



# SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

*International Affairs, Communication & Coordination (IACC) Department*

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

## **SECP secures concessional tax regime for REITs**

**Islamabad, January 22:** The Securities and Exchange Commission of Pakistan (SECP) has successfully securing concessional rates of stamp duty and registration fee for real estate investment trust (REIT) properties in Punjab and Sindh.

In Punjab the stamp duty on REIT property purchases has been reduced from 2% to 0.5%. On REIT property sales the duty has been cut from 2% to 1%. In Sindh the stamp duty on purchases has been reduced from 3% to 0.5% and on sales it has been brought down from 3% to 1%. In both provinces, the registration fee on purchases has been completely waived on sales and it has been reduced from 1% to 0.5% on sale.

The SECP has been vigorously pursuing the cause of reduction of duties and taxes on REITs properties since introduction of its regulatory framework in 2008. It may be recalled that under the Income Tax Ordinance, REITs already enjoy tax-pass-through status upon distribution of at least 90% profits among their unit-holders. In addition, the sellers of property have also been provided substantial tax incentives under the tax laws.

We expect that the friendly tax regime coupled with recent improvement in the regulatory framework would provide necessary impetus for the launch of REITs in Pakistan. These measures are likely to encourage transparency in deals and better price mechanism in the real estate market which would ultimately lead to increase in overall revenue of respective governments and land authorities.

Shakil Ahmad Chaudhary  
Head, Internal and External Communication  
Securities and Exchange Commission of Pakistan  
NIC Building, 63 Jinnah Avenue, Islamabad  
Tel: 921-4005 or 921-4009 ext. 378  
Fax: 920-6459  
Cell: 0302-855-2254  
email: [shakil.chaudhary@secp.gov.pk](mailto:shakil.chaudhary@secp.gov.pk)