



GOVERNMENT OF THE PUNJAB  
TECHNICAL EDUCATION & VOCATIONAL TRAINING AUTHORITY  
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No. TEVTA / Fin / B&A / 1796.

Dated: November 11<sup>th</sup> 2009

To,

All Zonal Manager TEVTA, Punjab.

Subject: **DEDUCTION OF ADVANCE TAX AT THE TIME OF SALE BY AUCTION.**

It is to inform that Section 236A has been inserted in the statute through Finance Act, 2009 adding a new category of responsible persons to collect advance tax at source at the time of making of sale by public auction. The relevant law i.e. Section 236A reads as under:-

"(73) Any person making sale by public auction, of any property or goods confiscated or attached (and transactions involving awarding of lease, lease of right to collect tolls, fees or other levies) either belonging to or not belong to the Government, any authority, a company, a foreign association declared to be a company under sub-clause (vi) of clause (b) of sub (2) of section 80, or a foreign contractor or a consultant or a consortium or Collector of Customs or Commissioner of Income Tax or any other authority **shall collect advance tax, computed on the basis of sale price of such property and at the rate @ 5% of the gross sale price of any property or goods sold by auction from the person to whom such property or goods are being sold**".

It is therefore, directed to deposit advance income tax @ 5%, of the gross value of auctioned goods or property, at the time of auction, whenever any such auction would be effected after 30-06-2009. Tax so collected is to be deposited into government treasury the same day it is received from the taxpayer. (It may be mutually agreed between the responsible person and the buyer that the successful bidder may deposit 5% of the gross auction value into government treasury through Income Tax Challan and produce the evidence to the seller, before lifting the goods or property, after paying the agreed amount.)

  
(Khawaja Adnan Zahir)  
GENERAL MANAGER (F&A)  
TEVTA

CC:-

1. The Chief Operating Officer TEVTA, Lahore.
2. The Manager Admin TEVTA, Lahore.
3. The Manager MIS TEVTA, Lahore, with the request to circulate the same to lower formation.
4. The Manager Service Centre with the request to circulate the same to the respective centres.
5. All the District Manager TEVTA, Punjab with the request to circulate the same to the respective Institutions.
6. S.A to Chairman TEVTA.
7. All the Assistant Manager Finance TEVTA, Punjab.
8. The P.S to Secretary TEVTA, Lahore.
9. Master file.

  
(Mirza Umar Farooq Baig)  
MANAGER FINANCE  
TEVTA