted,";

(11) in section 26A,-

(a) in sub-section (3),

(i) after the word "Act" occurring for the second time, for the commas and words, "or where the firm has already been registered for the immediately preceding year, renew the registration" the words, commas, brackets and figures" and, subject to the provisions of sub-section (4), such firm shall be treated as a registered firm for the assessment year for which it is first registered and all subsequent years for so long as there is no change in

the constitution of the firm" shall be substituted;

- (b) in sub-section (5) the word, "or renewal of registration" twice occurring shall be omitted;
- (10) "31. Hearing of appeal.- Sub-Section (1), (2), (2 A), (2B), (3), (4), (5) and (6) of section 3 shall be re-numbered as sub-section (1), (2), (3), (4), (5), (6), (7) and (8) respectively.
- (11) 33. Appeals to the Appellate Tribunal:
 - (c) Section 33 shall be substituted, namely:-
 - (1) Any assessee objecting to an order passed by--
 - (a) an Appellate Assistant Commissioner under section 28, section 39 or section 31,
 - (b) an Inspecting Assistant Commissioner under section 34A, or
 - (c) an inspecting Assistant Commissioner exercising the powers conferred on an Income-tax Officer under sub-section (5) of section 5, may appeal to the Appellate Tribunal within sixty days of the date on which such order is communicated to him;

Provided that no appeal under this sub-section shall lie against any order of the Appellate Assistant Commissioner in respect of an order of assessment unless the assessee has paid half the amount representing the difference between the tax as determined on the basis of the order of the Appellate Assistant Commissioner and the tax payable under section 22A.

- (2) The Commissioner may, if he objects to any order passed by an Appellate Assistant Commissioner under section 31, direct the Income-tax Officer to appeal to the Appellate Tribunal against such order, and such appeal may be made within sixty days of the date on which the

order is communicated to the Commissioner by the Appellate Assistant Commissioner.

(2-A) The Tribunal may admit an appeal after the expiry of the sixty days referred to in sub-section (1) and 2 if it is satisfied that there was sufficient cause for not presenting it within that period.

(3) An appeal to the Appellate Tribunal shall be in the prescribed form and shall be verified in the prescribed manner, and shall, except in the case of an appeal referred to in sub-section (2), be accompanied by a fee of one hundred rupees and;

(b) After sub-section. (6) the following new subsection shall be added, namely:-

"(7) Notwithstanding anything to the contrary contained in this Act, all appeals made to the Appellate Tribunal before the first day of July, 1974 shall be disposed of by the Appellate Tribunal as if such appeals had been filed under this section and all the provisions of this Act shall apply accordingly,";

(12) in section 34,—

(a) in sub-section (I), the second proviso shall be omitted;

(b) in sub-section (2), in the proviso,—

(i) for clauses (ii) and (iii), the following shall be substituted, namely:—

"(ii) Where a notice under sub-section (1) was issued, within the time-limit specified in subsection (I.A), the assessment or re-assessment, as the case may be, may be made in pursuance of such notice within one

year from the end of the year in which such notice was served.";

- (c) In sub-section (2A), for the words "of eight years specified in the said sub-section before its" the words brackets, figures, comma and letter "specified in sub-section (1), (1A) and (2) before their" shall be substituted;

(13) in section 66,- —

- (a) for sub-section (1),-(2), (3), (4) and (4A), the following subjection shall be substituted, namely: —

(1) Within sixty days of the date upon which he is served with notice of an order under sub-section (4) of section 33, the assessee or the Commissioner may, by application in the prescribed form, accompanied where application is made by the assessee by a fee of one hundred rupees, require the Appellate Tribunal to refer to the High Court any question of law arising out of such order, and the Appellate Tribunal shall within ninety days of the receipt of such application draw up a statement of the case and refer it to the High Court.

(2) If on an application made under sub-section (1) the Appellate Tribunal refuses to state the case on the ground that, no question of law arises, the assessee or the Commissioner, as the case may be, may within ninety days from the date on which he is served with notice of the refusal, apply to the High Court and the High Court may if it is not satisfied with the correctness of the decision of the Appellate Tribunal frame a question of law and proceed to hear the case.

(3) In respect of cases referred to in sub-section (5) of section 5 where the Inspecting Assistant Commissioner performs the functions of an Income-tax Officer, reference in sub-section (I) to Commissioner shall be construed as reference to the Central Board of Revenue.

(4) If the High Court is not satisfied that the statements in a case referred under sub section(1) are sufficient to enable it to determine the question raised thereby the Court may refer the case back to the Appellate Tribunal to make such modification therein as the Court may direct in that behalf; and

(b) in sub-section (5), for words "such application" the words "such case" shall be substituted.

3. Income-tax and Super-tax.—(1) Subject to the provisions of sub-sections (2), (3), (4) and (5), in making any assessment for the year beginning on the first day of July, 1974,—

(a) income-tax shall be charged at the rates specified in part 1 of the first schedule; and

(b) the rates of super-tax shall for the purposes of section 55 of the Income tax Act, 1922 (XI of 1922), in this section referred to as the said section, be those specified in Part II of the First Schedule.

(2) In making any assessment for the year beginning on the first day of July, 1974:—

(a) Where the total income of an assessee, not being a company, includes an income chargeable under the head 'Interest on Securities' the income tax payable by the assessee on the part of his total income which consists of such inclusions shall be an amount bearing to the total amount of income-tax and super-tax payable according to the rates applicable under the operation of the Azad Jammu and Kashmir Finance Act, 1974, on his total income the same proportion as the amount of such inclusion bears to his total income; and

(b) Where the total income of a company includes any profits and gains from life insurance business,

super-tax payable by the company shall be reduced by an amount equal to 12.5 per cent of that part of its total income which consists of such inclusion; and

- (3) In making any assessment for the year beginning on the first day of July, 1974, where the assessee is a co-operative society, the tax shall be payable at the rates specified in paragraph A of part I, or paragraph B of Part I and paragraph A of Part II of the First Schedule as if the assessee were a company to which the proviso to sub-paragraph (1) of paragraph A of said Part II applied, whichever treatment is more beneficial to the assessee;

Provided that in calculating for the purposes of this subsection, the amount of income-tax at the rates specified in paragraph A of Part I of the First Schedule, no deduction in respect of any allowance or sums referred to in clause (i) of the proviso to the said paragraph shall be made.

- (4) (a) In making any assessment for the year beginning on the first day of July, 1974, where the total income of an assessee, not being a company to which the proviso to sub-paragraph (1) of paragraph A of Part II of the First Schedule does not apply, includes any profits and gains derived from the export of goods out of Pakistan income-tax and super-tax, if any payable by him in respect of such profits and gains shall, subject to the provisions of clause (b) and (c), be reduced by an amount computed in the manner specified hereunder:-

(i)		Where the goods exported abroad had not been manufactured by the assessee who	15 per cent of the income-tax and super-tax, if any, attributable to
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		exported them:—	export sales.
	(a)	and where the export sales during the relevant year exceed the export sales of the proceeding year.	Plus an additional percent for every increase of 10 percent in export sales over those of the proceeding year, subject to an overall maximum of 25 percent.
	(b)	and where the export sales during the relevant year do not exceed the export sales of the proceeding year.	minus 1 percent for every decrease of 10 per cent in export sales over those of the preceding year, subject to an overall minimum of 10 per cent.

(ii) Where the goods exported had been manufactured by the assessee who had exported them - - -

	(a)	Where the export sales do not exceed 10 percent of the total sales.	Nil
	(b)	Where the export sales	15 percent of the income tax and

		exceed 10 percent but do not exceed 20 percent of the total sales.	super-tax, if any, attributable to export sale.
	(c)	Where the export sales exceeds 20 percent but do not exceed 30 percent of the total sales.	20 percent of the income tax and super-tax, if any, attributable to export sales.
		Where the export sales exceed 30 percent of the total sales.	25 percent of the income tax and super-tax if any, attributable to export sales.

Provided that in the case of a registered firm super-tax payable by it under paragraph C on para II of the First Schedule shall be reduced under this clause by an amount calculated on the basis of the income-tax payable on its total income under paragraph A of Part I had it been the total income of an unregistered firm.

- (b) Nothing contained in clause (a) shall apply in respect of the following goods or Class of goods, namely:-
- (a) raw cotton;
 - (b) such other goods as may be notified by the Central Board of Revenue from time to time.
 - (c) The Central Board of Revenue may make rules Providing for the computation of

profits and the tax attributable to export sales and for such other matters as may be necessary to give effect to the provisions of this sub-section.

(5) In cases to which section 17 of the said Act, applies the tax chargeable shall be determined as provided in that section, but with reference to the rates referred to in sub-section (1), and in accordance, where applicable, with the provisions of sub-section (2).

(6) For the purposes of making deduction of tax under section 18, of the said Act, the rates specified in Part I and Part II of the First Schedule shall apply as respects the year beginning on the first day of July, 1974, and ending on the thirtieth day of June, 1975.

(7) For the, purposes of this section and of rates of tax imposed thereby, the expression "total income means total income as determined for the purposes of income-tax or super-tax, as the case may be, in accordance with the provisions of the said Act; and the expression "public company" means a company.

- (i) in which not less than fifty percent of the shares are held by the Government, or
- (ii) whose shares were the subject of dealings in a registered stock exchange in Azad Kashmir at any time during the previous year and remained listed on the stock exchange till the close of that year.

4. **Surcharge under Act, XI of 1922.** Surcharge under the Income Tax Act, of 1922(XI of 1922), shall be charged in respect of any assessment for the year beginning on the first day of July, 1974 at the rates specified in Part 111 of the First Schedule.

THE FIRST SCHEDULE

{ See Section 3 }

PART - I RATES OF INCOME TAX

- A. In the case of every individual, unregistered firm, an association of persons, Hindu undivided family and every artificial juridical person referred to in clause (9) of section 2 of the Income-tax Act, 1922 (XI of 1922), not being a case to which paragraph B of this Part applies -

1.	Where the taxable income does not exceed Rs. 2,000.	2.5 percent of the taxable income
2.	Where the taxable income exceeds Rs. 2,000 but does not exceed 4000	Rs. 50 plus 10 per cent of the amount exceeding Rs. 2,000
3.	Where the taxable income exceeds Rs. 4,000 but does not exceed 7,000	Rs, 250 plus 15 per cent of the amount exceeding Rs. 4,000
4.	Where the taxable income exceeds Rs. 7,000 but does not exceed 10,000	Rs, 700 plus 20 per cent of the amount exceeding Rs. 7,000
5.	Where the taxable income exceeds Rs. 10,000 but does not exceed 15,000	Rs, 1,300 plus 25 per cent of the amount exceeding Rs. 10,000
6.	Where the taxable income exceeds Rs. 15,000 but does not	Rs, 2,550 plus 30 per cent of the amount exceeding Rs. 15,000

	exceed 20,000	
7.	Where the taxable income exceeds Rs. 20,000 but does not exceed 25,000.	Rs, 4,050 plus 35 per cent of the amount exceeding Rs. 20,000
8.	Where the taxable income exceeds Rs. 25,000 but does not exceed 30,000.	Rs, 5,800 plus 40 per cent of the amount exceeding Rs. 25,000
9.	Where the taxable income exceeds Rs. 30,000 but does not exceed Rs. 35,000.	Rs, 7,800 plus 45 per cent of the amount exceeding Rs. 30,000
10.	Where the taxable income exceeds Rs. 35,000 but does not exceed Rs. 40,000.	Rs, 10,050 plus 50 per cent of the amount exceeding Rs. 35,000
11.	Where the taxable income exceeds Rs. 40,000 but does not exceed Rs. 50,000.	Rs, 12,550 plus 55 per cent of the amount exceeding Rs. 40,000
12.	Where the taxable income exceeds Rs. 50,000 but does not exceed Rs. 70,000.	Rs, 18,050 plus 60 per cent of the amount exceeding Rs. 50,000
13.	Where the taxable income exceeds Rs. 70,000 but does not exceed Rs. 100,000.	Rs, 30,050 plus 65 per cent of the amount exceeding Rs. 70,000
14.	Where the taxable income exceed Rs. 100,000.	Rs, 49,550 plus 70 per cent of the amount exceeding Rs. 1,00,000

Provided that

- (i) no income-tax shall be payable on a total income which before deduction of the sums, if any, exempt under the first, third and 4th proviso to sub-section (1) of Section (7) of section 15, section 15A, section 15AA, section 15C, section 15CC, section 15D, section 15F, section 15H, section 58F and section 58W of the income-tax Act, 1922 (XI of 1922) does not exceed Rs. 12,000;
- (ii) Where the total income of an assessee exceeds Rs. 12,000 but does not exceed Rs. 15,000, the income-tax payable shall not exceed fifty per-cent of the amount by which the total income exceeds Rs. 12,000;
- (iii) Where the total income includes any income from a share of the income, profits and gains of a firm to which paragraph C of Part II applies, such portion of the super-tax payable under the said paragraph as bears to the total amount of such super-tax the same proportion as his share of income, profits and gains of the firm bears to the total income of the firm shall be added to the income-tax payable by such partner under this paragraph and if the sum so arrived at exceeds seventy percent of the total income of such partner (including his share of income, profits and gains of the firm), the amount of income tax payable by him under this paragraph shall be reduced by the amount of such excess.

Explanation .- The expression "taxable income", as used in this paragraph, means-

- (a) in the case of an assessee to whom or to which sub-section (3) of section 3 or clause (A) of sub-section (1) of section 17 of the income Tax Act, 1922 (XI of 1922), applies the total income;

- (b) in any other case, the total income of an assessee as diminished by the allowance admissible under the first, third / and 4th provisos to sub-section of section 7, section 15, section 15A, section 15AA, section 15C, section 15CC, Section 15D, section 15F, section 15H, section 58F section 58W of the Income-tax Act, 1922 (XI of 1922).

(c)	In the cases of every local authority and in every case in which, under the provisions of the Income tax Act, 1922 (XI of 1922), income tax is to be charged at the maximum rate.	30 percent of the total amount.
(d)	In the case of every company, being a public company or a foreign association declared to be a company by the central Board of Revenue under clause (5A) of section 2 or the Income tax Act, 1922 (XI of 1922) on the total income, excluding such part of the total income as consists of any dividends or bonus or bonus shares to which sub paragraph (3) or sub paragraph (4) of paragraph A or Part II applies.	30 percent of such income.
(e)	In the case of every other company, on the total income excluding such part thereof as consist of any bonus or bonus shares to which sub paragraph (4) of paragraph A of part II applies.	30 percent of such income.

PART II
RATES OF SUPPER-TAX

1. In the case of a company,—

		Rates
(1)	on the total income, excluding such part of the total income as consists of dividends or bonus or bonus shares to which sub-paragraph (3) and (4) apply, where such company is a company to which paragraph C of Part I applies	35 percent of such income in the case of a banking company and 30 percent of such income in the case of a company other than a Banking Company.
(2)	on the total income excluding such part of the total income as consist of banusor bonus shares to which sub-paragraph (4) applies where such company is a company to which sub paragraph (1) does not apply.	35 percent of such income in the case of a Banking company and 30 percent of such income in the case of company other than a Banking company.

Provided that where a company, in respect of the profits and gain's liable to tax under the income-tax Act, 1922 (XI of 1922), has made such effective arrangements as may be prescribed by the Central Board of Revenue in this behalf for the declaration and payment in Azad Kashmir of dividends payable out of such profits and gains and for the deduction of tax from such dividends, rebate shall be allowed as follows:-

- (i) a rebate of 5 per cent to such company not being a Banking company if it is a public company;
- (ii) a rebate of 5 percent to such company not being a Banking Company if it is a public company to which clause (iii) does; not apply, if its paid-up capital plus free

reserves as on the last day of the previous year does not exceed Rs. 5,00,000 ;

- (iii) a rebate of 5 per cent on so much of the income, profits and gains of such company, being a public company, as are derived by it from an industrial undertaking if its paid-up capital plus free reserves as on the last day of the previous year does not exceed Rs. 10,00,000;
- (iv) a rebate of 10 per cent to such company in respect of its income, profits and gains to which sub-section (9) or section 10 of the income-tax Act, 1922 (XI of 1922); applies or which are derived by it in Pakistan from processing freezing, preserving and canning of food, vegetable, fruit, grain, meat, fish and poultry;
- (v) a rebate of 15 per cent to such company on so much of the income, profits and gains accruing or arising outside Azad Kashmir to which sub-section (4) of section 3 does not apply as are brought by it in Azad Kashmir.

Explanation.- The term "Industrial undertaking", as used in clause (iii) means as undertaking which is set up or commenced in Azad Kashmir on or after the 14th day of August, 1947, and which employs (i) ten or more persons in Azad Kashmir and involves the use of electrical energy or any other form of energy which is mechanically transmitted and is not generated by human or animal agency or which is •

- (i) engaged in –
 - (a) the manufacture of goods or materials or subjection of goods or materials to any process, which substantially changes their original condition ;
 - (b) ship-building ;
 - (c) generation, transformation, conversion, transmission or distribution of electrical

energy, or the supply of hydraulic power ;

- (d) the working of any mine, oil-well or ether source of mineral deposits not being an undertaking to which the Second and Third Schedules to the Income Tax Act 1922 (XI of 1922), apply; or

- (ii) any other industrial undertaking which may be approved by the Central Board of Revenue for the purposes of this clause.

(3) to which paragraph C Part I applies, on the amount representing income from dividends from a company having its registered office in Azad Kashmir.

(a)	where such dividends are received by a public company and are declared and paid by a company formed and registered in Azad Kashmir under the Companies Act, 1913 (VII of 1913), or a body corporate formed in pursuance of an Act of the Federal Legislature, in respect of the share capital issued subscribed and paid after the fourteenth day of August, 1947.	15 percent of such amount
(b)	In other cases	20 percent of such amount

- (4) On the whole of the amount representing the face value of bonus shares or the amount of any bonus issued by the company to its share holders with a view to increasing its paid-up capital-

(a)	Where a company which issued shares or bonus, as the case may be, is a public company	15 percent of such amount
(b)	In other cases	20 percent of such amount

B		In the case of every local authority on the whole of the total income	12.5 percent of total income
	C	In the case of every registered firm	
	(1)	Where the total income does not exceed Rs. 15,000	Nil
	(2)	Where the total income exceed Rs. 15,000 but does not exceed Rs. 30,000	5 percent of the amount exceeding Rs. 15,000
	(3)	Where the total income exceed Rs. 30,000 but does not exceed Rs. 60,000.	Rs. 750 plus 20 percent of the amount exceeding Rs. 30,000.
	(4)	Where the total income exceeds Rs. 60,000 but does not exceed Rs. 1,00,000	Rs. 3,750 plus 20 percent of the amount exceeding Rs. 60,000
	(5)	Where the total income exceeds Rs. 1,00,000	Rs. 11,750 plus 30 percent of

			the amount exceeding Rs. 1,00,000
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Explanation.—The term "registered firm" as used in this paragraph means a firm registered under section 26A of the Income-tax Act, 1922 (XI of 1922), or a firm treated as a registered firm under clause (b) of sub-section (5) of section 23 of the said Act.

PART III

(See Section 4)

RATES OF SURCHARGE

In the case of persons deriving income from the business of manufacture, purchase or sales of Jewellery including gold, silver, precious metals, stones and pearl and ornaments or other articles made thereof.	6 percent of such income
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Sd/- Asstt. Legal Remembrance
Azad Kashmir Govt.
Muzaffarabad.