



**GOVERNMENT OF SINDH
SINDH REVENUE BOARD**

Karachi, the 18th May, 2019.

NOTIFICATION
(Sindh Sales Tax on Services)

No.SRB-3-4/8/2019.----- 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 is pleased to exempt the whole of the amount of penalty and such of the amount of default surcharge as is in excess of the amount of default surcharge specified below, provided that the principal amount of tax and the following amounts of the default surcharge thereon are deposited in the prescribed manner in Sindh Government's head of account "B-02384" during the periods as specified below:-

- (a) the principal amount of tax (as outstanding on the 21st May, 2019) alongwith 5% of the amount of default surcharge thereon if deposited during the period from 21st May, 2019 to 27th May, 2019;
- (b) the principal amount of tax (as outstanding on the 21st May, 2019) alongwith 10% of the amount of default surcharge thereon if deposited during the period from 28th May, 2019 to 3rd June, 2019;
- (c) the principal amount of tax (as outstanding on the 21st May, 2019) alongwith 15% of the amount of default surcharge thereon if deposited during the period from 4th June, 2019 to 10th June, 2019;
- (d) the principal amount of tax (as outstanding on the 21st May, 2019) alongwith 20% of the amount of default surcharge thereon if deposited during the period from 11th June, 2019 to 20th June, 2019; and
- (e) the principal amount of tax (as outstanding on the 21st May, 2019) alongwith 25% of the amount of default surcharge thereon if deposited during the period from 21st June, 2019 to 30th June, 2019.

Explanation: The word "deposited", used in this notification, means deposited by means of the CPR (Computerized Payment Receipt) so generated.

2. The benefits of exemption of penalty and default surcharge, as specified in this notification, shall also be available in relation to the arrears of the tax (as outstanding on the 21st May,

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2019) payable under the Sindh Sales Tax Ordinance, 2000 (Sindh Ordinance No. VIII of 2000) and under the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011) by:-

- (i) 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 aforementioned periods from 20th May, 2019 to the 30th June, 2019;
 - (b) they deposit their tax liabilities for the principal amount of tax alongwith the aforementioned percentages of the amount of default surcharge thereon in relation to the tax periods from the date of the commencement of their economic activity to the tax period of May, 2019, in Sindh Government's head of account "B-02384" in the prescribed manner by the due dates prescribed in clauses (a), (b), (c), (d) and (e) of paragraph 1 of this notification; and
 - (c) they also e-file their tax returns, for the tax periods from date of commencement of their economic activity of taxable services to the tax period May, 2019, during the period from the date of this notification to the 30th June, 2019.
- 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, 2014;
- (ii) persons who were registered but were non-filers or null-filers or nil-filers of their tax returns;
 - (iii) persons who were late-registered with SRB and they did not file all of their tax returns for the tax periods from the date of commencement of their economic activity of taxable services;
 - (iv) 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";

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- (v) persons who determine the arrears through self-detection and self-assessment;
- (vi) 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;
- (vii) 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;
- (viii) persons against whom any tax liability has been adjudged or confirmed by the Commissioner (Appeals) or the Appellate Tribunal;
- (ix) persons whose cases are under assessment or under adjudication with any officer of the SRB or are pending, at the appellate stage with the Commissioner (Appeals) or with the Appellate Tribunal; and
- (x) 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, to the extent as specified below, shall also be available in cases where a person has late paid the principal amount of tax prior to the date of this notification and/or has not yet discharged the liability of penalty (whether the prescribed amount or the adjudged amount of the penalty) and default surcharge on such late payment provided that he pays an amount equal to:-

- (a) 5% of such amount of penalty and 15% of such amount of default surcharge (as outstanding on 21st May, 2019) in Sindh Government's head of account "B-02384" during the period from 21st May, 2019 to 3rd June, 2019;
- (b) 10% of such amount of penalty and 20% of such amount of default surcharge (as outstanding on 21st May, 2019) in Sindh Government's head of account "B-02384" during the period from 04th June, 2019 to 20th June, 2019; and
- (c) 15% of such amount of penalty and 25% of such amount of default surcharge (as outstanding on 21st May, 2019) in Sindh Government's head of account "B-02384" during the period from 20th June, 2019 to 30th June, 2019;

4. If the whole of the dues of the principal amount of tax and the aforementioned prescribed percentage of the amount of default surcharge thereon are paid by a person in terms of this

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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 aforementioned percentages of the amount of the default surcharge thereon, as are paid in terms of this notification by the persons described in clauses (vi), (vii), (viii), (ix) and (x) 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 90 days from the date of receipt of the taxpayer's application, for refund or for 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 refund or adjustment of any amount of tax or default surcharge or penalty as has already been paid or recovered on any date prior to the 21st May, 2019.



(Khair Muhammad Kalwar)
Secretary, SRB

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