



NOTIFICATION
(Sindh Sales Tax on Services)

No.SRB-3-4/6/2014.----- In exercise of the powers conferred by section 45 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 of Sindh, is pleased to exempt the whole of the amount of penalty and 95 *per cent* of the amount of default surcharge, payable on the principal amount of arrears of the tax as are outstanding on the date of this notification, if the said principal amount of tax and the 5 *per cent* of the amount of default surcharge are paid in the prescribed manner in Sindh Government's head of account "B-02384" during the period from the date of this notification to the 30th day of April, 2014, and the tax returns or the revised tax returns, as the case may be, for the relevant tax periods are also e-filed in the prescribed manner by the 9th day of May, 2014.

2. The benefits of exemption under this notification shall, *inter alia*, also be available in relation to the arrears of the tax payable:-

- (i) under the Sindh Sales Tax Ordinance, 2000 (Sindh Ordinance No. VIII of 2000) or under the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011);
- (ii) by persons who are liable to be registered under section 24 of the Act but were not registered, provided that:-
 - (a) they get themselves registered with SRB in the prescribed manner during the period from the date of this notification to the 30th day of April, 2014; and
 - (b) they also e-file their tax returns, for the tax periods from the tax period of the commencement of their economic activity of taxable services to the tax period March,

2014, during the period from the date of this notification to the 9th day of May, 2014;

Explanation: For the purpose of this sub-paragraph (i), the word “registered” in the case of withholding agents shall mean “e-Signed up” in terms of the Sindh Sales Tax Special Procedure (Withholding) Rules, 2011;

- (iii) by persons who were registered but were non-filers or null-filers of their tax returns;
- (iv) by persons who were late-registered with SRB and they did not file their tax returns from the date of commencement of their economic activity of taxable services;
- (v) by persons who withheld any amount of Sindh sales tax but have either not deposited that withheld amount in Sindh Government’s head of account “B-02384” or have deposited the withheld amount, in a head of account other than the Sindh Government’s head of account “B-02384”;
- (vi) by persons who determine the arrears through self-detection and self-assessment;
- (vii) by persons who short-paid any amount of tax in their tax returns and persons against whom any arrears of tax was detected in SRB’s scrutiny of tax returns or in SRB’s audit of taxpayers’ record;
- (viii) by persons against whom any tax amount has been determined or assessed or adjudged, by an officer of the SRB, through an order or decision passed under the Sindh Sales Tax on Services Act, 2011, or the rules/notification issued thereunder;
- (ix) by persons against whom any tax liability has been adjudged or confirmed by the Commissioner (Appeals) or the Appellate Tribunal;
- (x) by persons whose cases are under assessment or under adjudication with any officer of the SRB or is pending, at the appellate stage, with the Commissioner (Appeals) or with the Appellate Tribunal; and



(xi) by persons whose cases are under litigation in any court of law including the High Court or the Supreme Court.

3. The benefits of this notification shall also be available in cases where a person has late paid the principal amount of tax prior to the date of this notification but has not yet discharged the liability of default surcharge on such late payment provided that he pays an amount equal to 5 *per cent* of the outstanding arrears of the amount of such default surcharge in the Sindh Government's head account "B-02384" during the period from the date of this notification to the 30th day of April, 2014.

4. If the whole of the dues of the principal amount of tax and of 5 *per cent* of the default surcharge are paid by a person in terms of this notification, he shall not be prosecuted under section 49 of the Act and the offence, to the extent of the arrears of the tax paid under this notification, shall also be compounded under section 46 of the Act.

5. If the principal amount of tax and the 5 *per cent* of the amount of default surcharge thereon, as are paid in terms of this notification by the persons described in subparagraphs (vii), (viii), (ix), (x) and (xi) of paragraph 2 of this notification, are held to be not payable in view of the order issued by the respective competent authority (i.e. the adjudicating officer or the Commissioner Appeals or the Appellate Tribunal or the Court of Law), the Officer of the SRB, not below the rank of an Assistant Commissioner, shall allow tax adjustment/credit of the amount or, alternately, shall refund the amount, so paid, within 60 days from the date of receipt of the taxpayers application, for refund or tax adjustment/credit, together with a copy of the order/judgment and also of the evidence that the incidence of the tax was not passed on to the service recipient.

6. This notification shall not apply for the refund or adjustment of any amount of tax or default surcharge or penalty as has been paid before the date of this notification.


(Tashfeen K. Niaz)
Member (Taxation)

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