




No. SRB/TP/38/2019/425942
GOVERNMENT OF SINDH
SINDH REVENUE BOARD
6th Floor Shaheen Complex,
M.R. Kayani Road,
Karachi, 19th August, 2019.

M/s Deloitte Yousuf Adil,
Chartered Accountants,
Cavish Court,
A-35, Block 7 & 8, KCHSU,
Shahrah-e-Faisal,
Karachi-75350
(Tele: 3454-6494)

**CLARIFICATION REGARDING APPLICABILITY OF SINDH SALES TAX ON
EDUCATION RELATED ACTIVITY UNDER TARIFF HEADING 9848.0000
(TRAINING SERVICES).**

Dear Sir,

I am directed to refer to your letter No. Legal/360/08/19 dated August 01, 2019, on the above subject and to say that the general education services like pre-primary, primary, elementary, secondary (matric), higher secondary (intermediate), General Certificate of Secondary Education, International General Certificate of Secondary Education, college or university education (leading to degrees like BA, BSc, B.S, BCS, B.Com, BBA, B.E, B. Ed, B. Tech, LL.B. MBBS, M.A, MSc, MS, MCS, M.Com, MBA, MPA, M. Ed, LL.M, M. Phil, MCPS, FCPS, Ph. D), special education for handicapped children and education under the adult literacy programme are not taxable as "training services" of tariff heading 9848.0000 of the Second Schedule to the Sindh Sales Tax on Services Act, 2011.


(Komal Shamim)

Assistant Commissioner (Tax Policy)
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P.T.O.

Copy, alongwith a copy of the letter under reference, to:-

- (1) The Commissioner-I, (I/c tariff heading 9848.0000), SRB.
- (2) The Commissioner (Legal), SRB.
- ✓ (3) The Deputy Commissioner (IT), SRB, for placing this letter and its enclosure on the website of SRB.
- (4) S.A. to the Chairman, SRB.
- (5) The I/C Call Centre, SRB.

Encl: (1) - as above

Komal
19/08/19
(Komal Shamim)
Assistant Commissioner (Tax Policy)

Legal/ 562 /08/19

August 1st, 2019

Mr. Mushtaq Ali Kazmi
Advisor (Tax Policy)
Sindh Revenue Board
Karachi

Dear Sir

CLARIFICATION REGARDING APPLICABILITY OF SINDH SALES TAX ON EDUCATION RELATED ACTIVITY UNDER TARIFF HEADING 9848.0000 (TRAINING SERVICES)

We refer to the captioned subject.

Through the Sindh Finance Act, 2019, the 'Training Services' has been brought to tax net under the tariff heading of '9848.000' with effect from July 1st, 2019.

Through notification SRB-3-4/21/2019 dated July 1st, 2019, the rate of Sindh Sales Tax (SST) on Training Services has been reduced to 5% with no input tax adjustment.

The term 'Training Services' has been defined under clause (98AA) of Section 2 of the Sindh Sales Tax on Services Act, 2011 as under;

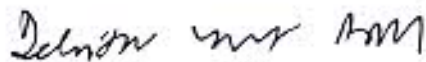
'training services means the training services provided or rendered by any person, institute or establishment, by whatever name called, for imparting skill or knowledge or lesson on any subject or field, with or without issuance of a certificate, and includes the services of vocational, professional, technical, commercial or specialized trainings, courses, seminars, workshops and lectures imparted for consideration but does not include the services of coaching or training of sports'

Based upon the above definition, there is confusion regarding chargeability of SST on education related services provided or rendered by Schools, Collages, Institutes and Universities as are chartered by the Government or related bodies such as Higher Education Commission (HEC) etc.

Hence, you are requested to please clarify the scope of above tariff heading specifically keeping the above scenario in to consideration.

Your positive and early response shall be much appreciated.

Yours truly,



Chartered Accountants

REWARD
NO. 424372
DATE 03/08/19
ISSUED BY
Signature