



GOVERNMENT OF SINDH
SINDH REVENUE BOARD

Karachi, the 1st July, 2019

NOTIFICATION
(Sindh Sales Tax on Services)

SRB-3-4/23/2019.----- In exercise of the powers conferred by the provisions of sub-section (1) of section 72 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011), read with sub-section (4) of section 3, sub-section (3) of section 9, sub-section (2) of section 24 and section 26 thereof, the Sindh Revenue Board is pleased to make the following rules, namely:-

1. **Short title, application and commencement.**----- (1) These rules may be called the Sindh Sales Tax Special Procedure (Services provided or rendered by cab aggregator and the services provided or rendered by the owners or drivers of the motor vehicles using the cab aggregator services) Rules, 2019.

(2) These rules shall apply to such of the service or services of a cab aggregator as are provided or rendered by him to the passengers for travel using the cab aggregator services and shall also apply to the owners or drivers of the motor vehicles using the cab aggregator service for travel or carriage of passengers on such motor vehicles and shall, further, also apply to the owners or drivers of the motor vehicle using the cab aggregator service or services for provision of the services of carriage or travel of passengers on the motor vehicle owned or driven by such owners or drivers.

(3) These rules shall come into force at once and shall apply in relation to the services described against tariff heading 9846.0000 of the Second Schedule to the Act, as are provided or rendered on or after the first day of July, 2019.

2. **Definitions.**----- (1) In these rules, unless there is anything repugnant in the subject or context,-----

(a) "Act" means the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011);

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- (b) "Board" or "SRB" means Sindh Revenue Board established under the Sindh Revenue Board Act, 2010 (Sindh Act No. XI of 2010);
- (c) "cab aggregator" means a person as defined in clause (19A) of section 2 of the Act;
- (d) "invoice" means the bill of charges issued or generated by the cab aggregator, electronically or otherwise, showing the total charges payable by the passenger for the services of the cab aggregator and also for the services of the owner or driver of the motor vehicle carrying the passenger connected to him by the cab aggregator;
- (e) "registered person" means a cab aggregator who is registered with SRB under sections 24, 24A or 24B of the Act, read with clause (71) of section 2 thereof;
- (f) "rules" means the Sindh Sales Tax Special Procedure (Services provided or rendered by cab aggregator and the services provided or rendered by the owners or drivers of the motor vehicles using the cab aggregator services) Rules, 2019;
- (g) "service" or "services" means such of the service or the services provided or rendered by cab aggregator and the services provided or rendered by the owners or drivers of the motor vehicles using the cab aggregator services, as are classified under tariff heading 9846.0000 of the Second Schedule to the Act;
- (h) "tax" means the Sindh sales tax as defined in clause (92) of section 2 of the Act; and
- (i) "withholding agent" means a person as defined in clause (11) of rule 2 of the Sindh Sales Tax Special Procedure (Withholding) Rules, 2014, and includes a cab aggregator for the purposes of withholding of the full amount of tax involved on the services provided or rendered by the owners or drivers of the motor vehicles using the cab aggregator services.

(2) The words and expressions used in these rules but not defined herein shall have the same meaning as assigned to them in the Act.

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3. **Rate of tax.**----- The rate of tax on the services provided or rendered by cab aggregator and the services provided or rendered by the owners or drivers of the motor vehicles using the cab aggregator services shall be the rate specified in notification No. SRB-3-4/8/2013 dated the 1st July, 2013 as amended *vide* notification No. SRB-3-4/21/2019 dated the 1st July, 2019.

4. **Value of the taxable service.**----- The value of the taxable services provided or rendered by cab aggregator and the services provided or rendered by the owners or drivers of the motor vehicles using the cab aggregator services shall be the total consideration in money, including all federal and provincial taxes, if any, and without any discount or rebate or abatement or deduction on any account, which is payable or paid by the passenger, excluding the amount of the Sindh sales tax under the Act. All charges including waiting charges, cancellation charges etc., shall also be included in the value of the taxable service.

5. **Registration.**----- Every person providing or rendering the services of cab aggregator shall register himself under section 24 of the Act, read with the provisions of the rules in Chapter-II of the Sindh Sales Tax on Services Rules, 2011. The owners or drivers, carrying the passengers using cab aggregator services, shall not be liable to be registered under the Act:

Provided that in case the person providing or rendering the services of cab aggregator is not resident in Pakistan, the branch office or the resident representative of such cab aggregator in Pakistan shall register itself under section 24 of the Act as the cab aggregator for the purposes of these rules.

6. **Liability of payment of tax.**----- (1) The cab aggregator shall be liable to pay the amount of tax involved on the services described against tariff heading 9846.0000 of the Second Schedule to the Act in the manner prescribed under the Act and the rules made thereunder, including these rules:

Provided that in case the person providing or rendering the services of cab aggregator is not resident in Pakistan, the branch office or the resident representative of such cab aggregator in Pakistan shall be liable to pay the amount of the tax.

(2) The cab aggregator shall also be liable to charge, collect and pay the tax on the services provided or rendered by the owners or drivers, carrying the passengers using the cab aggregator services. In this regard, the cab aggregator shall be deemed to be a withholding agent as defined in clause (i) of sub-rule (1) of rule 2 of these rules:

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Provided that in case the person providing or rendering the services of cab aggregator is not resident in Pakistan, the branch office or the resident representative of such cab aggregator in Pakistan shall be liable to charge, collect and pay the amount of the tax payable in terms of this sub-rule.

7. **Returns:-----** (1) The cab aggregator or the branch office or resident representative of a non-resident cab aggregator, as the case may be, shall e-file his tax returns as defined in clause (75) of section 2 of the Act, in the manner prescribed under the Act.

(2) In case the cab aggregator shows the amount of tax involved on the component of the value of the services provided or rendered by the owners or drivers of the motor vehicles, carrying the passengers using the cab aggregator services, separately from the component of the value of the services provided or rendered by the cab aggregator himself, he shall indicate the amount of the tax withheld by him in relation to the services provided or rendered by such owners or drivers in Row No. 14A of the tax return (in Form SST-03) and under the column "ST Withheld as WH Agent" in Annex-A of that return. In such a case, the cab aggregator may, in Annex-A of the return, group all such owners or drivers of motor vehicles in one line with a dummy NTN as 9999998-1.

8. **Record.-----** Besides the record prescribed under section 26 of the Act, read with sub-rules (2) and (2A) of rule 29 of the Sindh Sales Tax on Services Rules, 2011, the cab aggregator shall also keep and maintain the record of the CNICs of the owners and drivers of the motor vehicles using the cab aggregator services and also the invoices relating to the taxable services provided or rendered by such owners and drivers of the motor vehicles.

9. **Application of other provisions:-----** All the provisions of the rules and notifications made or issued under the Act shall *mutatis mutandis* apply in relation to the service or services covered by these rules, to the extent that the provisions of those rules and notifications are not inconsistent with the provisions of these rules.


(Khair Mohammad Kalwar)
Secretary