



**GOVERNMENT OF SINDH
SINDH REVENUE BOARD**

Karachi, Dated 29th June, 2020

NOTIFICATION
(Sindh Sales Tax on Services)

No. SRB-3-4/17/2020.----- In exercise of the powers conferred by section 72 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011), read with sections 5, 6, 9, 13, 26 and 75 thereof, the Sindh Revenue Board is pleased to direct that the following further amendments shall be made in the Sindh Sales Tax on Services Rules, 2011, namely:-

In the said Rules,-----

- (a) rule 6 shall be omitted;
- (b) in rule 7,-----
 - (i) for the words “ automatically registered person described in rule 6”, the words “registered person” shall be substituted;
 - (ii) after the word “intimate”, the commas and words “, to the Board,” shall be inserted; and
 - (iii) for the alphabets, figures and words “SST-01 to the Board, and”, the alphabets, figures, commas and words “SST-01, together with the complete supporting documents, and the” shall be substituted;
- (c) in rule 23A,----
 - (i) after clause (a), the word “and” at the end shall be omitted and, thereafter, the following new clause shall be inserted, namely:-
 - “(b) the year end claim as declared by a registered person in terms of the Proviso to section 15 of the Act, read with

entry in row No. 18 of his tax return in form "SST-03" of these rules; and"; and

- (ii) the existing clause "(b)" shall be renumbered as clause "(c)";
- (d) in rule 29, in sub-rule (2A), after clause (xv), the word "and" at the end shall be omitted and, thereafter, the following new clause shall be added, namely:-
- “(xva) documents and records showing compliance of the provisions of clause (i) of rule 22A; and”;
- (e) in rule 30,-----
- (i) in sub-rule (7) after the word and comma "filed," the word and comma "online," shall be inserted; and
- (ii) for the ANNEX at the end, the following shall be substituted:-

“ANNEX

QUARTERLY RECONCILIATION OF SALES TAXABLE SERVICES PROVIDED OR RENDERED BY THE BANKING & NON-BANKING FINANCIAL COMPANIES

Name of the Bank/Non-Banking Financial Company _____

Sindh Sales Tax Registration No./ SNTN_____. Quarter ended _____

S.No.	Particulars of Services or Service-related fee, commission, brokerage or charges	Value of Services as per Return (in rupees)			
		Month 1	Month 2	Month 3	Total
1	Branch banking customer fee and commission				
2	Consumer finance related fee and commission				
3	Card related fee and commission (debit and credit cards)				
4	Credit related fee and commission				
5	Investment banking fee and commission				

6	Commission and fee on foreign trade				
7	Bill discounting commission and fee				
8	Commission and brokerage on foreign exchange dealing				
9	Commission and fee on guarantees, including bank guarantees				
10	Commission & fee on cash management				
11	Commission and fee on remittances, including home remittances				
12	Commission and fee on bancassurance				
13	Commission on Commodity Operations				
14	Commission on handling of Federal Government or Provincial Government or Local Government businesses				
15	Fee or rent of safe deposit lockers and safe vaults				
16	Services in respect of Hajj & Umrah				
17	Services in respect of Musharika and Modarba				
18	Services in respect of utility bills' collection				
19	Services provided as a banker to an issue				
20	Services provided as a consultant to an issue				
21	Financial leasing				
22	Commodity or equipment leasing				
23	Other leasing				
24	Services in respect of Ijarah				
25	Funds management services				
26	Asset management services				
27	Advisory services				
28	Consultancy services				
29	Other services				
Total					



RECONCILIATION

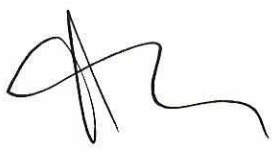
			Month 1	Month 2	Month 3	TOTAL
A	Value of Services	Liable to tax				
		Exempt/Non-taxable				
		Total				
B	Input tax	Creditable				
		Non-creditable				
		Total				
C	Sales tax	Gross				
		Input tax credit				
		Net				
D	Sales Tax withheld by the banking/non-banking financial company as a withholding agent					
E	Sales Tax of the banking/non-banking financial companies services withheld, if any, by others as withholding agents					
F	Sales Tax Payable [C Net + D-E]					
G	Sales Tax Amount Paid					
H	CPR No. & Date					

(f) in rule 32, in sub-rule (3), for the word “pilot age”, the word “pilotage” shall be substituted;

(g) in rule 34A,-----

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

(i) for the words “providing the sponsorship”, the words “providing or rendering the sponsorship services”, shall be substituted; and



(ii) for the words “receiving the sponsorship in any manner”, the words “receiving the sponsorship services in lieu of any

consideration in any manner or in any kind” shall be substituted;

(b) in sub-rule (4), for the words “and also in case where the sponsorship is received”, the words “or is not a person actually registered under section 24 of the Act and also in case where the sponsorship services are received” shall be substituted;

(c) in sub-rule (5), in the first Proviso, for the words “ from a service provider”, occurring twice, the words “from services recipient” shall be substituted;

(h) in rule 35, in sub-rule (4),-----

(i) after the word “submit”, the commas and word “, online,”; shall be inserted; and

(ii) in the **FORM** at the end, in the Table under Part-I, against S. No. 16 in the first column, in clause (e), for the words “exempt services”, the words “exempt services, if any (please specify)” shall be substituted;

(i) in rule 36, in sub-rule (6), in the first Proviso,-----

(i) after the word “submitting”, the commas and word “, online,” shall be inserted; and

(ii) after the word “submit”, the commas and word “, online,” shall be inserted;

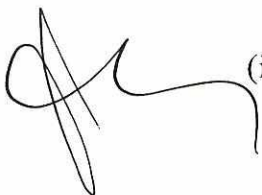
(j) in rule 40, in sub-rules (2), after the words “imported into”, the words “or exported from” shall be inserted;

(k) in rule 42B, in sub-rule (6), in the Proviso,-----

(i) after the word “submitting” the commas and word “, online,” shall be inserted;

(ii) for the words “this first time” the words “the first time” shall be substituted; and

(iii) after the word “submit”, the commas and word “, online,” shall be inserted;



- (l) in rule 42BB, in sub-rule (5), in the Proviso,-----
- (i) after the word “submitting”, the commas and word “, online”, shall be inserted; and
- (ii) after the word “submit”, the commas and word “, online” shall be inserted;
- (m) after rule 42BBB, the following new rule shall be inserted, namely:-

“42BBC. Procedure for the levy, collection and payment of tax on the renting of machinery, equipment, appliances, and other tangible goods. (1) This rule shall apply to the persons providing or rendering and also to the persons procuring or receiving the services of renting of machinery, equipment, appliances and other tangible goods as described against tariff heading 9806.6000 of the Second Schedule to the Act:

Provided that this rule shall not apply in the cases of the services of commodity or equipment leasing, hire purchase leasing and rent a car and automobile rental service as described against tariff headings 9813.3020, 9813.3030 and 9819.3000, respectively, of the Second Schedule to the Act.

(2) The rate of tax shall be 5% as prescribed against tariff heading 9806.6000 in the Table of notification No. SRB-3-4/8/2013 dated the 1st July, 2013, subject to the conditions and restrictions prescribed therein.

(3) The liability to deposit the sales tax shall be:-

- (a) on the person providing or rendering the services in the case the services are provided or rendered by a person in Sindh or from the place of business in Sindh; and



- (b) on the person procuring or receiving the service in the case the where the services is procured or received from a person not resident in Pakistan.
- (4) The amount of the sales tax involved shall be deposited in Sindh Government's head of account "B-02384" by the 15th day of a month following the tax period to which it relates. The tax return, in the prescribed form, shall be e-filed within 3 days from the due date of payment.
- (5) The service providers shall maintain the records as are prescribed under the Act and the sub-rule (2) of rule 29. In addition, the service provider shall also maintain an account of the stock of machinery, equipment, appliances and other tangible goods possessed by him for provision of the service. In addition, the service recipients procuring or receiving the services from the service providers not resident in Pakistan shall also maintain the record prescribed under the Act or rule 29(2).
- (6) The services providers shall issue tax invoices in accordance with the provisions of rule 29(1)."; and
- (n) in rule 42G, in sub-rule (4A), in the first Proviso,-----
- (i) after the word "submitting", the commas and word ", online," shall be inserted;
- (ii) for the words "this first time", the words "the first time" shall be substituted; and
- (iii) after the word "submit", the commas and word ", online," shall be inserted.

2. This notification shall take effect on and from the 1st day of July, 2020.



(Maqsood Jahangir)
Member (Operations)