

# SUMMARY OF ASSETS DECLARATION ORDINANCE, 2019

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## 1. SHORT TITLE, EXTENT AND COMMENCEMENT

S.no	Heading	Particulars
1	Name of law	This Ordinance shall be called the Assets Declaration Ordinance, 2019
2	Extent	It shall extend to the whole of Pakistan.
3	Applicability	It shall come into force at once.

## 2. DEFINITIONS

- 1) In this Ordinance, unless there is anything repugnant in the subject or context:

S.no	Heading	Particulars
a	Assets	means asset of any kind including all domestic and foreign assets
b	Court of Law	means a High Court or Supreme Court of Pakistan.
c	Declarant	means a person making a declaration under section 5.
d	Undisclosed Asset	includes any asset that has remained undeclared, under stated including any asset held in the name of the declarant or in the name of Benamidar as defined in Benami transaction (Prohibition) Act, 2017 held on June 30, 2018.
e	Undisclosed expenditure	means any unexplained or unaccounted expenditure under the provision of the Income Tax Ordinance, 2001 up to tax year 2018 which has not been declared in return of income or for which return of income has not been filed and such expenditure is not accounted for
f	Undisclosed Sales	means sales chargeable to sales tax or federal excise duty under the Sales Tax Act, 1990 or the Federal Excise Act, 2005 respectively, but were not declared up to the 30th June, 2018
g	All other words and expressions used but not defined in this Ordinance meaning	All other words and expressions used but not defined in this Ordinance shall have the same meaning assigned thereto under the Income Tax Ordinance, 2001 (XLIX of 2001), the Sales Tax Act, 1990, the Federal Excise Act, 2005, the Benami Transactions (Prohibition) Act, 2017 (V of 2017) and the rules made thereunder

### 3. ORDINANCE TO OVERRIDE OTHER LAWS

S.no	Heading	Particulars
1	Overriding effect to this Ordinance	The provisions of this Ordinance shall have effect notwithstanding anything to the contrary contained in any other law for the time being in force

### 4. APPLICATION

S.no	Heading	Particulars
1	Applicability	Subject to the provisions of this Ordinance, A person may make following declaration on or before 30th June 2019; <ul style="list-style-type: none"><li>• Undisclosed assets;</li><li>• Undisclosed sales;</li><li>• Undisclosed expenditure</li><li>• held / made / incurred up to 30th June 2018 and;</li><li>• Benami assets acquired or held on or before date of declaration.</li></ul>
2	Non- Applicability	The provisions of this Ordinance shall not apply to: <ul style="list-style-type: none"><li>• holders of public office, their spouses, children, sisters, brothers and parents if the children, sisters, brothers and parents are dependent on the holder of public office during the period of the person holding such public office;</li><li>• Any proceeds or assets that are involved in or derived from the commission of a criminal offence;</li><li>• assets, incomes and sales in cases or proceedings pending before a court of law.</li></ul>

### 5. CONDITION OF DECLARATION

S.no	Heading	Particulars
1	Foreign currency held in Pakistan	Foreign currency declared shall be deposited into declarant's own foreign currency bank account at the time of declaration and retained in such account till 30th June 2019
2	Cash in Hand declaration	Where any cash in hand has been declared, the same shall be deposited and retained in bank account up to 30th June 2019
3	Foreign liquid asset repatriated	<ol style="list-style-type: none"><li>1. Deposited into declarant's own Pak rupee account or</li><li>2. Foreign currency bank account in Pakistan or</li><li>3. Any foreign currency denominated bond issued by Federal Government</li></ol>

### 6. VALUE OF ASSETS

S.no	Heading	Particulars
1	In case of domestic immovable property	Shall be the price higher of <ol style="list-style-type: none"><li>1. 150% of the FBR area wise notified FMV of immovable property as per sub-section (4) of section 68 of the Income Tax Ordinance 2001</li><li>2. 150% of the DC value</li><li>3. In case of constructed property 150% of FBR notified FMV for land and 150% of DC value of constructed property</li></ol>
2	All other assets	Value shall be higher of <ol style="list-style-type: none"><li>1. Price of asset on ordinary sales in open market on date of declaration</li><li>2. Cost of acquisition of the asset</li></ol>
3	In case of foreign assets	FMV shall be determined at the exchange rate prevalent on date of declaration

## 7. TIME FOR PAYMENT OF TAX

S.no	Heading	Particulars
1	Due date for payment of tax	On or before 30th June, 2019
2	If tax is paid after due date	After above due date tax can be paid on or before 30th June 2020 along with default surcharge.
3	Default surcharge rates	1. If tax paid till 30th Sep 2019 10% of tax 2. If tax paid till 31st Dec 2019 20% of tax 3. If tax paid till 31st March 2020 30% of tax 4. If tax paid till 30th June 2020 40% of tax

## 8. TAX RATES UNDER THIS ORDINANCE

	Heading	Rate of tax	
1	All assets except domestic immovable property	4%	FMV or cost whichever is higher, as declared by the declarant
2	Domestic Real Estate	1.5%	FMV (not less than value prescribed by the FBR under section 68 of Income Tax Ordinance, 2001), as declared by the declarant.
3	Foreign liquid assets not repatriated	6%	
4	Unexplained expenditure	4%	
5	Undisclosed sales	2%	

## 9. PROCEDURE FOR PAYMENT OF TAX ON FOREIGN ASSETS OR FOREIGN CURRENCY

S.no	Heading	Particulars
1	Tax shall be paid in foreign currency	State Bank of Pakistan (SBP) shall notify the mode and manner of:  1. Repatriation of assets in Pakistan 2. Deposit of tax in foreign currency through SBP 3. Method of conversion of value of assets held outside Pakistan in Pak rupees

## 10. INCORPORATION IN BOOKS OF ACCOUNT

S.no	Heading	Particulars
1	Incorporation of Declaration	Where a declarant has made a declaration under section 3, he shall be entitled to incorporate such assets, expenditure or sales in his return, wealth statement or financial statement.
2	Time Barred Assets	The above assets, expenditure or sales shall be recorded irrespective of the fact that such assets, sales or expenditure were relatable to a year which is barred by time i.e. before 6 years for the purpose of revision of return of income or wealth statement.

## 11. CONFIDENTIALITY

S.no	Heading	Particulars
1	Confidentiality of declaration	Notwithstanding the provisions of sub-section of section 216 of the Income Tax Ordinance, 2001 (XLIX of 2001), the Right of Access to Information Act, 2017 (XXXIV of 2017) and any other law for the time being in force, particulars of any person making a declaration under this Ordinance or any information received in any declaration made under this Ordinance shall be confidential.

## 12. DECLARATION NOT ADMISSIBLE IN EVIDENCE

S.no	Heading	Particulars
1	Declaration not admissible in evidence against the declarant	Notwithstanding anything contained in any other law for the time being in force, nothing contained in any declaration made under section 3 shall be admissible in evidence against the declarant for the purpose of any proceedings relating to imposition of penalty or for the purposes of prosecution under any law including the Income Tax Ordinance, 2001 (XLIX of 2001), the Sales Tax Act, 1990, the Federal Excise Act, 2005 and the Benami Transactions (Prohibition) Act, 2017 (V of 2017).

## 13. REMOVAL OF DIFFICULTY

S.no	Heading	Particulars
1	Issue of notification by FG to remove difficulty	If any difficulty arises in giving effect to the provisions of this Ordinance, the Federal Government may, by notification in official Gazette, remove such difficulty as is not in consistent with the provisions of this Ordinance.

## 14. MISREPRESENTATION

S.no	Heading	Particulars
1	Declaration shall be void if the same is due to misrepresentation or suppression of facts	Notwithstanding anything contained in this Ordinance, where a declaration has been made by misrepresentation or suppression of facts, such declaration shall be void and shall be deemed to have been never made under this Ordinance

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