

# **TOBACCO DEVELOPMENT CESS UTILIZATION RULES, 2007**

**GOVERNMENT OF KHYBER PAKHTUNKHWA  
EXCISE & TAXATION DEPARTMENT**

NOTIFICATION.

**Dated Peshawar the 20<sup>th</sup> February, 2007.**

**No.SO(TAX)E&T/4-1/2006:** In exercise of the powers conferred by section 14 of the Khyber Pakhtunkhwa Finance Act, 1996 (Khyber Pakhtunkhwa Act No.1 of 1996), read with section-11 thereof, the Government of the Khyber Pakhtunkhwa is pleased to make the following rules, namely:

**THE KHYBER PAKHTUNKHWA (UTILIZATION OF TOBACCO DEVELOPMENT CESS) RULES, 2007.**

**1. Short Title and Commencement:---**(1) These rules may be called the Khyber Pakhtunkhwa (Utilization Of Tobacco Development Cess ) Rules, 2007.

(2) They shall come into force at once.

**2. Definition:---**In these rules, unless the context otherwise requires, the following expressions shall have the meanings hereby respectively assigned to them, that is to say:

- (a) “Act” means the Khyber Pakhtunkhwa Finance Act, 1996 (Khyber Pakhtunkhwa Act No.1 of 1996);
- (b) “Board” means the Pakistan Tobacco Board constituted under section 3 of Pakistan Tobacco Board Ordinance,1968 (Ordinance No.1 of 1968);
- (c) “Cess” means the Tobacco Development Cess levied and collected under section 11 of the Act;
- (d) “Committee” means the Committee constituted under these rules;
- (e) “Constituency” means an area declared as a constituency for the purposes of election of Members of the Provincial Assembly of the Khyber Pakhtunkhwa;
- (f) “Government” means the Government of the Khyber Pakhtunkhwa;
- (g) “tobacco growing district” means the district in the Province where tobacco is grown;

**3. Utilization of Cess:** (1) The Cess collected under section 11 of the Act shall be utilized for the purposes specified in the Act.

(2) For the purposes of utilization of the Cess there shall be constituted a Committee by Government, Khyber Pakhtunkhwa Province which shall consist of the following:-

- |   |      |                     |
|---|------|---------------------|
| i. Chief Minister, Khyber Pakhtunkhwa   |      | Chairman            |
| ii. Minister, Excise & Taxation, Khyber Pakhtunkhwa<br>Chairman/Convener  | Vice |                     |
| iii. Minister, Finance Khyber Pakhtunkhwa   |      | Member.             |
| iv. Minister, Agriculture Khyber Pakhtunkhwa  |      | Member              |
| iv-a. Minister, Planning & Development, Khyber Pakhtunkhwa  |      | Member <sup>1</sup> |
| iv-b. Minister, Revenue, Estate & Relief, Khyber Pakhtunkhwa  |      | Member <sup>2</sup> |
| v. One Member of the Provincial Assembly<br>from each tobacco growing District,<br>to be nominated by the Chairman. |      | Member              |
| vi. Secretary, Government of Khyber Pakhtunkhwa<br>Secretary Excise & Taxation Department.                          |      | Member-cum-         |

(3) The Committee shall meet at least once in four months on a date, time and venue notified to all the members by the Secretary of the Committee, at least one week before the date of meeting. The schemes for utilization of the Cess as per district share<sup>1</sup> shall be put before the Committee for scrutiny and approval by the Committee. Quorum of the Committee shall be 1/3<sup>rd</sup> of the total number of the members.

(4) The Finance Department shall release the Cess collected in the preceding years<sup>1</sup> in the month of August of the financial year for the utilization as per sub-section (3) of section 11 of the Act to the districts concerned.

(5) Cess shall be distributed among the tobacco growing districts on the basis of tobacco production of the previous year, for which the Board shall provide district-wise tobacco production data, before the commencement of new financial year:

Provided that any undistributed Cess for any year or period shall be distributed among the tobacco growing districts on the basis of tobacco production of the respective year or period as the case may be.<sup>1</sup>

<sup>1</sup> Amended vide Notification No.SO(TAX)E&T/4-1/2006 dated 28.2.2009

<sup>2</sup> Amended vide Notification No.SO(TAX)E&T/4-1/2006 dated 18.9.2009

(6) Deleted.<sup>1</sup>

**Sd/  
SECRETARY TO GOVT. OF KHYBER  
PAKHTUNKHWA,  
EXCISE & TAXATION DEPARTMENT**

**Endst: No.SO(TAX)E&T/4-1/2006.**

Dated 20.2.2007

A copy is forwarded for information and necessary action to :-

1. All Administrative Secretaries, Khyber Pakhtunkhwa Peshawar.
2. All District Coordination Officers, Khyber Pakhtunkhwa.
3. Registrar Peshawar High Court Peshawar.
4. Director General, Excise & Taxation Khyber Pakhtunkhwa, Peshawar.
5. Assistant Legal Drafter - I Khyber Pakhtunkhwa, Law Department, Peshawar w/r to Law Department's letter No. Legis:3(4)/1977-II, dated 11.7.2006.
6. The Secretary, Pakistan Tobacco Board, Peshawar.
7. All Excise & Taxation Officers, Khyber Pakhtunkhwa.
8. PS to Chief Minister, Khyber Pakhtunkhwa.
9. PS to Minister, Finance, Khyber Pakhtunkhwa.
10. PS to Minister, Excise & Taxation Khyber Pakhtunkhwa.
11. PS to Minister, Agriculture, Livestock & Cooperation Khyber Pakhtunkhwa.
12. PS to Chief Secretary, Khyber Pakhtunkhwa, Peshawar.
13. PS to Secretary, Provincial Assembly, Khyber Pakhtunkhwa Peshawar.
14. The Manager Government Printing Press, Peshawar with the request to publish these rules in the official gazette of today's date. He is further requested to provide one hundred gazette copies of these rules to this department.

**Sd/  
SECTION OFFICER (TAXATION)**

