



**GOVERNMENT OF SINDH
SINDH REVENUE BOARD**

Karachi, the 2nd February, 2018

NOTIFICATION
(Sindh Sales Tax on Services)

SRB-3-4/1/2018.----- In exercise of the powers conferred by the provisions of sub-section (2) of section 8 and section 13 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, and section 72 thereof, the Sindh Revenue Board, with the approval of the Government of Sindh, is pleased to make the following rules, namely:-

1. **Short title, application and commencement.** (1) These rules may be called Sindh Sales Tax Special Procedure (Transportation or Carriage of Petroleum Oils through Oil Tankers) Rules, 2018;

(2) These rules shall apply to such of the service or services of inter-city transportation or carriage of petroleum oils by road which are provided or rendered through oil tankers and are classified under tariff heading 9836.0000 of the Second Schedule to the Sindh Sales Tax on Services Act, 2011; and

(3) These rules shall come into force at once and shall apply in relation to such of the service or services as are provided or rendered on or after the first day of January, 2018.

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);
- (b) "Board" or "SRB" means Sindh Revenue Board established under the Sindh Revenue Board Act, 2010 (Sindh Act No. XI of 2010);
- (c) "Form" means the form prescribed under these rules;
- (d) "Inter-Province service or services" means a service or services originating in or from any place in the Province of Sindh and terminating at any place (including Federal Capital Territory, FATA, PATA, AJK and GB) outside the Province of Sindh;

- (e) "Intra-Province service or services" means a service or services originating in or from any place in the Province of Sindh and also terminating at any place in the Province of Sindh;
- (f) "Invoice" means an invoice, bill, bilty, consignment note, cash memo, credit memo, advice or any other such transaction-related document containing the particulars mentioned in rule 29 of the Sindh Sales Tax on Services Rules, 2011, read with sub-rule (4) of rule 42G thereof;
- (g) "Non-tariff area", in relation to inter-province service or services, means the State of Azad Jammu and Kashmir, Gilgit Baltistan, Islamabad Capital Territory and other similar territories or areas where sales tax on the service or the services of inter-city transportation or carriage of petroleum oils by road through oil tankers has not been levied under the reverse charge mechanism.
- (h) "Petroleum oils" means that petroleum oils classified under heading 27.10 of the Pakistan Customs Tariff, as given in the First Schedule to the Customs Act, 1969 (Act No.IV of 1969);
- (i) "Registered person" means a person who is registered with SRB under sections 24, 24A or 24B of the Act, read with clause (71) of section 2 thereof;
- (j) "Sales tax" or "tax" means the Sindh sales tax as defined in clause (92) of section 2 of the Act;
- (k) "Service" or "services" means such of the service or the services of inter-city transportation or carriage of petroleum oils by road through oil tankers, as are classified under tariff heading 9836.0000 of the Second Schedule to the Act;
- (l) "Service provider" means a person registered with SRB under the Sindh Sales Tax on Services Act, 2011, for providing or rendering such of the service or services as are mentioned in clause (k) of this rule;
- (m) "Service recipient" means the person, receiving the service or the services, to whom the service provider issues the invoice;
- (n) "These rules" means the Sindh Sales Tax Special Procedure (Transportation or Carriage of Petroleum Oils through Oil Tankers) Rules, 2018;



- (o) “Un-registered person” means a person who is liable to be registered under the Act but is actually not registered and does not hold a Sindh Sales Tax Registration Number (SNTN);
- (p) “Withholding agent” means a person as defined in sub-rule (11) of rule 2 of the Sindh Sales Tax Special Procedure (Withholding) Rules, 2014; and
- (q) “Withholding Rules” means the Sindh Sales Tax Special Procedure (Withholding) Rules, 2014.”

(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.

3. Rate of tax.----- The rate of tax on inter-Province service or services shall be 15 per cent of the value of the services in case the registered service provider elects or opts to pay the said higher rate of 15 per cent on the inter-Province service or services provided or rendered by him. For this purpose, the registered service provider shall submit his written election or option, in the Form appended to these rules, to the concerned Commissioner of the SRB so as to reach him within 14 days from the date of this notification. However, persons commencing their economic activity in relation to the business of inter-Province service or services on a date after the date of this notification shall submit their election or option in the prescribed Form atleast 10 days before the commencement of such economic activity. The option/election, so given in the prescribed Form, shall be valid for the period ending 30th June, 2019.

Provided that the person opting/electing to pay sales tax at 15 per cent under these rules shall be liable to pay the tax at 13 per cent on intra-Province service or services in Sindh and, for this purpose, they shall not be required to submit the other option/election in the Form prescribed under rule 42G of the Sindh Sales Tax on Services Rules, 2011.

4. Tax invoices.----- The service provider shall issue an invoice in relation to the service or the services provided or rendered by him:

Provided that where the service or the services in any invoice involves more than one rate of tax (e.g., the rates of 13 per cent and 15 per cent, both), the invoice shall clearly indicate the particulars of destinations, as per sub-clause (b) of clause (iv) of sub-rule (4) of rule 42G of the Sindh Sales Tax on



Services Rules, 2011, and the value and the rate and amount of tax, separately, in the invoice.

5. **Withholding of tax.**----- The whole of the amount of sales tax shall be withheld by the service recipients who shall be the withholding agent and shall deposit such amount in Sindh Government's head of account "B-02384" in the manner prescribed in the Sindh Sales Tax Special Procedure (Withholding) Rules, 2014:

Provided that, in relation to the tax on inter-Province service or services, other than the services provided in non-tariff areas, the withholding agent shall, in accordance with the agreement recorded in paragraph 3 of the minutes of the meeting held on 13th September, 2017, as circulated under the Ministry of Energy (Petroleum Division), Islamabad's letter No. DOM-1(24)/2015-III dated 22nd September, 2017, deposit 50% of the amount of the tax in Sindh Government head of account "B-02384" in the aforesaid prescribed manner and the balance of the amount of sales tax shall be deposited in the jurisdiction of the Tax Authority of the respective Province in the manner as may be prescribed by that Authority.

6. **Returns:** ----- (1) The service provider shall e-file his tax returns, as defined in clause (75) of section 2 of the Act, in the prescribed manner:

Provided that where a service recipient agrees with the service provider to e-file the prescribed return on behalf of the service provider, such a service recipient shall e-file the prescribed return of the service provider.

(2) The service recipient shall e-file his own return in the manner prescribed in the Withholding Rules and he shall also issue the prescribed Certificate of Deduction/Withholding, in Form SSTW-06, to the service provider, besides complying with the other provisions of the Withholding Rules.

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

FORM

Election/option of the person providing or rendering the inter-Province service or services of Inter-city transportation or



carriage of petroleum oils by road through oil tankers for payment of tax at 15% in terms of the Sindh Sales Tax Special Procedure (Transportation or Carriage of Petroleum Oils through Oil Tankers) Rules, 2018.

I, _____ S/o _____ holder of
(full name) (Father's name)
CNIC No. _____ and NTN _____ do hereby
declare that:-

(1) I am the _____ in M/s _____
(Designation) (Business name)
(SNTN: S _____) having its office/head office/registered office at

(full address)

which is engaged in the economic activity of the service or services of inter-city transportation or carriage of petroleum oils by road through oil tankers (tariff heading 9836.0000).

(2) I am fully competent and duly authorized by the said M/s _____ to sign and submit this form of election or option on behalf of the said M/s _____ to be governed by the provisions of the Sindh Sales Tax Special Procedure (Transportation or Carriage of Petroleum Oils through Oil Tankers) Rules, 2018.

(3) I do hereby declare and affirm that the said M/s _____ (SNTN: S _____) elect and opt to be governed by the provisions of the Sindh Sales Tax Special Procedure (Transportation or Carriage of Petroleum Oils through Oil Tankers) Rules, 2018, and that the said M/s _____ (SNTN: S _____) shall pay Sindh sales tax on the intra-Provincial service or services at 13% and on the inter-Province service or services at 15% in terms of the aforesaid 2018-Rules.

Signature. _____
Date _____
Name _____
CNIC No. _____
Tele. No. _____
Cell phone No. _____
Company/Firm/ Service probyrs
Stamp _____

Witnesses :-

1. Signature _____
Date _____
Name _____
CNIC No. _____

2. Signature _____
Date _____
Name _____
CNIC No. _____


(KHALID MAHMOOD)
Chairman