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**آسان لیکچر سیریز**

**Income Tax Ordinance 2001**

**Section: 23 to 27**



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





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# Lecture By:

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Income Tax

# INCOME TAX



# Depreciation قدر میں کمی

## Division III

### Deductions: Special Provisions

**Section No :33**

**Initial Allowance** ابتدائی الاؤنس

**Eligible depreciable asset**” means a depreciable asset other than  
(a) any road transport vehicle unless the vehicle is plying for hire;  
(b) any furniture, including fittings;  
(c) any plant or machinery<sup>1</sup>[that has been used previously in Pakistan]; or  
(d) any plant or machinery in relation to which a deduction has been allowed under another section of this Ordinance for the entire cost of the asset in the tax year in which the asset is acquired.



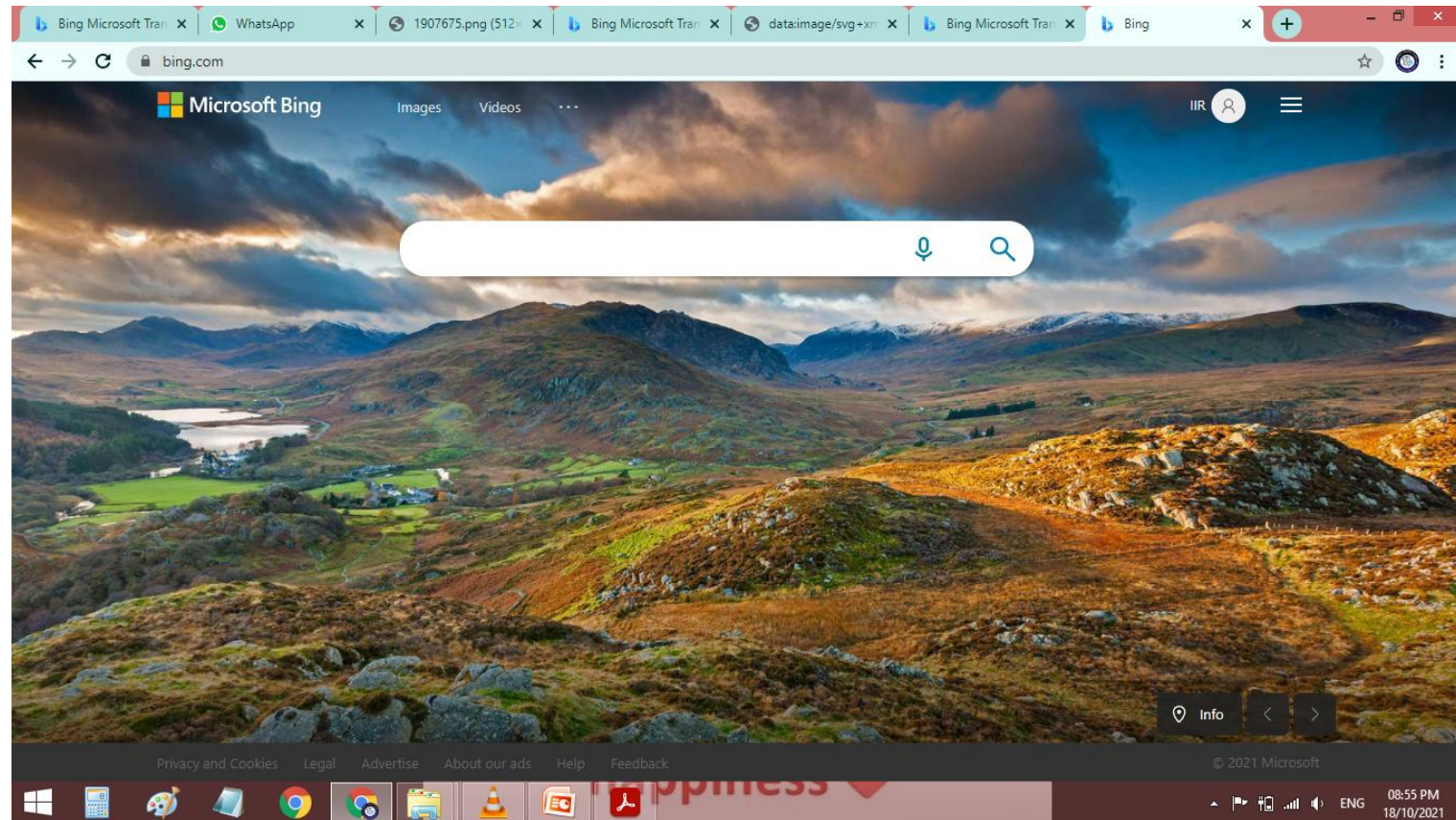
قابل تخفیف اثاثہ " کا مطلب ہے اس کے علاوہ ایک قابل تخفیف اثاثہ  
(الف) کوئی بھی سڑک نقل و حمل گاڑی جب تک گاڑی کرایہ پر نہ چل رہی ہو،  
(ب) کوئی بھی فرنیچر، بشمول فننگ؛  
(ج) کوئی بھی پلانٹ یا مشینری<sup>1</sup> [جو پہلے پاکستان میں استعمال کی جا چکی ہے]؛ یا  
(د) کوئی بھی پلانٹ یا مشینری جس کے سلسلے میں اس آرڈیننس کے دوسرے سیکشن کے تحت ٹیکس سال میں اثاثے کی پوری لاگت کے لئے  
کٹوتی کی اجازت دی گئی ہے جس میں اثاثہ حاصل کیا جاتا ہے۔





# Microsoft Bing

<https://www.bing.com/translator>



English (detected) Urdu

(b) any furniture, including fittings;  
(c) any plant or machinery<sup>1</sup>[that has been used previously in Pakistan]; or

(ب) کوئی بھی فرنیچر، بشمول فٹنگ؛  
(ج) کوئی بھی پلانٹ یا مشینری<sup>1</sup>[جو پہلے پاکستان میں استعمال کی جا چکی ہے]؛ یا

(be) koei bhi fornachere bashamool fitteng  
(j) koei bhi plant ya machineri<sup>1</sup>[joe pahley pakistan main istemal kee jaa cheki he]; ya

Widely used phrases

In partnership with Jawaharlal Nehru University

**23. Initial allowance.**—(1) A person who places an **eligible depreciable asset** into service in Pakistan for the first time in a tax year shall be allowed a deduction (hereinafter referred to as an “initial allowance”) computed in accordance with subsection (2), provided the asset is <sup>3</sup>[used by the person for the purposes of his business for the first time or the tax year in which commercial production is commenced, whichever is later].

(2) The amount of the initial allowance of a person shall be computed by applying the rate specified in Part II of the Third Schedule against the cost of the asset.

(3) The rules in section 76 shall apply in determining the cost of an eligible depreciable asset for the purposes of this section.

<sup>4</sup>[(4) A deduction allowed under this section to a leasing company or an investment bank or a modaraba or a scheduled bank or a development finance institution in respect of assets owned by the leasing company or the investment bank or the modaraba or the scheduled bank or the development finance institution and leased to another person shall be deducted only **against the leased rental income derived in respect of such assets.**]

# THIRD SCHEDULE

## PART II

### INITIAL ALLOWANCE <sup>1</sup>[AND FIRST YEAR ALLOWANCE]

<sup>2</sup>[(<sup>3</sup>[See Sections 23, <sup>4</sup>[ ] and 23B]]

(1) The rate of initial allowance under section 23 shall be <sup>5</sup>[25]% <sup>6</sup>[for plant and machinery <sup>7</sup>[ ]].

<sup>8</sup>[(2) The rate of First Year Allowance under <sup>9</sup>[ ] <sup>10</sup>[section 23B] shall be 90%.

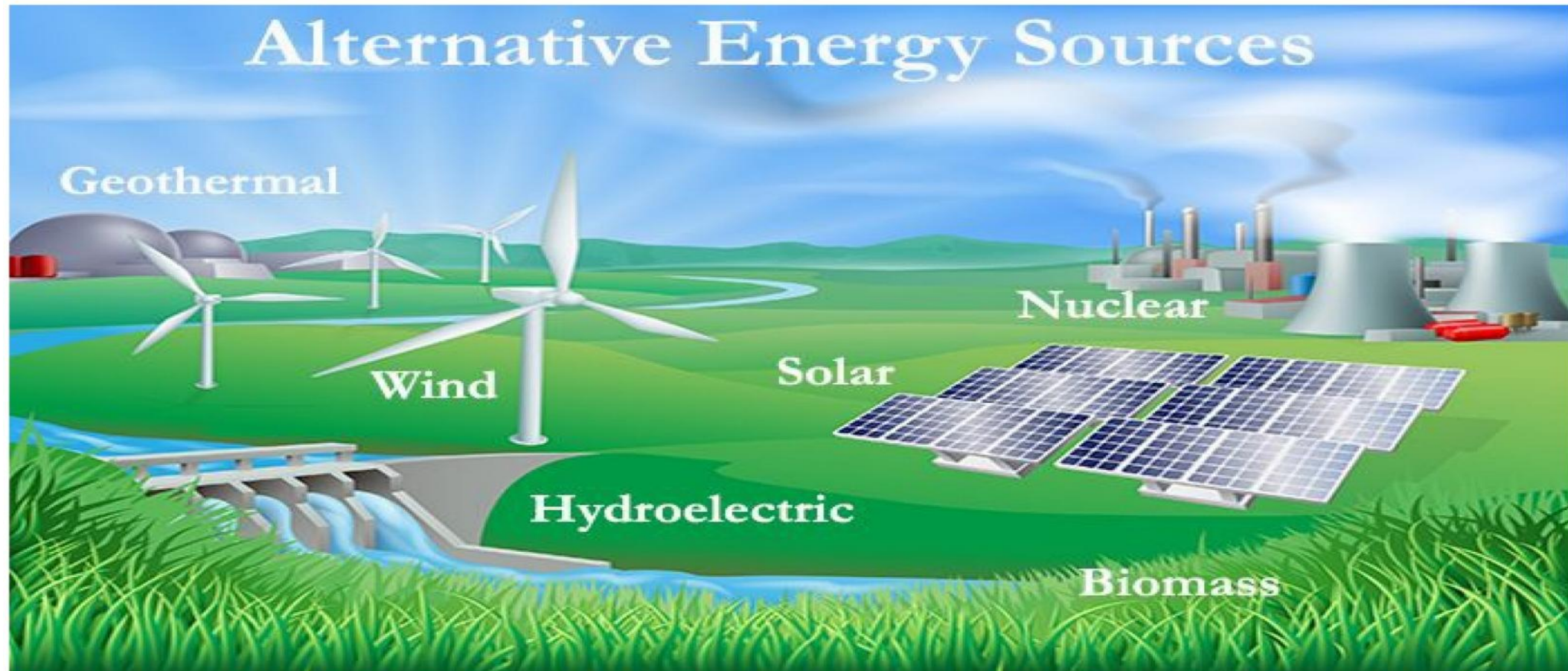
## SECTION 23B.

Accelerated depreciation to  
alternate energy projects

متبادل توانائی منصوبوں میں قدر میں تیزی

**4[23B. Accelerated depreciation to alternate energy projects.—** (1) Any plant, machinery and equipments installed for generation of alternate energy by an industrial undertaking set up anywhere in Pakistan and owned and managed by a company shall be allowed first year allowance in lieu of initial allowance under section 23, at the rate specified in Part II of the Third Schedule against the cost of the eligible depreciation assets put to use after first day of July, 2009.

(2) The provisions of section 23 except sub-sections (1) and (2) thereof, shall *mutatis mutandis* apply.]

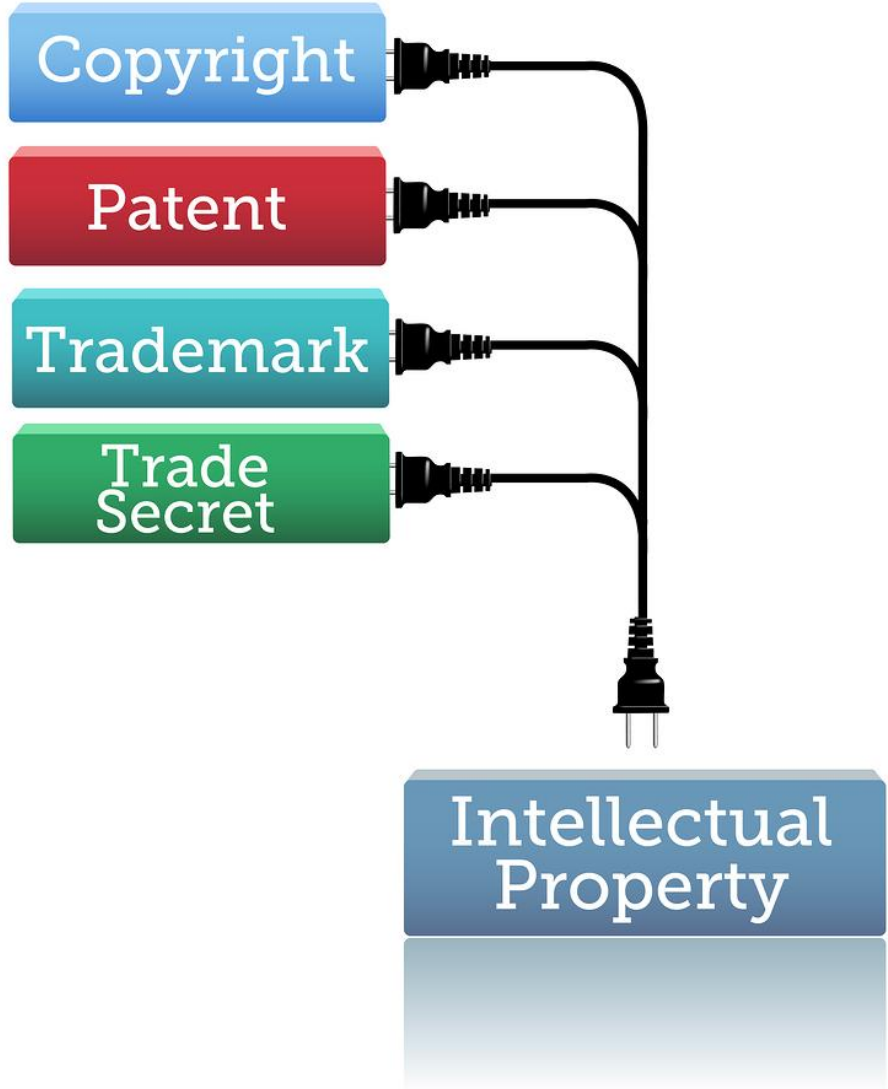


## SECTION 24.

Intangibles غير محسوس







# Intangible Assets



**A= Cost of Intangible      Rs : 1000000**

**B= Use full Life              10 Years**

**Rs : 1000000**

***10 Years***

A

B

A= Cost of Intangible      Rs : 1000000

B= Use full Life              10 Years

*Rs : 1000000*

*10 Years*

$$\frac{A}{B}$$

A= Cost of Intangible      Rs : 1000000  
B= Use full Life              10 Years

*Rs : 1000000*

*10 Years*

=

*Rs :*

*100000*

**A=**

**$\frac{A}{B}$**

**B= the number of days in Tax Year intangible is used**

**C = is the number of days in the tax year.**

$$A \times B/C$$

**A =**

$\frac{A}{B}$

**B = the number of days in Tax Year intangible is used**

**C = is the number of days in the tax year.**

$$A(100000 \text{ Rs}) \times \frac{B(50 \text{ Days})}{C(365)}$$

**A =**

$\frac{A}{B}$

**B = the number of days in Tax Year intangible is used**

**C = is the number of days in the tax year.**



Thanks

شکریہ