



NOTIFICATION
(Sindh Sales Tax on Services)

SRB-3-4/26/2016.----- In exercise of the powers conferred by sub-section (2) of section 8 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, is pleased to direct that the sales tax on the services provided or rendered by the recruiting agents as are classified under tariff heading 9805.6000 of the Second Schedule to the said Act, shall be charged, levied and collected at a lower rate of 8% during the tax periods of the financial year 2016-17, subject to the conditions that such a service provider:-

- (a) is registered with the Board in terms of section 24 of the Act and has shown the services of "Recruiting agents" of tariff heading 9805.6000 as his Principal Activity in his Registration Form SST-01:

Provided that where the service provider also provides any other taxable services as described in the Second Schedule to the Act, he shall *inter-alia* indicate the economic activity of such services in the relevant column of Activity Code of other Business Activities, as provided in the Registration Form SST-01;

- (b) is a stand-alone service provider of the taxable service of "recruiting agents" of tariff heading 9805.6000.

Explanation: For the purposes of this notification, a "stand-alone service provider" means a person whose principal activity is the provision of services of "Recruiting agents" of tariff heading 9805.6000, and whose economic activity of the provision of the services of recruiting agency is also restricted to recruitment of individuals or group of individuals for overseas employment in countries outside Pakistan:

Provided that the services provided or rendered by such recruiting agents in relation to recruitment of individuals or group of individuals for employment in Pakistan shall continue to be levied to tax at the statutory rate of 13 *per cent*;

- (c) e-files his tax returns (Form SST-03) regularly, in the prescribed manner, showing the details of his services liable to statutory rates of tax and to reduced rates of tax, separately:

Provided that the tax returns for the tax periods July, 2016 to November, 2016, if not filed earlier, may be e-filed on or before the 16th January, 2017;

- (d) e-deposits his tax liability on the taxable services regularly in the prescribed manner:

Provided that the tax liability for the tax periods July, 2016 to November, 2016, if not paid earlier, may be e-deposited in Sindh Government's head of account "B-02384" in the prescribed manner by the 12th January, 2017; and

- (e) complies with the provisions of the Sindh Sales Tax on Services Act, 2011, and the rules and notifications issued thereunder in relation to the taxable services received or procured by him and also in relation to the taxable services provided or rendered by him.

2. This notification shall not entitle any person, whether a service provider or a service recipient, to any refund or adjustment of tax.

3. This notification shall stand rescinded at 23:59 hours of the 30th day of June, 2017.


(Khalid Mahmood)
Chairman

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