



**GOVERNMENT OF SINDH
SINDH REVENUE BOARD**

Karachi, the 8th June, 2023

NOTIFICATION
(Sindh Sales Tax on Services)

No. SRB-3-4/27/2023.----- 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, 25B, 26, 54A 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, after rule 9, the following shall be added namely:-

“9A. Non-active taxpayer.--- (1) A registered person whose registration is either suspended or who fails to e-file his returns consecutively for four tax periods shall automatically become a non-active taxpayer and his name and registration number shall be removed from the active taxpayers list maintained under section 25B of the Act.

(2) A non-active taxpayer shall, until the restoration of his name and registration on the active taxpayers list in terms of rule 9B, shall not be entitled to:-

- (a) claim refund;
- (b) avail any exemption or concession under the Act or under the rules and notifications issued under the Act; and
- (c) participate in the competitive bidding under the Sindh Public Procurement Rules, 2010.

(3) Without prejudice to sub-rule (2),--

- (a) the sales tax paid on the services received or acquired or procured from a non-active taxpayer shall not be admissible to the service recipients in terms of clause (bbb) of section 15A(1) of the Act; and

(b) the business premises of the non-active taxpayer shall be liable to be sealed in terms of clause (b) of section 54B of the Act.

9B. Restoration as an active taxpayer.—A non-active taxpayer may be restored as an active taxpayer, if---

- (a) the non-active taxpayer e-files the prescribed tax return and the prescribed statement in the prescribed manner with evidence of payment of the tax due; or
- (b) the concerned Commissioner of the SRB or the Board issues an order to such effect after satisfying itself that such non-active taxpayer has complied with the conditions for restoration of his status as an active taxpayer.”.

2. This notification shall take immediate effect.


(Mona Mehfooz)
Secretary

[File No. SRB/TP/8/2023]