

Roundtable

One Property, Three Values: Is a Common Valuation System the Answer for Pakistan?

In Pakistan, property valuation sits at the intersection of taxation, land administration, fiscal federalism and urban governance. The phrase ‘three values’ is used here as an illustrative shorthand rather than an exhaustive legal taxonomy. Depending on the province, jurisdiction and applicable tax, the same property may be associated with a provincial notified or deputy commissioner value, a [Federal Board of Revenue \(FBR\) city valuation schedule](#), an Urban Immovable Property Tax (UIPT) assessment base, and a declared or observable market transaction value. These references are not automatically interchangeable because they serve different legal and administrative purposes. Their divergence can nevertheless weaken documentation, encourage under-declaration or cash-based settlements, generate uncertainty for taxpayers and make it harder to assess fairness across taxes.

Provincial governments are increasingly using Geographic Information System (GIS) mapping, digitalised land records, electronic registration and integrated cadastral, ownership and transaction data. These systems can identify properties outside the tax net, verify physical characteristics and improve transparency. They do not, by themselves, determine whether a property should be valued through rental value, capital value, unit-area assessment or a hybrid model.

Punjab shifted its [urban property tax system from rental value to capital value](#) linked to notified deputy commissioner rates from January 2025. The experience provides an opportunity to test whether capital value improves predictability and coverage or transfers discretion to official land value schedules. Rental value may better reflect income-generating capacity for some properties; unit-area or hybrid approaches may be more practical where reliable transaction evidence is incomplete.

The institutional choice is equally important. Common definitions, data protocols and transparency standards may reduce inconsistency, but valuation and tax administration must also reflect provincial law, city level market variation and effective appeal rights. This roundtable will, therefore, compare options without assuming that Pakistan needs one national authority or a single model for every jurisdiction and property class.

This session will bring together representatives from federal and provincial tax policy and tax administration institutions, including the FBR where federal valuation schedules are relevant, as well as provincial boards of revenue, excise and taxation departments, and local governments. It will also include GIS, land record, urban planning and digital government specialists; independent valuers, and property market professionals; representatives of taxpayers, businesses, banks and the real estate sector; and experts

in public finance, fiscal federalism, law and political economy. Specific objectives of the discussion will include:

- Examining the strengths and limitations of rental value, capital value, unit-area and hybrid property assessment models for different legal purposes, property classes and data environments.
- Exploring how GIS mapping, digitalised records and transaction data can improve coverage and transparency without being treated as substitutes for sound valuation policy.
- Comparing centralised, provincial, district-led and hybrid arrangements and identify where common standards, interoperable data or locally informed discretion are most appropriate.

They will address the following key discussion questions:

- What lessons are emerging from Punjab's transition from annual rental value to capital value-based property taxation, and which revenue, equity, compliance and dispute effects require further evidence before replication?
- What can GIS-based mapping realistically achieve - identifying untaxed properties, verifying property characteristics, supporting valuation or all three - and what can it not achieve without credible market, ownership and transaction data?
- Which valuation approach - rental value, capital value, unit-area assessment or a hybrid - is most appropriate for different taxes, property types, cities and data environments?
- Should Pakistan pursue one common valuation reference, common minimum standards, interoperable provincial systems, or locally determined valuations with stronger transparency, update and appeal mechanisms?
- How can provinces manage transition without sudden tax shocks, exclusion of asset-rich but cash-poor households, increased disputes or reduced formal transactions, and which indicators should show whether reform is working?

Organisers:

Dr Sohaib Aqib, Senior Data Analyst, Sustainable Development Policy Institute,
Pakistan
Email: sohaibaqib@sdpi.org

Mr Atteq Ur Rehman, Research Associate, Sustainable Development Policy Institute,
Pakistan
Email: atteq_rehman@sdpi.org

Ms Amber Tassawur, Assistant Project Coordinator, Sustainable Development Policy Institute, Pakistan
Email: amber@sdpi.org