

Tax on Deemed Rental Income is not Applicable on the Following Assets:

- (a) one capital asset owned by the resident person;
- (b) self-owned business premises from where the business is carried out by the persons appearing on the active taxpayers' list at any time during the year;
- (c) self-owned agriculture land where agriculture activity is carried out by person excluding farmhouse and land annexed thereto;
- (d) capital asset allotted to -
 - i. a Shaheed or dependents of a shaheed belonging to Pakistan Armed Forces;
 - ii. a person or dependents of the person who dies while in the service of Pakistan armed forces or Federal or provincial government;
 - iii. a war wounded person while in service of Pakistan armed forces or Federal or provincial government; and
 - iv. an ex-serviceman and serving personal of armed forces or ex-employees or serving personnel of Federal and provincial governments, being original allottees of the capital asset duly certified by the allotment authority;
- (e) any property from which income is chargeable to tax under the Ordinance and tax leviable is paid thereon;
- (f) capital asset in the first tax year of acquisition where tax under section 236K has been paid;
- (g) where the fair market value of the capital assets in aggregate excluding the capital assets mentioned in clauses (a), (b), (c), (d), (e) and (f) does not exceed Rupees twenty-five million;
- (h) capital assets owned by a provincial government or a local government; or
- (i) capital assets owned by a local authority, a development authority, builders and developers for land development and construction, subject to the condition that such persons are registered with Directorate General of Designated Non- Financial Businesses and Professions.