

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
FEDERAL BOARD OF REVENUE
INLAND REVENUE

C. No. 3(1)ST&FE/Misc/2014/ 688-77-IL

Islamabad, the 20th May, 2019

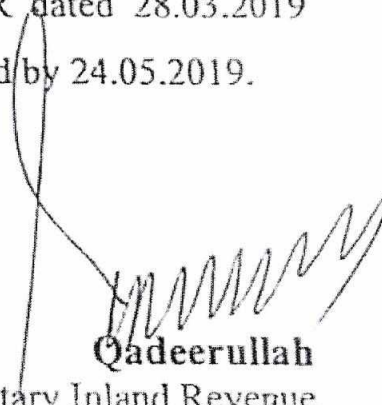
All Chief Commissioners IR,
LTUs/CRTOs/RTOs

Subject: REFUND AGAINST PROVINCIAL SALES TAX INVOICES

I am directed to refer to the subject and to say that during the processing of refund claims of the registered persons, reportedly field formations do not entertain the input tax/refund claims of the invoices issued by the registered persons relating to provincial tax authorities. The provincial sales tax levied under various provincial statutes is included in the definition of 'input tax' as provided in section 2(14) of the Sales Tax Act, 1990 read with SRO 814(I)/2016 dated 02.09.2016. However, due to non-availability of automated verification, refund claim against such invoices get deferred in the system.

2. It is requested to process and sanction refund against such invoices as per SOP issued vide Board's letter No. 1(6)/SS(L-A&R)/2019/43043-R dated 28.03.2019 (copy enclosed). A confirmation to this effect may be sent to the Board by 24.05.2019.

Encl: As above.


Qadeerullah
Secretary Inland Revenue
(Law Procedure & Exemptions)

Copy to:

1. The Member (IR-Operations) Federal Board of Revenue, Islamabad
2. The Chief IR Policy, Federal Board of Revenue, Islamabad.

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
FEDERAL BOARD OF REVENUE

No.1(6)/SS(L-A&R)/2019/ 43043-R

Islamabad, the 28th March, 2019

To

The Chief Commissioner-IR,
CRTO,
Karachi.

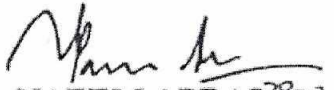
Subject:

Statndard Operating Procedure (SOP) for over ruling STARR objection
“Taxable Supply Against Refund Filed Not Verified Supply Chain” –
Difficulties in implementation of FTO Complaint No.
499/KHI/ST(270)/825/2017/IMP in respect of M/s Tanvir Packages Pvt
Ltd.

I am directed to refer to your office letter No.01(118)/CRTO/FTO/499/KHI/ST/270/825/2017/7705 dated 14/2/2019 regarding standard operating procedure for over-ruling STARR objection “Taxable Supply against refund filed not verified supply chain”.

2. The STARR objection that “Taxable supply against refund claim not verified in supply chain” needs to be handled as per section 8 (1)(caa) of the Sales Tax Act, 1990. However, in case input invoice being claimed relates to provincial sales tax on supply of ‘services’ the same may be processed after necessary verification such as invoice (in original), proof of payment including section 73 ibid and undertaking by claimant that said invoice has not been claimed previously. This matter was previously clarified vide this office letter No.105(57)/Sec-IR(A&R)/2017/67014-R dated 24/5/2018 (copy enclosed) regarding FTO complaint no.561/KHI/ST(287)987/2017 filed by M/s Digital Apparels Pvt Ltd.

Encl(As Above)

c/c

NAEEM ABBAS 28.3.19
Second Secretary
(ST&FE- Law, A&R)

Copy to:

- The Advisor, FTO Secretariat, Regional Office, Karachi.
- Second Secretary T.O-II, FBR(HQ).