

Updated July 2, 2018

DECLARATION OF ASSETS HELD OUTSIDE PAKISTAN

1. ELIGIBILITY

- a. All citizens of Pakistan including persons with dual nationality (except holders of public office their spouses, dependent children) IRRESPECTIVE of their residential status can avail the scheme.
- b. None of the foreign assets, liquid assets shall have proceedings pending in the court of law (defined as an Appellate Tribunal, a High Court or Supreme Court of Pakistan)

2. VALIDITY

- a. Declaration for assets acquired **before April 10, 2018 (i.e. April 9, 2018)**. The amnesty is valid **up to July 31st, 2018**.
- b. Assets acquired on or after April 10, 2018 are **not eligible for declaration**.

3. FOREIGN ASSETS

- a. Defined as any movable or immovable assets held outside Pakistan and includes:
 - i. Real estate without any mortgage;
 - ii. Mortgaged real estates;
 - iii. Stock and shares;
 - iv. Bank accounts;
 - v. Bullion (gold, silver, or other precious metals in the form of bars or ingots);
 - vi. Cash;
 - vii. Jewels;
 - viii. Paintings;
 - ix. Accounts and Loan Receivables; and
 - x. Beneficial ownership or beneficial interests or contribution in offshore entities and trusts.

4. LIQUID ASSETS

- a. Defined as:
 - i. Cash or asset that can be converted into cash with a minimal impact on asset value;
 - ii. Bank notes;
 - iii. Marketable securities;
 - iv. Stocks;
 - v. Promissory notes;
 - vi. Government Bonds;
 - vii. Deposit certificates; and
 - viii. Other similar instruments.

5. VALUATION

- a. To be made at the '**fair market value**' of such assets that has specifically been defined under the Act as the 'price' of foreign assets determined and declared

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by a declarant himself, but **in no case is less than the cost of acquisition of the foreign assets**. If less than cost declaration is made, then will be considered **misrepresentation and can have adverse consequences in future**.

- b. Declarant has the right to make declaration at cost. The market value of such asset as at that date is not necessarily the value for declaration.

ASSET	DECLARATION DETAILS	Exchange Rate to be applied
Foreign Bank Account	Balance as on April 9, 2018	<p><i>It has now been clarified as per the amendment on June 30, 2018 that:</i></p> <p>The value of the asset in Rupees shall be computed by applying the SBP's rate between the foreign currency of the Jurisdiction in which asset is located and Rupee prevailing as on the date of filing of declaration</p>
Shares in Listed Companies (owned directly)	Market value of the shares as on April 9, 2018 <i>(Note: Declaration cannot be less than the cost of acquisition)</i>	
Any other liquid assets	Market value as on April 9, 2018 <i>[Note: Declaration cannot be less than the cost of acquisition]</i>	
Immoveable Asset	Cost of acquisition OR the market value as on April 9, 2018 <i>[Note: Declaration cannot be less than the cost of acquisition]</i>	
Revocable trust established in foreign country	Declarant will be settlor, the amount to be declared will be the corpus/contribution in the trust	
Discretionary irrevocable trust where the beneficiary and respective interest of the beneficiary is not known	Declarant will be settlor, the amount to be declared will be the corpus/contribution in the trust	
Non-discretionary irrevocable Trust where the beneficiary and the respective share is identified	Declarant will be beneficiary, the amount to be declared will be his/her share.	

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6. PAYMENT & CHARGE OF TAX

#	Foreign Asset	Rate of tax (as a % of the value of foreign asset)
1	Liquid and other moveable assets not repatriated	5%
2	Immovable assets outside Pakistan	3%
3	Liquid assets repatriated and invested in Government securities up to 5 years in US dollars denominated bonds with six-monthly profit payment in equivalent Rupees (rate of return 3%) and payable on maturity in equivalent Rupees	2%
4	Liquid assets repatriated	

The tax payable shall be paid on the date of declaration in USD, the conversion should be made at the SBP's rate on the date of declaration.

7. MODE AND MANNER OF DEPOSIT OF TAX

- See the SBP Notification No. FD/1704/2011/2018 below.
- An Addendum to the above notification has been issued on June 21, 2018 which is also enclosed below.

Additional Amendments as on June 30, 2018

- ✚ **Where a declarant remits payment of tax or repatriation of cash to SBP by 31st July, 2018 and the payments are realized in SBP after 31st July, 2018 such payments and declarations shall be treated as valid declarations and filed by 31st July, 2018, if the declarant has filed draft declaration, created Payment Slip ID (PSID) and provides evidence to SBP that the payment was remitted on or before 31st July 2018.**
- ✚ **Revised declaration can now be filed: Any person who having filed a declaration (hereinafter referred to as the "original declaration"), discovers any omission, mistake, computational error or wrong statement therein, may file revised declaration within the due date, subject to the condition that the value of assets & tax thereon shall not be less than the value of asset & tax thereon declared in the original declaration.**

Disclaimer: The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.



STATE BANK OF PAKISTAN
FINANCE DEPARTMENT
I.I. Chundrigar Road
KARACHI

No. FD/1704 /2011/ 2018

April 16, 2018

NOTIFICATION

Procedure for Deposit of Tax on, and Repatriation of liquid assets under, Foreign Assets (Declaration and Repatriation) Ordinance, 2018

In exercise of powers conferred by the section 10 of the Foreign Assets (Declaration and Repatriation) Ordinance, 2018, the State Bank of Pakistan is pleased to notify the Procedure for payment and Deposit of Tax in US Dollars, and Repatriation of liquid assets in Pakistan under, Foreign Assets (Declaration and Repatriation) Ordinance, 2018, for the information of general public.

A handwritten signature in black ink, appearing to read 'Saleemullah'.

(Saleemullah)
Director

Encl: Procedure for Deposit of Tax on, and Repatriation of liquid assets under, Foreign Assets
(Declaration and Repatriation) Ordinance, 2018

Procedure for Deposit of Tax on, and Repatriation of liquid assets under, Foreign Assets (Declaration and Repatriation) Ordinance, 2018

In pursuance of the section 10 of the Foreign Asset (Declaration & Repatriation) Ordinance, 2018 (hereinafter referred to as the "Ordinance"), State Bank of Pakistan (hereinafter abbreviated as SBP) is pleased to notify the procedure for repatriation of liquid assets and payment and deposit of tax:-

2. Short title and commencement:

- i. The Procedure may be called Repatriation and Deposit of Tax on Foreign Assets (Declaration and Repatriation) Procedure 2018; and
- ii. It shall be deemed to have come into force from 10th day of April 2018.

3. Declaration of Assets and Generation of PSID

The taxpayer shall electronically fill the Form 'A', set out in the schedule to the Ordinance, at the FBR portal and generate PSID for payment of tax due on the foreign assets declared in the Form 'A'. To generate the PSID, the tax payer will open the link <https://paysys.fbr.gov.pk> and enter the tax liability in PKR as determined in Form 'A'; the system will convert the PKR into USD and give the amount of tax liability in both US Dollars and PKR as per the daily PKR/USD exchange rate notified by the SBP to FBR through a dedicated e-mail. The PSID shall be generated on the same day, the tax payment is to be made.

4. Payment of tax by wire transfer to SBP Account

- i. After declaration of assets and generation of PSID as described in para '3' above, the taxpayer shall arrange to remit the USD funds against the tax liability as reflected in the PSID and Form 'A' to SBP by wire transfer in the following SBP account:

Name of Payee:	STATE BANK OF PAKISTAN
Payee's Address:	I.I. CHUNDRIGAR ROAD, KARACHI, PAKISTAN
Payee's SWIFT Code:	SBPPPKKA
Bank Name:	NATIONAL BANK OF PAKISTAN
Bank Address:	NEW YORK, U.S.A
Payee's Account No:	55854560
Bank SWIFT Code:	NBPAUS33

- ii. After remitting the funds to SBP Account, the taxpayer shall electronically send following information and documents to SBP, Karachi, at the email ID @ tax.foreignasset@sbp.org.pk:
 - A copy of wire transfer, or swift message, bearing necessary instructions including specification of the CNIC/NTN of the taxpayer in field 72 ;
 - Scanned copy of duly signed Form A and PSID
- iii. SBP shall, after verifying receipt of the money in its account, convert the USD funds into PKR and credit the same to the "Federal Government Account No. I" against the tax receipt.
- iv. For collecting the tax receipt in the "Federal Government Account No. I", SBP will generate CPR against the PSID received from the tax payer; the CPR (computerized payment receipt) is the formal evidence of payment of tax both for the tax payer and FBR.
- v. SBP shall electronically transmit a scanned copy of the CPR so generated to the taxpayer for its record.
- vi. The tax payer shall then link CPR no. received from SBP with the Form A at the FBR portal as the tax payment evidence to complete the assets declaration process.

5. Repatriation of liquid Assets in Pakistan

- i. The liquid assets declared to be repatriated into Pakistan in Form 'A' for investment in Federal Government bonds and/or for credit to the tax payer's PKR account, shall also be remitted to the SBP account given in 4 (i) above by wire transfer.
- ii. After remitting the funds to SBP Account, the taxpayer shall electronically send following information and documents to SBP, Karachi, at the email ID @ tax.foreignasset@sbp.org.pk:
 - A copy of wire transfer, or swift message, bearing necessary instructions including specification of the CNIC/NTN of the taxpayer in field 72 ;
 - Scanned copy of a duly signed statement of application of funds remitted to SBP i.e. the amount of funds to be invested in Government bonds and the amount to be credited to PKR account of the tax payer.
 - A copy of the CNIC

- The details of PKR account (Bank and Branch Name, account title, IBAN) in which the tax payer would like to have credit of periodic profit payments on Government Securities to be purchased under the scheme; and/or PKR equivalent of liquid assets repatriated to Pakistan.
- iii. SBP shall, after verifying receipt of the money in its account, convert the USD funds into PKR at rate applicable on government receipts and give credit: i) to the "Federal Government Account No. I" for the amount to be invested in government Securities, and ii) to the PKR account of the tax payer for the amount of remittance to be converted into PKR.
 - iv. For the amount to be invested in Government Security, SBP shall create scrip less Government Security in its SGLA.
 - v. For the tax payer's information and record, SBP shall electronically send the confirmation of investment of the funds in government securities. Similarly the tax payer will get confirmation for the amount, if any, credited to his/her PKR account.
 - vi. SBP shall maintain a register of taxpayers embodying details contained in Form A which will be shared with FBR periodically.



STATE BANK OF PAKISTAN
FINANCE DEPARTMENT
I.I.CHUNDRIGAR ROAD
Karachi

NO. FD/350/2011/2018

21st June 2018

Addendum to the Notification
Procedure for Repatriation of liquid assets and Deposit of Tax under Foreign Assets
(Declaration and Repatriation) Act, 2018

Reference the SBP Notification No. FD/1704/2011/2018 dated April 16, 2018 on the subject. In order to facilitate the prospective declarants in payment of the tax against declaration of foreign assets under Foreign Assets (Declaration and Repatriation) Act, 2018, following additions/amendments have been made in the payment procedure:

- I. The tax payment can be made through banking channels either from the declarants' own accounts or from the accounts of the declarants' immediate family members i.e. his/her parents, children, spouse and siblings (brothers and sisters). In case of payment through the immediate family members' accounts, the declarant while sending the copies of PSID, Form 'A' etc. to SBP for generation of CPR, shall also send satisfactory documentary evidence to establish the relationship.
- II. The balances in foreign currency accounts of the declarants or their immediate family members being maintained with banks in Pakistan as of 31st March 2018 or 20th June 2018, whichever is less, can also be used for the purpose of tax payment.
- III. The declarants having bank accounts outside Pakistan but presently residing in Pakistan can also pay the tax in US Dollar by depositing the US Dollar denominated cheques with the authorized branches of National Bank of Pakistan in Pakistan for collecting the proceeds for onward credit to SBP account in NBP New York. While NBP has been advised to make special arrangements for expeditious collection of the cheque proceeds, it may take 7-10 days in collection of the proceeds. The declarants using this payment option should be aware of possible delays in collection of the proceeds. The SBP shall issue the CPR on realization of funds in its account.
- IV. The tax payment can be made within three days of generation of PSID.
- V. The FBR's web link given in SBP Notification dated 16th April 2018 for generation of PSID has been replaced with <https://e.fbr.gov.pk>.

The rest of the mechanism as prescribed through the SBP Notification dated 16th April, 2018 will remain the same. The SBP has also issued FAQs on the payment procedure which have been placed at SBP website <http://www.sbp.org.pk>.

-Sd-
(Saleem Ullah)
Executive Director