



GOVERNMENT OF SINDH  
SINDH REVENUE BOARD

Karachi dated 01<sup>st</sup> February, 2012

**NOTIFICATION**  
(Sindh Sales Tax on Services)

No.SRB-3-4/2/2012. ----- In exercise of the powers conferred by section 72 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No XII of 2011), read with sections 9, 13 and 75 thereof, the Sindh Revenue Board is pleased to direct that the following further amendments shall be made in the Sindh Sales Tax on Services Rules, 2011, namely:-

In the said Rules,----

1. in the preamble, for the word and figures "section 13", the words, figures and comma "sections 9, 13 and 75" shall be substituted;
2. in rule 2, in sub-rule (1), for definition in clause ix, the following shall be substituted, namely:-

"ix. "Franchise" means an authority given by a franchiser under which the franchisee is contractually or otherwise granted any right to produce, manufacture, sell or trade in or do any other business activity in respect of goods or to provide services or to undertake any process identified with franchiser against a fee or consideration including royalty or technical fee, whether or not a trade mark, service mark, trade name, logo, brand name or any such representation or symbol, as the case may be, is involved;"

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3. in rule 30, in the Annex, for the Table after the word "RECONCILIATION", occurring for the second time, the following shall be substituted, namely:-

			Month 1	Month 2	Month 3	Total
A	Value of Services	Liable to tax at 16 %				
		Exempt from tax / Non-taxable				
		Total				
B	16 % ST on non-exempt taxable services					
C	Input tax for the month					
D	Net Sales Tax (B - C)					
E	Sales Tax withheld by the buyer/recipient of service as withholding agent					
F	Sales Tax withheld by the return filer as withholding agent					
G	Sales Tax Payable $\{(D - E) + F\}$					
H	ST Amount Paid					
I	CPR No. & date					

4. in rule 32,-

(a) for sub-rule (4), the following shall be substituted, namely:-

"(4) The amount of sales tax involved shall be deposited in the prescribed manner by the 15th day of the following month and the prescribed tax return shall be filed within three days from the due date prescribed for payment of tax."; and

(b) in sub-rule (6), for the figures "15", the figure "25" shall be substituted;

5. for rule 33, the following shall be substituted, namely:

"33 Procedure for advertising agents and persons providing services of advertisement on C. C. TV, Cable TV, Billboards, etc. - (1) Every person

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providing or rendering the advertisement services of advertisement on C.C. TV, Cable TV, billboards, hoardings, poles, web/internet etc, as described in the Second Schedule to the Act, shall be liable to be registered under the Act and shall pay sales tax in the manner specified hereinafter:

Provided that advertising agents and persons providing the services of advertisement on aforesaid media, shall be deemed to be an "advertising enterprise" for the purpose of this rule.

(2) The advertising enterprise shall maintain account of all services provided or rendered by it and shall issue a bill of charges for each transaction from a duly bound book of serially numbered bills of charges or electronically generated invoices which shall include the particulars as prescribed in sub-rule (1) of rule 29 of these Rules.

(3) A copy of the bill, referred to in sub-rule (2), shall be given to the person to whom such services have been provided or rendered and one copy thereof shall be retained by the person, providing or rendering the services, in the said bound book of bills of charges. The record of the electronically generated invoices shall be saved and retained electronically.

(4) Not more than one book of bill of charges or electronic data and evidence shall be used at one time; provided that where such advertising enterprise has one or more branches of the establishment, separate books of bill of charges may be used for each such branch.

(5) The advertising enterprise shall pay the tax by the 15<sup>th</sup> day of the month following the tax period to which it relates and the prescribed tax return shall be submitted by the 18<sup>th</sup> of that following month.

(6) The advertising enterprise shall not be required to charge sales tax on commission earned in relation to their services as an intermediary between another advertising enterprise and advertiser provided that the sales tax has already been charged and paid on such commission by such other advertising enterprise. Where an advertising enterprise provides or renders any non-taxable or exempt services, he shall show such services in the relevant columns of the prescribed tax return and its Annex-A although such non-taxable or exempt services shall not be leviable to tax in accordance with the Act. The claim of input tax credit shall, however be apportioned in terms of sub-rule (3) of rule 22 and shown in the return accordingly. The records of services provided as advertising company and advertising agents shall be separately maintained by such advertising enterprise.

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6. in rule 42,-

(a) in the title, for the word and commas "hotels, restaurants, clubs and caterers", the word and commas "hotels, motels, guest houses, clubs, restaurants, caterers, etc." shall be substituted;

(b) in sub-rule (1), \_\_\_\_\_

(i) after the word "hotels", occurring twice, the commas and word " , motels, guest houses" shall be added;

(ii) in clause (a), for the words "Every such person", the word "Every such restaurant or caterer who are not located in the premises of a hotel, motel, guest house, marriage lawn, or club, but" shall be substituted; and

(iii) in clause (b), for the full stop at the end, a colon shall be substituted and, thereafter, the following proviso shall be added, namely:-

"Provided that the Board may require, in terms of subsection (3) of section 52 of the Act, all hotels or motels or guesthouses or restaurants or clubs or marriage halls and lawns to submit a periodical statement to the Board containing such particulars of the catering activity conducted in their premises as it may prescribe."; and

(c) in sub-rule (2), after the words "membership fee" the words "and donations or contributions received from members or applicants for membership" shall be inserted; and

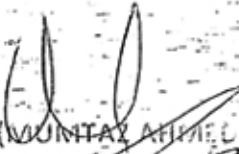


7. after Chapter-X and the rules contained therein, the following new chapter and the rules shall be added, namely:-

"CHAPTER-XI

MISCELLANEOUS PROVISIONS

60. Service of communications.- The officer of the SRB may, where deemed fit and appropriate, serve any communication including a notification, notice, requisition, decision, assessment or order, upon any registered person electronically through email address as recorded by the registered person in his registration application (Form SST-01)."



(MOUNTAIN APPEAL)  
Member (Legal & Coord.)