

**THE PUNJAB FINANCE ORDINANCE, 1978  
(XIII of 1978)**

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**<sup>1</sup>THE PUNJAB FINANCE ORDINANCE, 1978  
(XIII of 1978)**

[27<sup>th</sup> June, 1978]

**An  
Ordinance**

*to levy and enhance the rates of certain taxes and duties in the Province of the Punjab*

**Preamble.— WHEREAS** it is expedient to levy and enhance the rates of certain taxes and duties in the Province of the Punjab;

**NOW, THEREFORE**, in pursuance of the Proclamation of fifth day of July, 1977, read with the Laws (Continuance in Force) Order, 1977 (CMLA's Order. No.1 of 1977), the Governor of the Punjab is pleased to make and promulgate the following Ordinance:-

**1. Short title and commencement.—**

- (1) This Ordinance may be called the Punjab Finance Ordinance, 1978.
- (2) It shall extend to the Province of the Punjab.
- (3) It shall come into force on and from the first day of July, 1978.

**2. Amendment of section 3 of the Punjab Urban Immovable Property Tax Act, 1958 (W.P. Act No. V of 1958).—** In the Punjab Urban Immovable Property Tax Act, 1958, in section 3, after sub-section (6), the following new sub-section shall be added, namely—

- “(7) A rebate equal to five per cent of the amount of annual tax for a financial year will be given if the amount of annual tax is paid in lump sum on or before the 31st day of August of the financial year.”

**3. Amendment of the Punjab Entertainments Duty Act, 1958 (W.P. Act No.X of 1958).—** In the Punjab Entertainments Duty Act, 1958, in section 3, in sub-section (1), for the words “one hundred and twenty-five per cent”, the words “one hundred and fifty per cent” and for the words “one hundred per cent”, the words “one hundred and twenty-five per cent” shall be substituted.

**4. Amendment of the Punjab Motor Vehicles Taxation Act, 1958 (W.P. Act No. XXXII of 1958).—** In the Punjab Motor Vehicles Taxation Act, 1958,—

- (i) in section 3, after sub-section (2), the following new sub-section shall be added, namely:-

“(3) A rebate equal to 10 percent of the amount of annual tax for a financial year will be given if the amount of annual tax is paid in lump sum on or before the 31st day of July of the financial year”.
- (ii) for the Schedule, the Schedule given in the First Schedule to this Ordinance shall be substituted.

**5.** [Amendment of Section 13 of the Punjab Finance Act 1964 (W.P. Act No. XXXIV of 1964)]. Repealed by the Punjab Finance (Amendment) Ordinance, 1978 (XIV of 1978) w.e.f. 1-7-1978.

**6. Amendment of the Punjab Finance Act, 1965 (W.P. Act I of 1965).—** For the existing section 12 of the Punjab Finance Act, 1965, the following shall be substituted, namely:-

“12(1) There shall be levied and collected every year a tax on hotels, payable by the owner or management thereof, at the following rates:-

- |     |   |   |
|-----|---|---|
| (a) | In case of a hotel charging not less than twenty-five rupees and not more than fifty rupees per lodging unit per day. | Two rupees and fifty paise per lodging unit per day <sup>2</sup> [for the lodging units actually occupied.] |
| (b) | In case of a hotel charging more than fifty rupees but not more than one hundred rupees per lodging unit per day.     | Five rupees per lodging unit per day <sup>3</sup> [for the lodging units actually occupied.]                |
| (c) | In case of a hotel charging more than one   | Ten rupees per lodging unit per day <sup>4</sup> [for the lodging   |

<sup>1</sup>This Ordinance was promulgated by the Governor of the Punjab on 25th June, 1978; and was published in the Punjab Gazette (Extraordinary), dated 27th June, 1978, pages 773-781.

<sup>2</sup>Substituted by the Punjab Finance (Amendment) Ordinance, 1979 (II of 1979), for “on seventy-five percent of total number of such lodging units”.

<sup>3</sup>*Ibid.*

	hundred rupees but not more than two hundred rupees per lodging unit per day,	units actually occupied.]
(d)	In case of a hotel charging more than two hundred rupees but not more than three hundred rupees per lodging unit per day.	Fifteen rupees per lodging unit per day <sup>5</sup> [for the lodging units actually occupied.]
(e)	In case of a hotel charging more than three hundred rupees per lodging unit per day.	Twenty rupees per lodging unit per day <sup>6</sup> [for the lodging units actually occupied]:

Provided that a hotel at a hill station shall be charged the tax at half the rate applicable to it.

(2) The tax shall be paid in one or more installments in the manner fixed by Government.

(3) The assessment and collection of the tax and the assessment of the total number of lodging units shall be made by such agency and in such manner as may be prescribed and the assessing authority may for this purpose—

- (a) require the owner or the management of a hotel to produce any book of accounts, documents or other papers in his possession or power which are believed to contain information relating to the hotel; and
- (b) enter, and by written order authorise an officer subordinate to him to enter, any hotel.

**Explanation**— In this section, unless there is anything repugnant in the subject or context—

- (a) “charges” include charges in respect of fans, air-conditioning, light, heating, telephone, bedding and all other payments connected with the lodging unit except the portion, if any, directly attributable to the supply of food-stuffs;
- (b) “hotel” means an establishment where lodging with or without boarding or other services are provided for a monetary consideration but shall not include—
  - (i) any home or hotel maintained exclusively for aged or sick persons, or, as the case may be, for students, by or under the control of a charitable, medical or educational institution; and
  - (ii) any rest house, mess or other premises belonging to or in the possession of the Federal or a Provincial Government, where lodging, boarding or other services are provided for Government officials or members of the Defence Forces;
- (c) “lodger” means a person who is in possession or enjoyment of a residential accommodation provided by a hotel;
- (d) “lodging unit” means a bed or other sleeping accommodation which is, or is intended to be provided to a lodger staying over-night in a room for lodging; and
- (e) “room for lodging” means a room, part of a room or a suite of rooms in a hotel which is normally let as a unit or residential accommodation and shall include a room or a part of a room or a suite of rooms provided free of charge to any person other than a regular employee of the hotel.”

**7. Amendment of the Punjab Finance Act, 1973 (Punjab Act No. XIV of 1973).—** For the Second Schedule to the Punjab Finance Act, 1973, the Schedule given in the Second Schedule to this Ordinance shall be substituted.

**8. Amendment of the Punjab Finance Act, 1977 (Punjab Act No. XV of 1977).—** In the Punjab Finance Act, 1977,—

- (i) in section 3, after sub-section (4), the following new sub-section shall be added, namely:-

“(5) A person who fails to pay the tax within the prescribed time, shall, in addition to the amount of tax, be liable to pay a penalty not exceeding the amount of tax.”
- (ii) in the Second Schedule, for entries at serial No.5, the following shall be substituted:-

“5. Contractors who, during the preceding financial year,

<sup>4</sup>*ibid.*

<sup>5</sup>*ibid.*

<sup>6</sup>Substituted by the Punjab Finance (Amendment) Ordinance, 1979 (II of 1979), for “on seventy-five percent of total number of such lodging units”.

supplied to the Federal or any Provincial Government or any Local Authority goods, commodities and services of the value—

	Rs.
(i) Exceeding Rs.25 lac.	5,000.00
(ii) Exceeding Rs.10 lac but not exceeding Rs.25 lac.	1,000.00
(iii) Not exceeding Rs.10 lac.	500.00 <sup>7</sup>

9. 7[\* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \*]

**10. Application of existing laws.—** Where any tax or duty levied by this Ordinance is by way of an addition to any existing tax or duty imposed by or under any enactment or rules in force in the Punjab, the procedure provided in such enactment and rules framed thereunder for the assessment, collection and recovery of such tax or duty shall, as far as applicable, apply to the assessment, collection and recovery of additional tax or duty, as the case may be.

**11. Bar of suits in civil courts.—** No suit shall lie in any civil court to set aside or modify any assessment, levy or collection of a tax or duty made under this Ordinance and the rules framed thereunder.

**12. Power to make rules.—** (1) Government may make rules for carrying into effect the purposes of this Ordinance and such rules may, among other matters, prescribe the procedure for the assessment, collection and payment of any tax or duty levied or the imposition of any penalty under this Ordinance, in so far as the procedure is not provided in this Ordinance.

(2) Any rules made or deemed to have been made under the corresponding provisions of the Provincial laws concerned shall, as far as may be, continue in force and be deemed to have been made under this Ordinance.

### FIRST SCHEDULE

(See SECTION 4)

Serial No.	Description of motor vehicles	Annual rate of tax (Rs.)
1	2	3
1.	Motor-cycles (including motor scooters) and motor-cycles with attachment for propelling the same by mechanical power not exceeding 410 Kg. in unladen weight,—	
	(a) Bicycles not exceeding 90 Kg. in unladen weight	52.00
	(b) Bicycles exceeding 90 Kg. in unladen weight	68.70
	(c) Bicycles drawing a trailer or side-car	Rate for appropriate cycle <i>plus</i> Rs. 16.00
	(d) Tricycles	68.00
2.	Vehicles (including tricycles) used for the transport or haulage of goods or materials weighing more than 410 Kg. in unladen weight,—	
	(a) Electrically propelled vehicles not exceeding 1,250 Kg. in unladen weight.	56.00
	(b) Vehicles with maximum laden capacity upto 2,030 Kg. (including delivery vans)	376.00
	(c) Vehicles with maximum laden capacity exceeding 2,030 Kg. but not exceeding 4,060 Kg.	628.00
	(d) Vehicles with maximum laden capacity exceeding 4,060 Kg. but not exceeding 6,090 Kg.	952.00
	(e) Vehicles with maximum laden capacity exceeding 6,090 Kg. but not exceeding 8,120 Kg.	1,876.00
	(f) Vehicles with maximum laden capacity exceeding 8,120 Kg.	2,828.00
	(g) Vehicles drawing a trailer	Rate for appropriate vehicles <i>plus</i> Rs.252.00

<sup>7</sup>Deleted by the Punjab Finance Ordinance, 2000 (III of 2000), which will remain in force under the Provisional Constitution (Amendment) Order 1999 (9 of 1999), Article 4, notwithstanding the maximum limit of three months prescribed under Article 128 of the Constitution of the Islamic Republic of Pakistan.

Serial No.	Description of motor vehicles	Annual rate of tax (Rs.)
1	2	3
3.	Vehicles plying for hire and ordinarily used for the transport of passengers (taxis and buses):-	
	(a) Tram cars	28.00
	(b) Tricycles propelled by mechanical power (rickshaw cabs) with seating capacity of not more than 3 persons.	392.00
	(c) Motor vehicles with a seating capacity of more than 20 persons plying for hire exclusively within the limits of a Corporation, Municipality or Cantonment.	88.00 per seat
	(d) Mini buses with a seating capacity of more than 6 and less than 20 persons plying for hire exclusively within the limits of Corporation, Municipality or Cantonment.	132 per seat
	(e) Other vehicles with a seating capacity of not more than 4 persons.	520.00
	(f) Other vehicles with a seating capacity of more than 4 but not more than 6 persons.	652.00
	(g) Other vehicles with a seating capacity of more than 6 persons.	168.00 per seat
	<i>Explanation</i> — The seating capacity for the purpose of this Article does not include the seats meant for driver and conductor.	
4.	Motor vehicles other than those mentioned above and having—	
	(a) seating capacity of not more than 1 person	132.00
	(b) seating capacity of not more than 3 persons	268.00
	(c) seating capacity of more than 3 persons	96.00 per seat

*Note*— Station wagons used for private purposes shall be taxed under Serial No.4.

## SECOND SCHEDULE

### (See SECTION 7)

Serial No.	Description of fee and relevant rule of the West Pakistan Motor Vehicles Rules 1969	Rate of fee (Rs.)
1	2	3
1.	Fee for the test of competence to drive, under sub-rule(3) of rule 8.	20.00
2.	Fee for a duplicate licence, under sub-rule (6) of rule 13, sub-rule (4) of rule 14 and sub-rule (4) of rule 5	20.00
3.	Fee for learner's driving licence, under sub-rule (2) of rule 19.	20.00
4.	Fee for issue of driving licence, under clause (i) of rule 26,	40.00
5.	Fee for renewal of driving licence, under clause (ii) of rule 26—	
	(a) where the application for renewal is made within thirty days from the date of the expiry of the licence; and	20.00
	(b) where the application for renewal is made after thirty days of the date of the expiry of the licence.	40.00
6.	Fee for duplicate certificate on loss or destruction of certificate of registration and certificate of fitness of a vehicle, other than a transport vehicle, under sub-rule (2) of rule 27.	20.00
7.	Fee for duplicate certificate on loss or destruction of certificate of registration and certificate of fitness of transport vehicle, under sub-rule (2) of rule 38.	30.00
8.	Fee for a duplicate certificate of a defaced or torn certificate of registration and certificate of fitness of a transport vehicle under sub-rule (2) of rule 39.	30.00
<sup>8</sup> [9.	Registration fee under Rule 42—	
	(a) in respect of a motor-cycle, scooter or a trailer not having more than two wheels and not weighing more than one ton in unladen weight;	200
	(b) in respect of an invalid car or carriage;	100
	(c) in respect of a heavy transport vehicle;	1,500
	(d) in respect of any other vehicle; and	700
	(e) in respect of temporary registration of any vehicle.	100
10.	Fee for transfer of ownership of a motor vehicle under sub-rule (1) of Rule 47 shall be charged at the following rates:-	
	(i) a motorcycle, a scooter and an invalid carriage or a trailer not having more than two wheels and not weighing more than one ton in unladen weight;	100
	(ii) a heavy transport vehicle; and	1,000
	(iii) any other vehicle	450]

<sup>8</sup>Substituted by the Punjab Finance Act, 1990 (I of 1990).