



GOVERNMENT OF SINDH
SINDH REVENUE BOARD
Karachi, the 4th August, 2015.

NOTIFICATION
(Sindh Sales Tax on Services)

SRB-3-4/12/2015.----- 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 5, 6, 9, 13, 26 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, -----

- (a) in rule 35, in sub-rule (4), in Part-I of the FORM, in clause (a) against S.No.16, after the words "Internet Services", the word "of upto 2 mbps" shall be added;
- (b) in rule 40A, in sub-rule (4), after the word "Act", the words "and sub-rule (2A) of rule 29 of these rules" shall be inserted;
- (c) in rule 40B, in sub-rule (4), after the word "Act", the words "and sub-rule (2A) of rule 29 of these rules" shall be inserted;
- (d) in rule 40C, in sub-rule (3), after the figures "29", the words "and shall also maintain the records as prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules" shall be added ;
- (e) in rule 41, in sub-rule (6), for the words "sub-rule (2)", the word "sub-rule (2A)" shall be inserted;
- (f) after rule 41, the following shall be added, namely:-

"41A. Services provided or rendered by underwriters. ----- (1)

The provisions of the this rule shall apply to the persons providing or rendering the services of underwriters.

(2) Every underwriter shall be registered under section 24 of the Act, read with the provisions of the rules in Chapter-II of these Rules.

(3) The value of the taxable services in relation to the services provided or rendered by an underwriter shall be the gross amount of

consideration, including the fee or the commission, charged by the underwriter.

(4) The tax involved on the services during a tax period shall be deposited, in the prescribed manner, by the 15th day of the month following the tax period to which it relates. The underwriter shall file his return, in the prescribed manner, within 3 days from the due date prescribed for payment of tax.

(5) The underwriter shall maintain the records as prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these Rules.

41B. Services provided or rendered by indenters and commission agents. -----

(1) The provisions of this rule shall apply to the persons providing or rendering the services of indenters and of commission agents.

(2) Every indenter and every commission agent shall be registered under section 24 of the Act, read with the provisions of the rules in Chapter-II of these Rules.

(3) The value of the services provided or rendered by an indenter or a commission agent shall be the gross amount of consideration, including the commission or fee or remuneration or royalty on a transaction, received by an indenter or a commission agent whether from the person whom he represents or from the person to whom he provides or renders his services.

(4) Where an indenter or a commission agent receives any consideration, including commission or fee or remuneration or royalty on any transaction, from a person resident in a country other than Pakistan, such a consideration shall be treated as the tax-inclusive value and the amount of tax shall be worked out by the indenter or the commission agent on the basis of tax fraction formula.

(5) Every person providing or rendering the services of an indenter or a commission agent shall deposit the amount of tax, in the prescribed manner, by the 15th day of the month following the tax period to which it relates and shall also file the return within 3 days from the due date for payment of tax:

Provided that in case of transactions covered by sub-rule (4) of this rule, the due date for payment of tax shall be the 15th day of the month following the month in which the consideration, including commission or



fee or remuneration or royalty, is received by the indenter or the commission agent.

(6) The indenter and the commission agent shall maintain the records as prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules. The indenter and the commission agent shall also maintain record of the indents issued and also of all the agreements or contracts under which he acts as an indenter or as a commission agent.

41C. Services provided or rendered by auctioneers. ----- (1) The provisions of this rule shall apply to the persons providing or rendering the services as an auctioneer and shall, *inter alia*, apply to cases of auction, whether public auction or auction by tender of any property or goods (including the property or goods confiscated or attached), whether or not belonging to Federal Government or a Provincial Government or a Local Government or any other authority, including a firm or a company or an autonomous cooperation or a body corporate. This shall also apply to the auction of the right to collect tolls, fees and other levies, by whatever name called.

(2) Every person providing or rendering the services as an auctioneer shall be registered under section 24 of the Act, read with the provisions of the rules in Chapter-II of these Rules.

(3) Every person providing or rendering the services as an auctioneer shall issue tax invoices in the manner prescribed in sub-rule (1) of rule 29 of these Rules and shall charge and collect tax at the rate of 10% of the consideration, including commission or fee or remuneration or royalty as are received by him and shall deposit the same in Sindh Government's head of account "B-02384" in the prescribed manner by the 15th day of the month following the tax period to which it relates and shall also file the return within 3 days from the due date for payment of tax:

Provided that in case of auction of property or goods by the owner of the property or the goods, the tax shall be payable by such person (owner).

(4) The person providing or rendering the services of auctioneers shall maintain the records as prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these Rules.”;

(g) in rule 42, in sub-rule (7), after the word “Act”, the words “and sub-rule (2A) of rule 29 of these rules” shall be added; and



(h) after rule 42BB, the following shall be added, namely:-

“42BBB. Procedure for the levy, collection and payment on renting of immovable property services. ----- (1) The provisions of this rule shall apply in relation to the levy, collection and payment of tax on renting of immovable property services, as defined in clause (72C) of section 2 of the Act, read with the definition and explanations given in clause (72B) of section 2 thereof.

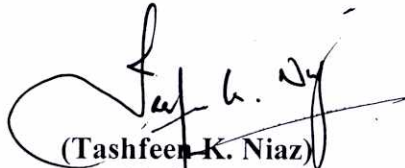
(2) Every person providing or rendering the renting of immovable property services shall be registered under section 24 of the Act, read with the provisions of the rules in Chapter-II of these Rules.

(3) Every person providing or rendering the renting of immovable services, except the ones exempted under notification No. SRB-3-4/7/2013 dated 18th June, 2013, as amended by notification SRB-3-4/2/2015 dated 1st July, 2015, shall issue tax invoices in the manner prescribed in sub-rule (1) of rule 29 of these Rules and shall charge and collect tax at the rate of 6%, as prescribed in notification No. SRB-3-4/8/2013 dated 1st July, 2013, as amended by notification No. SRB-3-4/3/2015 dated the 1st July, 2015.

(4) Every person providing or rendering the renting of immovable property services shall deposit the amount of tax, in the prescribed manner, by the 15th day of the month following the tax period to which it relates and shall also file the return within 3 days from the due date for payment of tax.

(5) The provisions of sections 7 and 17 of the Act shall, *inter-alia*, apply in relation to payment of tax.

(6) Every person providing or rendering the renting of immovable property services shall maintain record as prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules and shall also maintain the record of all agreements, contracts, leases, sub-leases, licenses, etc., relating to such renting of immovable property.”.


(Tashfeen K. Niaz)
Chairman