

Compliance Checklist - Allowable Deductions

Head of income: Allowances and Tax Credits (all heads) (Part IX (sections 60 to 60D) and Part X (sections 61 to 65))

Income Tax Ordinance, 2001 (amended up to 30 June 2026) and Income Tax Rules, 2002 (amended up to 15 September 2026)

Taxpayer name

NTN / CNIC

Tax year

Prepared by / date

Reviewed by / date

How to fill: For each check point mark Yes (complied), No (not complied - claim at risk) or N/A (not applicable), and note the evidence reference. Any "No" should be resolved or the deduction reduced before filing the return.

No.	Check point	Yes	No	N/A	Evidence / remarks
DEDUCTIBLE ALLOWANCES (REDUCE INCOME)					
1. Zakat paid (Section 60)					
Keep on file: Bank Zakat deduction certificate / CZ-50 receipt					
1.1	Was the Zakat paid under the Zakat and Ushr Ordinance, 1980 (deducted at source or paid to an authorised Zakat fund)?	☐	☐	☐	
1.2	Was it paid within the same tax year (1 July to 30 June) in which it is claimed?	☐	☐	☐	
1.3	Is a Zakat deduction certificate or official receipt on file?	☐	☐	☐	
1.4	Has the same Zakat NOT already been claimed against profit on debt under section 40(2)?	☐	☐	☐	
2. Workers' Welfare Fund (WWF) paid (Section 60A)					
Keep on file: WWF challans, computation					
2.1	Was the WWF actually paid (not just provided for) during the tax year?	☐	☐	☐	
2.2	Was it paid under the WWF Ordinance, 1971 or the applicable provincial WWF law?	☐	☐	☐	
2.3	If the entity is trans-provincial, has any WWF paid to a province been excluded from the claim?	☐	☐	☐	
2.4	Are challans / payment proofs on file?	☐	☐	☐	
3. Workers' Profit Participation Fund (WPPF) paid (Section 60B)					
Keep on file: WPPF computation, payment proof					
3.1	Was the WPPF actually paid during the tax year?	☐	☐	☐	
3.2	Was it paid under the 1968 Act or the applicable provincial WPPF law?	☐	☐	☐	
3.3	If the entity is trans-provincial, has any WPPF paid to a province been excluded from the claim?	☐	☐	☐	

No.	Check point	Yes	No	N/A	Evidence / remarks
3.4	Are payment proofs and the WPPF computation on file?	☐	☐	☐	
4. Children's tuition fee (Section 60D) <i>Keep on file: Paid fee vouchers, institution NTN</i>					
4.1	Is the claimant an individual with taxable income below Rs 1.5 million?	☐	☐	☐	
4.2	Was the tuition fee paid by the claimant during the tax year?	☐	☐	☐	
4.3	Has the allowance been limited to the lowest of 5% of fee, 25% of taxable income and Rs 60,000 per child?	☐	☐	☐	
4.4	Is the NTN or name of the educational institution available for the return?	☐	☐	☐	
4.5	Has the other parent NOT claimed the same fee?	☐	☐	☐	
4.6	Are fee vouchers / paid receipts on file?	☐	☐	☐	
TAX CREDITS (REDUCE TAX)					
5. Donations to approved institutions (tax credit) (Section 61; Rules 211-220, 228(4)) <i>Keep on file: Donation receipt, bank proof, NPO approval</i>					
5.1	Is the donee an eligible institution under section 61 (government-run, approved NPO or Thirteenth Schedule)?	☐	☐	☐	
5.2	Was the donation paid through a crossed cheque / banking channel (not cash)?	☐	☐	☐	
5.3	Has the claim been limited to 30% (individual / AOP) or 20% (company) of taxable income?	☐	☐	☐	
5.4	If the donee is an associate, has the lower limit of 15% / 10% been applied?	☐	☐	☐	
5.5	Is the donee's receipt and approval / NPO status evidence on file?	☐	☐	☐	
5.6	For donations in kind, has the value been worked out as per Rule 228(4)?	☐	☐	☐	
5.7	Has the credit been worked out at the average rate of tax (tax / taxable income x eligible donation)?	☐	☐	☐	
6. Contribution to approved Voluntary Pension Fund (tax credit) (Section 63) <i>Keep on file: Pension fund manager certificate</i>					
6.1	Is the claimant an eligible person with income under Salary or Income from Business?	☐	☐	☐	
6.2	Was the contribution made during the tax year to a fund approved under the VPS Rules, 2005?	☐	☐	☐	
6.3	Has the eligible amount been limited to 20% of taxable income?	☐	☐	☐	
6.4	Has any transfer of an existing employer scheme balance been excluded?	☐	☐	☐	
6.5	Is the pension fund manager's contribution certificate on file?	☐	☐	☐	

No.	Check point	Yes	No	N/A	Evidence / remarks
7. Profit paid on a house loan (tax credit) (Section 63A)					
<i>Keep on file: Bank profit certificate, property documents</i>					
7.1	Is the claimant an individual using the loan for construction / purchase of one personal house or flat?	☐	☐	☐	
7.2	Is the house land area up to 2,500 sq ft (or flat area up to 2,000 sq ft)?	☐	☐	☐	
7.3	Is the lender a scheduled bank, SECP-regulated institution, government, statutory body or listed public company?	☐	☐	☐	
7.4	Has the eligible profit been limited to 30% of taxable income?	☐	☐	☐	
7.5	Has the same profit NOT been deducted against rent under section 15A?	☐	☐	☐	
7.6	Has no credit for another house been claimed in the last 15 tax years?	☐	☐	☐	
7.7	Is the lender's certificate of profit paid on file?	☐	☐	☐	
8. Cost of integrating with FBR systems (tax credit) (Section 64D; Rules 33A-33G)					
<i>Keep on file: Invoices, FBR integration confirmation</i>					
8.1	Is the person legally required to integrate with FBR's system (Income Tax, Sales Tax or FED law)?	☐	☐	☐	
8.2	Was the expenditure only on equipment, hardware or software used exclusively for integration?	☐	☐	☐	
8.3	Was the system installed, integrated and configured with FBR in this tax year?	☐	☐	☐	
8.4	Has the credit been limited to 10% of the amount invested, excluding running / maintenance costs?	☐	☐	☐	
8.5	Are purchase invoices and FBR integration confirmation on file?	☐	☐	☐	

Conclusion: all "No" answers resolved or the related deduction reduced? ☐ Yes ☐ No

Prepared by: _____ **Date:** _____ **Reviewed by:** _____ **Date:** _____

Disclaimer: This checklist is a helper tool only and does not constitute legal or tax advice. Verify each point against the Income Tax Ordinance, 2001, the Income Tax Rules, 2002 and FBR circulars, and consult your tax advisor before acting.