

**GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
FEDERAL BOARD OF REVENUE

Islamabad the 1st April, 2026.

**NOTIFICATION
(Income Tax)**

S.R.O. 545(I)/2026. The following draft of certain further amendments in the Income Tax Rules, 2002, which the Federal Board of Revenue proposes to make, in exercise of the powers conferred by section 99C read with clause (b) of sub-section (3B) of section 101 and sub-section (1) of section 237 of the Income Tax Ordinance, 2001 (XLX of 2001), is hereby published for information of all persons likely to be affected thereby and, as required by sub-section (3) of the said section 237, notice is hereby given that objections or suggestions thereon, if any, may for consideration of the Board, be sent within seven days of publication of this Notification in the official Gazette. Objections or suggestions received, if any, before the expiry of the said period shall be taken into consideration by the Federal Board of Revenue, namely:

Draft amendments

In the aforesaid Rules, after Chapter V, the following new Chapter shall be inserted, namely: –

“CHAPTER-VA

**SPECIAL PROCEDURE FOR TAXATION OF PERSONS EARNING
INCOME FROM REMUNERATIVE SOCIAL MEDIA CONTENT**

19J. Application of Chapter. – The rules in this chapter shall apply for the purpose of section 99C of the Income Tax Ordinance, 2001 (XLIX of 2001) to provide special procedure for computation of income of non-resident persons earning income from remunerative social media content.

19K. Scope. – Every non-resident person deriving income from interaction with users in Pakistan through social media platforms to the extent such income constitutes Pakistan-source income under clause (b) of sub-section (3B) of section 101 of the Income Tax Ordinance, 2001 (XLIX of 2001), subject to the prescribed threshold under these rules.

19L. Systemic and Continuous Soliciting of Business Activities or Engaging in Interaction through Digital Means.– (1) The threshold for number of users for the purposes of clause (b) of sub-section (3B) of section 101 of the Income Tax Ordinance, 2001 shall be, namely:-

S. No	Category	Prescribed threshold
(1)	(2)	(3)
1	Number of users to qualify for “Systemic and Continuous Soliciting of Business Activities or Engaging in Interaction through Digital Means”	Exceeding fifty thousand users during a tax year or twelve thousand two hundred and fifty users during a quarter”

19M. Calculation of Income from remunerative Social Media Content. – The minimum income of a person from remunerative social media content shall be calculated as per the following formula, namely:-

$$(A - B)$$

Where –

- A is total remuneration received from social media content; and
B is total expenses made; up to maximum of 30% of total revenue.

19N. Total remuneration received. – The total remuneration received by a person from remunerative social media content shall be the higher of —

- (a) revenue per mille x average number of views per content x total number of posts during the year, or
- (b) the actual remuneration received by a person from the social media content whether received in cash or kind.

19O. Payment of Advance Tax. – Every person under this special procedure shall pay advance income tax calculated by applying the procedure given in rule -19M and rule-19N above for one quarter and shall be payable or recoverable, as the case may be, as per provisions of section 147 of the Income Tax Ordinance, 2001.

19P. Declaration of Income from remunerative social media content. – (1) The declaration of such income shall be made in a special part of Income Tax Return for each tax year.

(2) Where the declaration of Income is less than the amount calculated in rule -19M and rule-19N, the relevant commissioner may rectify this error of omission or commission in the return and proceed to recover the amount due from the taxpayer as per the provisions of the Income Tax Ordinance, 2001.

19Q. Provisions of the Ordinance to apply. – The provisions of the Ordinance not specifically dealt with in the aforesaid rules shall apply, mutatis mutandis, to **persons earning income from remunerative social media content.**

19R. Definitions. – (1) In this procedure, unless there is anything repugnant in the subject or context, –


- (a) **“Social media platform”** means an internet-based service whose primary purpose is to enable users to interact with other users and share user-generated content, where the economic value of the service arises from user participation, network effects, and the monetisation of user engagement or user data;
- (b) **“Social media content”** means any digital information, communication, or creative material generated or published by a user on a social media platform, the value of which arises from user engagement, audience reach, or platform-facilitated dissemination, including content capable of generating advertising, sponsorship, or other monetization revenue;
- (c) **“Remunerative social media content”** means the social media content which derives remuneration in whatsoever form;

(d) **“Revenue per mille”** means the revenue generated per 1000 views on the video shared on Youtube. For the purpose of this Special Procedure, it shall be taken as PKR 195 and is subject to revision from time to time; and

(e) **“Ordinance”** means the Income Tax Ordinance, 2001.

(2) All other expressions used but not defined in these rules shall have the meaning assigned to them under the Income Tax Ordinance, 2001.

[No. 1(1)R&S/2026]


(Muhammad Amin Qureshi)
Secretary (Rules & SRO)