



NOTIFICATION
(Sindh Sales Tax on Services)

SRB-3-4/31/2020.----- In exercise of the powers conferred by section 10 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011), the Sindh Revenue Board, with the approval of the Government, is pleased to exempt from the whole of the sales tax payable on such taxable services as are received or procured by the United States Agency for International Development (USAID) or the Implementing Partners of the USAID under the Sindh Basic Education Program (SBEP) funded by way of grant-in-aid provided by the USAID under the framework of the Pakistan Enhanced Partnership Agreement (PEPA) of 2010 signed between the United States of America and the Islamic Republic of Pakistan, subject to the following limitations and conditions:-

- (a) the services are received and procured from such service providers as are registered with the Board in terms of sections 24, 24A or 24B of the Act:

Provided that the benefits of the notification shall not apply in case of persons (service providers) not registered on the date of provision of services in terms of the Proviso to clause (71) of section 2 of the Act;

- (b) the service provider issues the prescribed tax invoice in terms of sub-rule (1) of rule 29 of the Sindh Sales Tax on Services Rules, 2011 (hereinafter called "the 2011-Rules") showing "Exempt" in the column "Rate of Sindh sales tax" and "NIL" in the column "Amount of Sindh sales tax" and also quoting the number & date of this exemption notification on such invoices;
- (c) the service provider shall e-file his tax return (SST-03) showing corresponding entries in Annex-C of the tax return in relation to such services;
- (d) the service recipient i.e. the Implementing Partner of the USAID is also a person registered with Sindh Revenue Board in terms of sections 24, 24A or 24B of the

Act and e-files its tax returns (SST-03) in the prescribed manner showing corresponding entries in Annex-A of such returns:

Provided that the benefits of the notification shall not apply in case of persons (i.e. the Implementing Partner of the USAID) who are not registered with Sindh Revenue Board on the date of receipt of services in view of the Proviso to clause (71) of section 2 of the Act;

- (e) while e-filing his tax return, the service provider and the service recipient shall ensure compliance of the provisions of the Act, including the provisions of section 15A thereof and also of rules 22 and 22A of the 2011-Rules;
- (f) the authorized person (not below the rank of the head of Finance) of the Implementing Partner of the USAID issues a "CERTIFICATE" in the following Form, duly endorsed by the authorized officer of the USAID and such authorized person shall give this Certificate to the service provider with copies endorsed to the Secretary, School Education & Literacy Department, Government of Sindh and to the Commissioner (Audit) of Sindh Revenue Board:

Provided that in case where the USAID is itself the service recipient, this CERTIFICATE shall be issued by the authorized officer of the USAID and its copies, besides being given to the service provider, shall also be endorsed to the Secretary, School Education & Literacy Department of Government of Sindh and to the Commissioner (Audit) of Sindh Revenue Board.

"CERTIFICATE

No. _____

Dated _____

Certified that M/s _____ holding Sindh Sales Tax Registration (SNTN): S _____ have provided services to us i.e M/s _____ (SNTN: S _____) to USAID vide their tax invoice No. _____ dated _____ for Rs. _____ (Rupees _____) exclusive of Sindh sales tax in relation to the Sindh Basic Education Program (SBEP) funded by USAID and that the payment for this value shall be



made out of the funds of the grant-in-aid provided by the USAID under the PEPA, 2010.

Also certified that we received the said services, under the aforesaid invoice, for its exclusive use in the SBEP Sindh's Program/Projects funded by USAID under the PEPA, 2010 and that the provision of the sales tax exempt services under the aforesaid tax invoice No. _____ dated _____ of M/s _____ is duly covered by Sindh Revenue Board notification No. SRB-3-4/31/2020 dated 15th October, 2020.

Signature (with date): _____

Name: _____

Designation: _____

Organization name,
address and SNTN: _____

Official Stamp: _____;" and

(g) the aforesaid CERTIFICATE shall constitute a prescribed record in terms of clause (f) of sub-section (1) of section 26 of the Act, both for the service provider and the service recipient.



(Maqsood Jahangir)

Member (Ops)

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