**PROVINCIAL ASSEMBLY OF THE PUNJAB**

**Bill No. 31 of 2025**

**THE PUNJAB FINANCE (AMENDMENT) BILL 2025**

A

Bill

*to amend the Punjab Finance Act, 1977.*

It is necessary to amend the Punjab Finance Act, 1977 (XV of 1977) for the purposes hereinafter appearing.

Be it enacted by Provincial Assembly of the Punjab as follows:

1. **Short title and commencement**.-(1) This Act may be cited as the Punjab Finance (Amendment) Act 2025.

(2) This Act shall come into force at once.

1. **Substitution of section 3 of Act XV of 1977**.-In the Punjab Finance Act, 1977 (XV of 1977), in section 3, after sub-section (2), the following shall be inserted:

“(2a) In case of employment, the drawing and disbursing officer or a principal officer of a local authority, company or other public body, as the case may be, shall deduct the amount of the tax from the salaries of its employees and deposit in treasury.

(2b) Where the drawing and disbursing officer or the principal officer who fails to deduct amount of the tax under sub-section (2a) or fails to deposit deducted amount of tax in treasury, such drawing and disbursing officer or the principal officer shall be liable to pay the amount of payable tax to the Excise and Taxation Officer who may pass an order to that effect and proceed to recover the same.

(2c) No recovery under sub-section (2b) shall be made unless the person referred to in sub-section (2b) has been provided an opportunity of being heard.”.

**STATEMENT OF OBJECTS AND REASONS**

Proposed amendment aims to streamline the process of tax collection by a drawing and disbursing officer or a principal officer of a local authority, company or other public body in case of employment. After deduction, drawing and disbursing officer or a principal officer shall be responsible for deposit of the deducted amount of tax in the treasury. In case of failure, he shall be liable to pay the amount of the professional tax to the concerned Excise and Taxation Officer who will be empowered to pass an appropriate order for the recovery of such amount. Hence this Bill.

**MINISTER INCHARGE**

**Lahore: CH AMER HABIB**

**March 07, 2025 Secretary General**