



**GOVERNMENT OF SINDH  
SINDH REVENUE BOARD**

Karachi, the 30<sup>th</sup> June, 2021

**NOTIFICATION**  
(Sindh Sales Tax on Services)

No. SRB-3-4/19/2021.----- 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 and are also restricted to recruitment of persons or group of persons for employment outside Pakistan, shall be charged, levied and collected at a lower rate of 5% during the tax periods of the financial year 2021-22 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 row number 19 of the Registration Form SST-01, read with the provisions of sub-rule (3) of rule 4 of the Sindh Sales Tax on Services Rules, 2011;

- (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 economic activity is the provision of services of "Recruiting agents" of tariff heading 9805.6000, and such economic activity of the provision of the services of recruiting agency is related to recruitment of persons or group of persons for overseas employment in countries outside Pakistan:

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

Provided further that where a recruiting agent provides or renders any of the taxable service not classified under the aforesaid tariff heading 9805.6000, he shall pay the tax relating to such services (other than the services of tariff heading 9805.6000) at the rate(s) applicable to the tariff heading(s) relating to such other services;

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

Provided that the tax liability for the tax periods upto June, 2021, if not paid earlier, shall be e-deposited by the service provider in Sindh Government's head of account "B-02384" in the prescribed manner by the 15<sup>th</sup> day of July, 2021;


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

Provided that the tax returns for the tax periods prior to June, 2021, if not filed earlier, shall be e-filed by the service provider on or before the 20<sup>th</sup> day of July, 2021; and

- (f) complies with the provisions of the Sindh Sales Tax on Services Act, 2011, and the rules and notifications issued thereunder.

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, if not rescinded earlier, shall stand rescinded at 23:59 hours of the 30<sup>th</sup> day of June, 2022.

  
(Mona Mehfooz)  
Secretary