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# ***Provincial Budget 2017***

## ***- Khyber Pakhtunkhwa***



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**A. F. FERGUSON & CO.**

**PROVINCIAL BUDGET 2017  
- KHYBER PAKTUNKHWA**

This Memorandum summarizes salient features of the provincial budget and the Finance Bill presented in the Provincial Assembly of Khyber Paktunkhwa. All amendments proposed through the Provincial Finance Bill are effective July 1, 2017 subject to approval by the Provincial Assembly of Khyber Paktunkhwa.

This Memorandum can also be accessed on our website [www.pwc.com/pk](http://www.pwc.com/pk)

June 8, 2017



Provincial Budget 2017 - KPK

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## KHYBER PAKTUNKHWA FINANCE BILL, 2017

### ***SALES TAX ON SERVICES – AMENDMENTS IN LIST OF TAXABLE SERVICES***

Scope of services related to facilities for travel has been proposed to be enhanced to include “Ride hailing services” in the list of services.

It is expected that corresponding amendment to levy sales tax would be notified by the provincial government.

Apart from the above, it is reported that amendment is proposed to exempt various services including money transfer, construction of bridges, gas supply and sanitation services. We understand that separate notification in this regard will be issued by KPKRA to give effect to this announcement.

### ***URBAN IMMOVABLE PROPERTY TAX***

Substantial increase in rates of property tax for residential properties is proposed. However, for commercial properties increase in tax is proposed only for properties used for CNG stations and services stations for vehicles.

### ***PROFESSIONAL TAX***

Professional tax rates have been proposed to be adjusted for certain companies.

Professional tax rates are enhanced for certain other trades and callings including non-specialists doctors, hakeems, homeopaths, diagnostic and therapeutic centers, departmental stores, cable operators, whole sale dealers, chemists / druggist / medical stores etc.