



GOVERNMENT OF SINDH
SINDH REVENUE BOARD
Karachi, the 27th July, 2023

NOTIFICATION
(Sindh Sales Tax on Services)

No. SRB/3-4/41/2023.----- In exercise of the powers conferred by section 13 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011), read with sub-section (4) of section 3, sub-section (3) of section 9, and section 72 thereof, the Sindh Revenue Board is pleased to direct that the following further amendments shall be made in the Sindh Sales Tax Special Procedure (Withholding) Rules, 2014, namely:-

In the aforesaid Rules,-----

(a) in rule 1, in sub-rule (2),-----

(i) in clause (f), for the words “logistic companies”, the words “logistic service providers” shall be substituted;

(ii) in clause (g), for the words “un-registered persons” at the end, the words “an un-registered person or a person who has ceased to be an active taxpayer as per the list specified in terms of clause (1B) of rule 2” shall be substituted;

(iii) in clause (i), the word “and” at the end shall be omitted and, thereafter, the following new clause shall be inserted:-

“(ia) persons using the services of a truck aggregator (tariff heading 9856.0000) required to deduct or withhold the tax in relation to the services provided or rendered by the owners or drivers of the trucks or other road transportation cargo vehicles using the services of the truck aggregators (tariff heading 9856.0000); and”; and

(iv) in the Proviso, for the full-stop at the end, a colon shall be substituted and, thereafter, the following second Proviso shall be added:-

“Provided further that a person resident in Pakistan at a place outside the Province of Sindh and not having a place of business in Sindh

shall be treated as a withholding agent only if he has e-signed up as withholding agent by e-filing an application in Form SSTW-01 and has obtained a e-Sign up number duly activated by the User ID, Password and the PIN Code obtained from SRB for withholding of Sindh sales tax and e-depositing the same in the Sindh Government Head of Account "B-02384";

(b) in rule 2,-----

(i) after clause (1), the following new clauses shall be inserted:-

"(1A) "Active taxpayer" means a registered person as defined in clause (1A) of section 2 of the Act;

(1B) "Active taxpayers list" means the list of persons prepared and maintained in terms of section 25B of the Act;"

(ii) in clause (11), the words "provided that he is resident in Sindh or has a place of business in Sindh" shall be omitted; and

(iii) in the Proviso,-----

(a) for the word and figure "clause (i)", the words and figures "clauses (i) and (ia)" shall be substituted; and

(b) after the words "cab aggregator", occurring twice, the words "or the truck aggregator, as the case may be," shall be inserted;

(c) in rule 3,-----

(i) in sub-rule (3), for the word and brackets "clause (f)", the words and brackets "clauses (a) to (c) and (f) to (j)" shall be substituted;

(ii) in sub-rule (4), -----

(a) for the words "unregistered persons", the words "an unregistered person or from a person who has ceased to be an active taxpayer" shall be substituted; and

(b) for the words "such un-registered service provider", the words "such an unregistered person or by such a person who has ceased to be an active taxpayer" shall be substituted;



(c) after sub-rule (4), the following new sub-rule (4A) shall be inserted:-

“(4A) Without prejudice to the provisions of sub-rules (4), (5) and (5A), a withholding agent covered by clauses (a) to (c) of sub-rule (2) of rule 1 shall deduct and withhold an amount equivalent to four-fifth of the total amount of sale tax as shown in the tax invoice issued by the registered person and shall make payment of the balance amount to the such registered person.”.

(2) This notification shall take effect on and from the 1st day of September, 2023.



(Muhammad Yasir Jan Baloch)

Member