



GOVERNMENT OF SINDH

Sindh Revenue Board

Karachi, dated 30th June, 2011

NOTIFICATION

No. Legal/231/2011.-- In exercise of the powers conferred by section ¹[72] read with ²[section³[5, 6, 9, 13, 26] and 75 of the Sindh Sales Tax on Services Act, 2011, with the approval of Government of Sindh, the Sindh Revenue Board is pleased to make the following rules.

CHAPTER- I

PRELIMINARY

1. Short title, application and commencement.--

- (1). These rules may be called the Sindh Sales Tax on Services Rules, 2011
- (2). They shall come into force on and from the first day of July 2011.

⁴[2. Definitions.-- (1) In these rules, unless there is anything repugnant in the subject or context:-

- 1 The figure "72" substituted for the figure "5,72" vide notification No. SRB-3-4/13/2014. Earlier the figure and coma "5," inserted vide notification No. SRB3-4/13/2012 dated 25th July, 2012.
2. Words figures and comas "section 9, 13 and 75" substituted for the word and figures "section 13" by Notification No. SRB-3-4/2/2013 dated 1st February, 2013.
3. Substituted for the figures and coma "9,13" by notification No. SRB-3-4/1/2013 dated 31st January, 2013.
4. Rule 2 substituted by notification No, SRB3-4/9/13/2013 dated 1st July, 2013. Prior to substitution it was as under :-

2. Definitions:-- (1) In these rules, unless there is anything repugnant in the subject or context

- i. **"Act"** means the Sindh Sales Tax on Services Act 2011;
- ii. **"Advertising Agency"** means any person engaged in providing or rendering any service connected with the making, preparation, display or exhibition of advertisement and includes an advertising consultant;
- iii. **"Agent"** means a person who is authorized to act on behalf of another (called the principal) to create a legal relationship with a third party;
- iv. **"Aggrieved person"** means a person or a class of persons who has brought a dispute for resolution under section 65 of the Act;
- ³iv. **"Airport ground service provider" and "airport service provider"** include Shaheen Airport Services, Gerry's Dnata, Royal Airport Services and other such operators and airlines providing or rendering ground or ramp services or passenger and cargo handling services to other airlines or to aircraft operators of scheduled or non-scheduled flights;
- iv. **"Airport Operator"** includes the Civil Aviation Authority and other authority or organization or office managing or operating a customs airport, as notified under section 9 of the Customs Act, 1969 (Act No. IV of 1969);]
- v. **"Cable TV operator"** means a person, a company, a firm, an establishment or an organization involved in the collection and distribution or dissemination of audio-video signals for public viewing whether through a cable, MMDS, LMDS or DTH (through satellite receiver);

- (i) “Act” means the Sindh Sales Tax on Services Act, 2011;
- (ii) “Adjudicating authority” means an officer of the SRB competent to pass an order or decision under the Act or the rules made thereunder, but does not include the Board or the Appellate Tribunal;

⁴[va. “**Caterer**”, by whatever name called, means any person who supplies or provides, either directly or indirectly, food, edible preparations, beverages or crockery or cutlery and similar ancillary articles or accoutrements at any place including a place provided by tenancy or otherwise.]

⁵[vb. “**Club**” includes a membership club and a proprietary club and means an establishment, organization or place, other than a hotel, motel, guesthouse or restaurant, the membership of which is restricted to a particular class of people or which is run on the basis of mutuality and which provides various services, facilities, utilities or advantages for an amount of fee, subscription or charges, whether or not it provides food or drinks or has any arrangement for boarding or lodging or games;]

vi. “**Commissionerate**” means the office of the commissioner of Sindh Sales Tax on Services having jurisdiction.

vii. ⁶[“**Courier Services**” means the services provided or rendered by any person engaged in the transportation of time-sensitive documents, goods or articles, utilizing the services of a person, directly or indirectly, to carry or deliver such documents, goods or articles];

viii. “**Foreign exchange dealer**” includes an exchange, company or money changer;

ix. ⁷[“**Franchise**” means an authority given by a franchiser under which the franchisee is contractually or otherwise granted any right to produce, manufacture, sell or trade in or do any other business activity in respect of goods or provide service or to undertake any process identified with franchiser against a fee or consideration including royalty or technical fee, whether or not a trade mark, service mark, trade name, logo, brand name or any such representation or symbol, as the case may be, is involved;]

x. “**Freight Forwarders**” A Freight forwarder for the purpose of the ct, is a ‘person’ who is registered and provides or renders or makes arrangement for his principals or client for providing or rendering of services, for fee or charges or commission, for some or all the services being provided by the Shipping agents, Clearing agents, Stevedore, Ship chandeliers, Terminal operators, warehousing or container provision services or cover or guarantee in respect of imports or exports of goods independently or in partnership or in arrangement with any such service provider or renderer;

⁸[xa. “**Input Tax**”, in relation to a registered person, means:-

- (i) the tax levied under the Sales Tax Act, 1990 on the goods supplied to or imported by the registered person; and
- (ii) provincial sales tax levied on such of the services, under the sales tax enactments of the provinces in Pakistan and of Islamabad Capital Territory, as are received by the registered person.]

xi. “**Insurer**” means any person carrying on an insurance business or general insurance business and includes a reinsurer under the General Insurance Act;

xii. “**Non-banking finance company**” means a company or a body corporate licensed under the Non-Banking Finance companies (Establishment and Regulation) Rules, 2003;

⁹[xiiia. “**Output Tax**”, in relation to a registered person, means tax levied under this Act in relation to the services provided or rendered by the registered person.]

xiii. “**Post paid telecommunication service**” means the service charges collected by the service provider after the use of the telecommunication service;

xiv. “**Pre-paid telecommunication service**” means the service charges collected by the service provider prior to the use of the telecommunication service;

xv. “**Shipping agent**” means a person, who holds the license under the Custom Act, 1969 (IV of 1969), or the rules made there under, provides or renders any service to entrance or clearance of a conveyance at a customs port and issues line or carrier bill of lading, for or on behalf of a shipping line and includes non-vessel operating common carriers, slot carriers charters, international freight forwarders and consolidators, rendering services in relation to import and export of cargo, independently or as subsidiary of shipping line, carrier and non-vessel operating common carriers;

xvi. “**Terminal operator**” includes Karachi International Container Terminal, Pakistan International Container Terminal and Qasim International Container Terminal or any ¹⁰[off-dock terminal or any other person doing similar activities and also includes the cargo or baggage shed operators licensed or appointed by the Customs authorities at any airport;]

xvii. “**Port Operator**” includes Karachi Port Trust, Port Qasim Authority or any other person or organization managing the operations of any customs port as declared under section 9 of the Customs Act, 1969 (IV of 1969).

- (2) The word and expressions used but not defined herein, shall have the same meaning as assigned to them in the Act.

- (iii) “Aggrieved person” means a person or a class of persons who has brought a dispute for resolution under section 65 of the Act;
- (iv) “Computerized payment receipt” means a computer generated receipt showing payment of tax in a designated branch of the bank authorized by the Board to receive such payment;
- (v) "Dispute" means a case where, for evidently valid reasons, a registered person is aggrieved in connection with the order passed by an officer of the SRB in any matter of tax as specified in sub-section (1) of section 65 of the Act and prima facie deserves relief for the elimination of possible hardship;
- (vi) “Post paid telecommunication service” means the service in respect of which the Charges are collected by the service provider after the use of the telecommunication services;
- (vii) “Pre-paid telecommunication service” means the service in respect of which the charges are collected by the service provider prior to the use of the telecommunication services;
- (viii) “Service provider” means a person who is engaged in the provision of service or providing of service in the course or furtherance of any economic activity;
- (ix) “Supportive document” means the documents on the basis of which refund of tax is claimed;
- (x) “Taxpayer” means any person who is required or is liable to pay or is paying tax or any sum under the Act or the rules made thereunder and includes any person, other than a Government employee, who is assigned any duty or responsibility to deposit tax under the Act or the rules made thereunder;
- (xi) “Transmit” also means transmission of data or documents through electronic means;
- (xii) “Unique user identifier” means a unique identification name, number or password allotted by the Board to the authorized user of the computerized system under the Act and the rules made thereunder.]

CHAPTER- II

REGISTRATION AND DE-REGISTRATION

3. APPLICATION.-- The provisions of this chapter shall apply to a person required to be registered under the Sindh Sales Tax on Services Act 2011 and “taxable services” means the services listed in the Second schedule to the Sindh Sales Tax on Services Act, 2011.

4. REQUIREMENT OF REGISTRATION.-- (1) The providers of taxable services are required to be registered in the manner specified in this Chapter.

(2) Where service provider provides one or more taxable services from one or more premises or a registered person having a centralized billing systems or centralized accounting systems in the Province, such service from more than one premises or offices, require one registration.

(3) Where a registered person is providing more than one taxable service, he may make a single application mentioning therein all the taxable services provided by him. Certificate of Registration in the prescribed form shall indicate details of all taxable services provided by him.

5. APPLICATION FOR REGISTRATION.-- A person required to be registered under the Act shall apply electronically to the ⁵[Board, or an officer of the SRB authorized by the Board in this behalf,] in the prescribed Form SST-01 ⁶[, together with the scanned copies of all the documents supporting the application], and the applicant shall immediately be issued provisional certificate of registration. The ⁷[Board, or an officer of the SRB authorized by the Board in this behalf,] may cause further verification or inquiry and on completion of such verification or inquiry, it may register the applicant and issue a certificate of registration containing the National Tax Number of the applicant in the prescribed form, not later than thirty days of application. In case of rejection, ⁸[Board, or an officer of the SRB authorized by the Board in this behalf,] shall inform the applicant specifying the reasons for such rejection within thirty days from the date on which complete application is received in the Board.

6. AUTOMATIC GRANT OF REGISTRATION.-- The existing taxpayers shall not be required to file application for registration. They will be automatically registered for Sindh Sales Tax on Services and the registered person shall be intimated through email or SMS and by courier or post assigning them S as prefix to NTN(S+NTN).

7. Change in particulars of Registration.-- In case there is a change in the name, address or other particulars as stated in the registration certificate, including the registered person related to rule 6, the registered person shall intimate the proposed change in the prescribed form to the Board, and Board shall either approve or reject the request for change within thirty days of receipt of the application.

5 Substituted for the word “Board” by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

6 Coma and the words added by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

7 Substituted for the word “Board” by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

8 Substituted for the word “Board” by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

8. Transfer of Registration.-- (1) the Board may subject to such conditions, limitations or restrictions as it may deem fit to impose, by an order, transfer the registration of a registered person from the jurisdiction of one Commissionerate to another Commissionerate.

(2) In case a registered person intends to shift his business activity from the jurisdiction of one Commissionerate to another, or he has any other valid reason for such transfer, he shall apply to the Board for transfer of his registration along with the requirement in the prescribed form. The Board after necessary verifications shall take necessary action accordingly.

(3) In case of transfer of registration, the Board shall issue intimation letter to the registered person along with the copy to the Commissionerate concerned, within fifteen days of receipt of the application.

9. DE-REGISTRATION.-- Every registered person who ceases to provide taxable service shall apply to the ⁹[Board, or an officer of the SRB authorized by the Board in this behalf,] through an application for the cancellation of the registration on a prescribed Form SST-02. The Form shall be filled in by the applicant keeping in view the relevant provisions of the Act and their rules made there under. The ¹⁰[Board, or an officer of the SRB authorized by the Board in this behalf,] after making such ¹¹[enquiries and audit as may be] as necessary shall ¹²[de-register] the registration of such person from such date as may be specified in such application or the ¹³[date] all the dues outstanding against such person are deposited by him, whichever is the later. ¹⁴[All orders for de-registration, passed under this rule shall be placed on SRB website and shall also be communicated to PRAL within three days from the date of such order.]

¹⁵[**10. Suspension and cancellation of the registration.--** (1) Where a registered person commits any act of fraud or deliberate and intentional non-payment, short payment or evasion of tax, the Board or an officer of SRB authorized by the Board in this behalf may, without prejudice to any other action under the law for the time being in force, suspend the registration of such person and shall, within 15 days of such suspension, communicate the reasons and grounds of such suspension to the registered person concerned asking him to show cause why his registration should not be cancelled Provided that the Board or the officer of the SRB may withdraw the suspension order if it or he is satisfied with the remedial actions taken by the registered person:

Provided further that where Board or the concerned officer of the SRB is satisfied, after examining the written defence submitted by the registered person and also after granting him an opportunity of being heard, that there are no justifiable reasons for the restoration of the suspended registration, the Board or the concerned officer of the SRB shall issue order for

9. Substituted for the word "Board" by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

10. Substituted for the word "Board" by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

11. Substituted for the words "enquiries as" by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

12. Substituted for the words "cancel the registration of" by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

13. Substituted for the words and coma "the date," by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

14. Added by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

14. Substituted for rule 10 by notification No. SRB-3-4/9/2013 dated 1st July, 2013. Prior to substitution it was as under :-

10. SUSPENSION AND CANCELLATION OF THE REGISTRATION.-- Where a registered person commits any fraud, deliberate and intentional, non-payment, short payment or evasion without prejudice to any other action under the law for the time being in force, his registration shall be suspended by the Board for which reasons or basis will be communicated to him and after necessary inquiry and after giving an opportunity of hearing, his registration shall be cancelled.

cancellation of the registration. Any such order of cancellation of registration shall be appealable under the provisions of Chapter-IX of the Act.

(2) All orders for suspension, restoration and cancellation of registration, passed under this rule, shall be placed on SRB website and shall also be communicated to PRAL within three days from the date of such order.]

CHAPTER- III

FILING OF RETURNS

11. APPLICATION.-- The provisions of this Chapter shall apply to all registered persons required to file a return under section 30 of the Act.

12. Filing of return.-- (1) Every person registered under the provision of the Act, shall file the return as specified in the Form SST-03, along with all its annexures provided there in, in accordance with the instructions given therewith, in the manner as specified in rule 13.

13. Electronic filing of return.-- Every registered person required to file return, shall file such return along with its annexures electronically in the manner as given below:-

- i. A registered person shall obtain a unique User-ID and password by e-Enrolling with Sindh Revenue Board web portal and electronically file a return (available on the website) from the web portal. The return data shall be filled in a web form and will be submitted online to Sindh Revenue Board by using e-SRB Web portal at <http://e.srb.gos.pk>. The Sindh Revenue Board web portal would also provide instructions on how to fill this e-return.
- ii. The electronic return can be filed by a registered person (self) or through an e-intermediary licensed under rule 19 of these rules.
- iii. To file the return, the registered user shall logon to e-portal of Sindh Revenue Board at <http://e.srb.gos.pk> using the assigned User ID and password. Stepwise procedure for electronic filing of return would be as follows-
 - (a) select Sales Tax on Services return from declaration menu;
 - (b) select the Tax Period, month, quarter from the drop down list;
 - (c) click the monthly or quarterly return link to open the return Form;
 - (d) return Form will be displayed which will be filled in accordance with the instructions provided;
 - (e) taxpayer shall fill out the relevant Annexes of return Form by providing the invoices details, amount value and sales tax charged. The uploading facility for data files is available in all Annexure forms;
 - (f) based on the details entered in the relevant annexes of return, the total values of main Return Form will be auto calculated.

- (g) the payable Sales Tax column will be showing the Sales Tax payable by the registered person.
 - (h) registered person shall verify all the details displaying in the prepared return Form.
 - (i) the e-payment Challan in Form (SST04) shall be generated automatically from the system after verification of the prepared return by the registered person.
- iv. E-filing can be completed in the following stages-
- (a) the user shall fill in all the relevant fields. (The return may be saved at any time during preparation process to avoid data loss)
 - (b) the returns may be verified by the person having access to Personal Identification Number (PIN) code. He shall press the Verify Button given at the bottom of form and follow the instructions.
 - (c) this option may be availed by person opting to deposit tax amount in an National Bank of Pakistan branch or other designated bank which is online with Sindh Revenue Board server for e-payments. After verifying the return, e-payment button can be clicked which will generate the payment Challan Form (SST04) with payment slip identifier (PSID) and SID number. Registered person should print the Challan Form (PSID) and deposit the payable amount against the same. The bank shall accept the payment and provide computerized payment receipt (CPR) to the registered person as an acknowledgement.
- v. The user will be required to enter the CPR ID received from National Bank of Pakistan Branch on his return Form. On entry of CPR ID the submit button on Return will be enabled. The registered person will click the submit button and a message shall appear at the top of screen, stating that your return has been submitted. Acknowledgement shall be printed by clicking the Print Acknowledgement button. The submitted return shall also be printed and saved on user's computer in PDF format. The registered person are advised to quote the Computer generated number of the e-filing acknowledgement in all their future correspondence with Board.
- vi. The responsibility for filing the returns and all the information contained therein is that of registered person. Registered person should hence keep his user ID and Password allotted by the department strictly confidential.
- vii. The electronic Sales Tax return and its relevant attachment, if any, shall be kept in electronic record of the registered person and shall be produced to the officer-in-charge in demand along with supportive documents.

¹⁶[14.¹⁷ **Time and manner of payment of tax.**-- A registered person filing return electronically, as stipulated in rule 13, shall make payment of the amount of sales tax due, if any, in any of the

16. "Rule 14"Substituted vide notification No. SRB-3-4/13/2011 dated 24th November, 2011. Before substitution section 14 was as under :-

designated branches of the National Bank of Pakistan or any other designated Bank, as may be notified on SRB's website, on the prescribed payment challan as prescribed in Form SST-04 or through electronic payment system devised for this purpose. Unless otherwise specified, the due date for payment of the sales tax shall be the 15th day of the month following the tax period to which it relates. The return for that tax period shall be submitted electronically within three days of the due date for payment of the tax.]

15. ¹⁸[**Mention of number of Computerized National Identity Card.--**] -- The registered person having the status of 'individual' or 'proprietor' shall mention his computerized National Identity Card.

16. ¹⁹[**Requirement to file scanned attachment.--**] Where, the input tax claimed on goods used, consumed, or utilized for providing services exceeds 20% of output tax, the registered person shall be required to file scanned attachment, as evidence.

17. Revised return: (1) Where any registered person requires to revise his return, resulting in payment of tax over the tax already paid on the original return, he may file his revised return and pay the differential amount of tax along with the default surcharge, if any.

(2) Any return not covered under sub-rule (1) shall be revised with the permission of the Board or any Officer authorized by the Board subject to conditions or restrictions as the Board may impose.

CHAPTER IV

ELECTRONIC INTERMEDIARIES

18. Application.-- This Chapter shall apply to the persons appointed as e-intermediaries by the Board under section 71 of the Act to electronically file return and such other documents as may be prescribed from time to time, on behalf of a person registered under section 24 of the Act.

19. Appointment of e-intermediary.-- (1) A person having experience in the relevant field of providing taxation service desirous of being appointed as e-intermediary, shall apply to the Board or any Officer authorized by it:

Provided that the professional experience shall mean as follows:-

- (a) A firm or sole proprietorship approved by the Institute of Chartered Accountant of Pakistan or Institute of Cost and Management Accountant of Pakistan, Association of Chartered Certified Accountants (ACCA) or Certified Public Accountants (CPAs).
- (b) A person appointed as authorized representative under chapter IX of the Sales Tax Rules, 2006,

“14. A registered person filing return electronically as stipulated in rule 13 shall make payment of the amount of sales tax due, if any, in any of the designated branches of the National Bank of Pakistan or any other designated Bank on the prescribed payment challan as specified in Form SST-04 or through electronic payment system devised for this purpose. In cases where due date has been prescribed as 15th of a month, the tax due shall be deposited by the 15th and the return shall be submitted electronically by 18th of the same month.”

17. Marginal heading inserted by Notification No. SRB-3-4/1/2013 dated 31st January, 2013

18. Marginal heading inserted by Notification No. SRB-3-4/1/2013 dated 31st January, 2013

19. Marginal heading inserted by Notification No. SRB-3-4/1/2013 dated 31st January, 2013

- (c) A person or firm approved to practice as Income Tax Practitioner under the Income Tax Ordinance, 1979; or
- (d) Any other person approved by the Board.

(2) The e-declaration Administrator, after receipt of application for appointment of an e-intermediary, and after verification, as aforesaid, shall forward the application along with his specific recommendation of the Board for appointment of the applicant as e-intermediary.

(3) The Board, after receipt of the recommendations from the e-declaration Administrator, may appoint the applicant as an e-intermediary and issue him a unique identifier, subject to such conditions, restrictions and limitations as may be prescribed:

Provided that the Board may refuse to entertain an application for appointment of as e-intermediary for reasons to be recorded and conveyed in writing.

(4) In case of any change in the particulars or information provided by the e-intermediary in the application for registration, he shall immediately inform the concerned e-declaration Administrator about such change.

20. Cancellation of appointment.-- (1) Where the Board is satisfied that the e-intermediary has:

- (a) failed to comply with any of the conditions prescribed by the Board; or
- (b) acted in contravention of any of the provisions of the Act or these rules; or
- (c) failed to take adequate measures for security and confidentiality of the Unique User Identifier; or
- (d) been convicted in an offence under the Act or any other Law for the time being in force;

the Board may cancel the appointment of such e-intermediary after affording him an opportunity of being heard.

(2) Pending consideration whether the appointment of the e-intermediary be cancelled under sub-rule (1), the Board may suspend the appointment.

(3) An e-intermediary who intends to surrender his appointment, shall file an application to this effect to the Board.

(4) The Board may, on receipt of an application referred to in sub-rule (3), cancel the appointment of the e-intermediary after necessary inquiry, as it may deem proper to conduct.

CHAPTER V

ADJUSTMENT OF INPUT TAX AND TAX PAID

²⁰ [**21. Application.--** The provisions of this chapter shall apply to the registered persons who claim adjustments or deductions under the provisions of section 15 of the Act in respect of the

20. Section 21 substituted vide notification No. SRB-3-4/2011 dated 07th September, 2011.

sales tax paid on purchase or receipt of goods and services used or consumed in any taxable services provided or rendered by them].

22. Determination of Input Tax.-- ²¹[(1) Subject to the provisions of rule 22A and other relevant provisions of the Act and the rules and notifications issued there under, a registered person who holds a tax invoice (for the purchase of goods or services used or consumed in providing or rendering of taxable services) in his name, bearing his sales tax registration/NTN, shall be entitled to deduct/adjust input tax paid during the relevant tax period, subject to the condition that the input tax in relation to the taxable services shall be worked out first and the amount, so worked out, shall be bifurcated for the services provided or rendered in Sindh and also taxed in Sindh and for those provided or rendered outside Sindh and also not taxed in Sindh:

Provided that where the registered person did not deduct or adjust the input tax in the relevant period, he may claim such input tax deduction or adjustment in the tax returns for any of the four succeeding tax periods.

(2) The Input tax paid on goods and services used in providing or rendering non-taxable or exempt services and also on the services provided or rendered outside Sindh shall not be admissible.

(3) In case an input is used in providing or rendering taxable services and also non-taxable or exempt services and the services provided or rendered outside Sindh, the input tax shall be apportioned according to the following formula for availing of input tax adjustment/deduction:

$$\text{residual input tax credit on taxable services} = \frac{\text{value of taxable services}}{(\text{value of taxable} + \text{value of non-taxable/exempt services})} \times \text{admissible input tax}$$

(4) Monthly adjustment of input tax claim, based on sub-rules (1), (2) and (3) of this rule, by a registered person shall be subject to reconciliation and audit by the officers of the SRB.

(5) Any inadmissible Input tax adjustment, claimed or made by a registered person, shall render him liable to action under the provisions of the law besides being liable to penalty and default surcharge under sections 43 and 44, respectively, of the Act in addition to his liability to pay the amount involved.]

²²[**22A. Input tax credit not allowed.--** A registered person shall not be entitled to claim input tax adjustment in respect of:

21. Substituted for sub-rule (1), (2) and sub-rule (3) vide notification No. SRB-3-4/2011 dated 07th September, 2011. Prior to substitution it was as under :-

“(1) Input tax paid on the inputs relating wholly to the taxable services shall be admissible under the law and the input tax paid on inputs wholly relating to exempt services shall not be admissible. The amount of input tax incurred on both the exempt and taxable services shall be apportioned according to the following formula namely :-

$$\text{residual input tax credit on taxable services} = \frac{\text{value of taxable services}}{(\text{value of taxable} + \text{value of non-taxable/exempt services})} \times \text{admissible input tax}$$

(2) Monthly adjustment of input tax claim based on sub-rule (1) of rule 22 by a registered person shall on the basis of taxable and exempt services and proportionately basis on services provider in Sindh and elsewhere, will be subject to reconciliation and audit (where required) during the year. The registered person claiming input tax of goods used, consumed or utilized in providing of services at more than 20% of the output shall file scanned attachments of the evidences with all the necessary evidence based on which claim is made.

(3) Any inadmissible input tax adjustment claimed shall be punishable under the respective provisions of law.”

22. Rule 22A added vide notification No. SRB-3-4/2011 dated 07th September, 2011

- (i) capital goods not exclusively used in providing or rendering of services;
- (ii) fixed assets not exclusively used in providing or rendering of services;
- ²³[(iia) the following goods and services, ²⁴[acquired] otherwise than as stock in trade, by a registered person:
 - (a) vehicles falling under Chapter 87 of the First Schedule to the Customs Act, 1969 (Act No. IV of 1969);
 - (b) calendars, diaries, gifts, souvenirs and giveaways;
 - (c) garments, uniforms, fabrics, footwear, headwear, etc., for employees;
 - (d) food, beverages and consumptions on entertainments; ²⁵[***]
 - (e) electricity, gas and telecommunication services supplied at the residence of the employees or in the residential colonies of the employees²⁶[;].
 - ²⁷ [(f) building materials including cement, bricks, mild steel products, paints, varnishes, distempers, glass products, etc., excluding those directly used in the economic activity of registered persons, paying sales tax at a rate not less than ²⁸[15 percent];
 - (g) office equipments and machines (excluding electronic fiscal cash registers), furniture, structures, fixtures and furnishings excluding those directly used in the economic activity of registered person paying sales tax at a rate not less than ²⁹[15 percent];
 - (h) electrical and gas appliances, pipes, fittings, etc., excluding those directly used in the economic activity of registered person paying sales tax at a rate not less than ³⁰[15 percent];
 - (i) wires, cables, ordinary electric fittings, sanitary fittings and electric bulbs and tubes excluding those directly used in the economic activity of the person paying sales tax at a rate not less than ³¹[15 percent];
 - (j) crockery, cutlery, utensils, kitchen appliances and equipments, etc., excluding those directly used in the economic activity of the person paying sales tax at a rate not less than ³²[15 percent];

Explanation:

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- 23. Clause (iia) inserted vide notification No. SRB-3-4/13/2011 dated 24th November, 2011
 - 24. Substituted for the word "required" by the Notification No. SRB-3-4/9/2013 dated 1st July, 2013.
 - 25. The word "and" omitted by notification No. SRB3-4/4/2013 dated 7th June, 2013.
 - 26. substituted for full stop by notification No. SRB-3-4/4/22013 dated 7th June, 2013
 - 27. Sub-clauses (f), (g), (h), (i) and (j) added by notification No. SRB-3-4/4/2013 dated 7th June, 2013.
 - 28. Substituted for the figures and words "16 percent" by the Notification No. SRB-3-4/13/2014.
 - 29. Substituted for the figures and words "16 percent" by the Notification No. SRB-3-4/13/2014
 - 30. Substituted for the figures and words "16 percent" by the Notification No. SRB-3-4/13/2014.
 - 31. Substituted for the figures and words "16 percent" by the Notification No. SRB-3-4/13/2014.
 - 32. Substituted for the figures and words "16 percent" by the Notification No. SRB-3-4/13/2014.

For the purposes of this rule, the term “stock in trade” shall mean the goods purchased and the services received by a registered person in the course of business for providing or rendering of taxable services;]

- (iii) goods and services already in use on which sales tax is not paid, or, where paid, the input adjustment has been taken before the tax period July, 2011, or where the input related goods and services were purchased or acquired before the tax period July, 2011;
- (iv) utilities bills not in the name of registered person unless evidence of consumption is produced in the matter of such claims;
- (v) sales tax claimed as input tax on services where such sales tax amount has not been deposited by the supplier or the service provider or where the evidence of such payment is not produced;

³³ [(va) sales tax claimed as input where the registered person, making such input tax credit/adjustment, has not made the payment, within one hundred and eighty days from the date of the tax invoice, of the input tax invoice, of the invoiced amount (including the sales tax amount of input goods and services, other than the input utilities (telecom, electricity and gas), courier services and also the directly imported goods through a crossed cheque drawn on a bank or by a crossed bank draft or crossed pay order or another crossed banking instrument showing the transfer of the amount of tax invoice in favour of the goods supplier or the service provider from the business bank account of the buyer or service recipient making or claiming such input tax credit/adjustment:

Provided that online transfer of payment from the business bank account of the buyer or the service recipient to the business bank account of the goods supplier or the service provider, as well as payment through credit card or debit card shall be subject to the condition that such transactions are verifiable from the bank statements of the buyer or service recipient.]

- (vi) carry forward of the input tax adjustment relating to the tax period June, 2011, or earlier;
- (vii) goods and services received against false, fake, forged or flying invoices or against purchases from the persons black listed or suspended by SRB or by the Federal Board of Revenue or by any other Provincial Authority;

³⁴ [(viii) further tax. Extra tax and value addition tax levied under the Sales Tax Act, 1990, and the rules or notification issued thereunder;]

³⁵ (viib) the amount of sales tax paid in excess of 17 percent on the taxable goods as are used or consumed in providing of a taxable service;]

33. Clause (va) added by notification No. SRB-3-4/2/2013 dated 7th 11th February, 2013.

34. Clause (va) added by notification No. SRB-3-4/2/2013 dated 7th 11th February, 2013.

35. Clause (viib) added by notification No. SRB-3-4/1/2015 dated 14th March, 2015.

- (viii) goods and services used or consumed in a service liable to a tax rate lesser than the ³⁶[15%] of the charges or to a specific rate of tax not based on value;³⁷[***
³⁸[(viiiia) services liable to a tax rate lesser than ³⁹[15%] of the charges or to a specific rate of tax not based on value when used for providing or rendering any service; and]
- (ix) such goods or services as are notified by the SRB to be inadmissible for input tax adjustment.]

⁴⁰**[23. Debit and Credit Notes.**– (1) Where a registered person has issued an invoice for a taxable service, and such service or part thereof is cancelled, or where, for any valid reason, the value of service or the amount of sales tax mentioned in the invoice needs to be revised, the service provider and service recipient shall be entitled to make corresponding adjustments against output tax or input tax, respectively, in the manner provided under this rule.

(2) In case of cancellation of service, or any part thereof, the service recipient shall issue a Debit Note (in duplicate) in respect of such service or part thereof, indicating the extent or quantity being cancelled, as well as the following particulars, namely:--

- (a) Name and registration number of the service recipient;
- (b) name and registration number of the provider;
- (c) number and date of the original sales tax invoice;
- (d) the value and sales tax involved for the cancelled service;
- (e) the reason of issuance of the Debit Note; and
- (f) name, signature and seal of the authorized person issuing the debit note.

(3) The original copy of the debit note shall be sent to the service provider who had issued the invoice and the duplicate copy shall be retained for record.

(4) On receipt of the debit note as aforesaid, the service provider shall issue a credit note, in duplicate, providing the same particulars as are specified in subrule (2). He shall send the original to the recipient and keep the duplicate copy for record.

(5) Where for any valid reason the value of service or the amount of sales tax mentioned in the invoice issued has increased, the provider shall issue a Debit Note (in duplicate), containing the following particulars, namely:--

- (a) name and registration number of the service provider;
- (b) name and registration number of the service recipient;

36. Substituted for the figures "16%" by the Notification No. SRB-3-4/13/2014.

37. Word "and" omitted vide notification No. SRB-3-4/13/2011 dated 24th November, 2011

38. Clause (viiiia) added vide notification No. SRB-3-4/13/2011 dated 24th November, 2011

39. Substituted for the figure "16%" vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

40. Substituted vide Notification No. SRB-3-4/3/2012 dated 02-04-2012. Prior to substitution it was as under :-

"23.Credit and Debt of tax claimed or paid: __ Where a registered person has assigned a tax invoice in respect of services provided or rendered by him and as a result of any event specified in section 15 of the Act, the amount shown in the tax invoice or return needs to be modified, the service provider and provide both will issue debt and credit notes with details to be mentioned in such debit or credit note and adjust the amount accordingly provided that the corresponding debit or credit note is issued within 90 days extendable on request for 30 more days. Provided further that in the case of unregistered provided of the service, the adjustment can only be made against the credit note issued by the provider of the service."

- (c) number and date of the original sales tax invoice;
- (d) the original value and sales tax as in original invoice;
- (e) the revised value and sales tax;
- (f) the difference of value and sales tax;
- (g) the reason for revision of value; and
- (h) name, signature and seal of the authorized person issuing the debit note.

(6) The service recipient shall issue corresponding credit note, in duplicate, with the same particulars as in the corresponding debit note, to complete the record relating to the transaction and for verification.

(7) Where, for any valid reason, the value of supply or the amount of sales tax mentioned in the invoice issued has decreased, the service provider shall issue a Credit Note (in duplicate), with the same particulars as specified in sub-rule (5). The original copy of such credit note shall be sent to the service recipient and the duplicate shall be retained for record. The service recipient shall issue a Debit Note with reference to the Credit Note issued by the service provider as an acknowledgment of the receipt of the same mentioning therein the same details as appear in the corresponding Credit Note.

(8) The service recipient shall not be entitled to claim input tax in respect of the service which is cancelled. In case of partial cancellation of service, the service recipient shall not be entitled to claim input tax proportionate to the value of service, so cancelled.

(9) Where the service recipient has already claimed input tax in respect of such service, he shall increase or reduce the amount of input tax by the corresponding amount as mentioned in the debit note or credit note, as the case may be, in the return for the tax period in which the respective note was issued.

(10) Where the service provider has already accounted for the output tax in the sales tax return for the service against which the debit note was issued subsequently, he may increase or reduce the amount of output tax by the corresponding amount as mentioned in the debit note, in the tax return for the period in which the respective note was issued.

(11) The adjustments as hereinbefore noted which lead to reduction in output tax or increase in input tax can only be made if the corresponding Debit Note or Credit Note is issued within one hundred and eighty days of the relevant supply:

Provided that the Commissioner may, at the request of the supplier, in specific cases, by giving reasons in writing, extend the period of one hundred and eighty days by a further sixty days.]

⁴¹**[CHAPTER- VA** **REFUNDS**

23A. Application.-- Subject to the provisions of rule 23B, the provisions of this chapter shall apply to processing and sanction of claims for refund by a registered person in following cases:-

41. "CHAPTER-VA Refunds and rule 23A to 23H" inserted vide notification No. SRB3-4/13/2011 dated 24th November, 2011

- (a) the amount of sales tax is erroneously or inadvertently deposited in excess of the amount due; and
- (b) the amount deposited by or recovered from the registered person is held not payable under the Act, as result of an order of a court or an appellate forum.

23B. Refund not admissible.--The following claims of refund of sales tax shall not be admissible if:

- (a) the claim is filed by a person other than the registered person who paid the sales tax amount so claimed for refund;
- (b) the claim is filed after a lapse of one year from the date of payment of sales tax, provided that where a claim is based on an order of a Court or an appellate forum, the period of one year shall be reckoned from the date of issuance of such order;
- (c) the incidence of sales tax, claimed for refund, has been passed on to the service recipient. The burden of proof that incidence has not been so passed shall rest with the refund claimant;
- (d) the claimant does not submit evidence of payment of the withheld amount of sales tax by the service recipient in cases where the claim relates to sales tax as was withheld, in full or in part, under the Sindh Sales Tax Special Procedure (Withholding) Rules, 2011;
- (e) the claimant does not submit evidence of payment of the input tax, adjusted or deducted, against the sales tax on services provided or rendered in respect of which the refund is claimed; and
- (f) the claimant does not submit the supportive documents, as required by the rules or by the officer of SRB, within the time limit prescribed by such rules or the officer of SRB, as the case may be.

23C. Pecuniary competence to sanction refund.--The cases of claims for refund of sales tax shall be decided by the following officers of SRB, as authorized by name or designation by the Commissioner concerned, according to the pecuniary limit mentioned against each, namely:-

S. No	Designation	Limit in each claim
1	Assistant Commissioner	Not exceeding ten thousand rupees.
2	Deputy Commissioner	Not exceeding one hundred thousand rupees.
3	Commissioner	Unlimited.

23D. Scrutiny and processing of refund claim.-- (1) On receipt of the refund claim, the Receipt Section of the Commissionerate shall affix a dated stamp and send it to the Assistant Commissioner concerned, who shall assign it a refund file number and shall enter it in Commissionerate Refund Register. The Assistant Commissioner shall scrutinize the claim and attached documents and prepare a written analysis report. Where any information or document is

missing or is required, the same shall be called for from the claimant through a letter or email giving a specific date for submission thereof.

(2) Where the Assistant Commissioner is satisfied that any further inquiry or audit is needed to establish genuineness or admissibility of the claim, he may, after seeking written approval of the Commissioner, cause the audit or inquiry to be conducted before finalizing the disposal of the refund claim.

23E. Sanction and payment of refund claim.-- (1) After preparation of the analysis report and completion of the audit / inquiry report, where the audit / inquiry was so required, the competent officer, as specified in rule 23C, shall sanction the admissible part of the refund claim and issue a Refund Sanction-cum-Payment Order indicating:

- (i) Name, SNTN and address of the claimant;
- (ii) Claimant's bank account number with name, address and code number of the bank branch, as per registration profile in SRB;
- (iii) Amount of refund claimed;
- (iv) Amount of refund sanctioned;
- (v) Tax period(s) to which the refund relates; and
- (vi) CPR No(s)., date, bank branch name and code in respect of deposit of the amount under claim.

(2) The competent officer shall ensure that no dues / arrears are outstanding against the claimant. In case of recoverable dues and arrears outstanding against the claimant, the sanctioned amount shall first be deposited or adjusted against such dues / arrears.

(3) After sanction of the claim, the competent officer shall ensure that the procedures prescribed in the Treasury Rules are duly complied with for issuance of crossed refund payment cheques. No cheque shall be delivered by hand and, instead, shall either be electronically transferred to the claimant's notified bank account or sent through registered post or courier service at the claimant's address as per his registration profile.

(4) A copy of the Refund Sanction-cum-Payment Order and intimation regarding issuance of refund cheque or electronic transfer of amount of refund, as the case may be, shall be sent to the claimant by email or courier.

23F. Responsibility of the claimant.-- The processing of refund claims shall be conducted on the basis of supportive documents provided by the claimant. The claimant shall be responsible for any mistake, mis-declaration or submission of incorrect information and shall be liable for penal action besides recovery of the amount, if erroneously refunded, along with default surcharge under the relevant provisions of the Act.

23G. Post-sanction audit of refund claims.-- (1) After disposing of the refund claim, the Assistant Commissioner concerned shall forward, through his Commissioner, the relevant file to the Post-refund Audit Division of SRB for post-sanction scrutiny and audit.

(2) The officer in-charge of Post Refund Audit Division shall send his findings to the Commissioner concerned for further necessary action, as required under the law.

23H. Action on inadmissible claims.-- Where the claim or any part thereof is found inadmissible for any reason, the competent officer shall issue a notice requiring the claimant to show cause as to why the claim or part thereof, as the case may be, should not be rejected and as to why the claimant should not be proceeded against under the relevant provisions of the Act.]

CHAPTER VI

PROCEDURE FOR COLLECTION OF SALES TAX ON SERVICES

24. Application.-- The provisions of this Chapter shall apply for collection and payment of sales tax by the persons providing or rendering services chargeable to sales tax under the Sindh Sales Tax Act 2011.

25. Registration.-- Every service provider, providing or rendering taxable services to its customers or clients or members or the recipient of the service, if not already registered, shall obtain registration in the prescribed manner, as per chapter II of these rules.

26. Levy and collection of sales tax.-- A service provider, providing or rendering taxable services to customers, clients or members or the recipient of the service shall charge, collect and pay sales tax at the rate, as prescribed in Second Schedule of the Act.

27. Filing of return and deposit of sales tax.-- (1) A service provider, providing or rendering taxable services shall file return in accordance with the procedure laid down in Chapter III of these rules read with section 30 of the Act.

(2) The tax due shall be deposited in the designated branches of National Bank of Pakistan or any other designated banks under the relevant head ⁴²[⁴³[B-02384] Sindh Sales Tax on Services”, in the prescribed manner.

(3) In case a service is provided or rendered over a period of time and bill is to be issued on completion of service, time of supply shall be the time when service is completed or the payment, or consideration partly or fully in money, in respect thereof is received, whichever is earlier.

28. Determination of Tax liability. -- (1) While determining his tax liability, a service provider shall be entitled to claim input tax credit for the tax paid on account of taxable purchases and utilities like telephone, gas and electricity consumed proportionately for furtherance of taxable activity, against its output tax liability, subject to any conditions, limitations or restrictions prescribed under the Act or Rules made there under.

Provided that no input tax adjustment shall be allowed against the purchase invoice or utility bill, which is not in the name of the service provider and/or does not contain his

42. The alphabet, figures and dashes inserted by Notification No. SRB-3-4/13/2011 dated 24th November, 2011

43. Substituted for the figures “B-20238” by Notification No. SRB-3-4/11/2012 dated 27th June, 2012.

registration number. However in case the utility bill is not in the name of service provider, input tax against the same may be allowed only if the bill contains its registration number and shows the same business address as has been declared for sales tax purposes:

Provided further that the input tax credit shall be admissible only for the amount of tax that has been paid on the purchases or utilities consumed during the tax period for which return is being submitted.

(2) A service provider who is providing or rendering taxable as well as non-taxable services, can claim only such proportion of input tax as is attributable to the taxable services.

29. Record keeping and invoicing.-- (1) A service provider, providing or rendering taxable services shall issue serially numbered sales tax invoices to its customers or clients or members, for the services provided or rendered, containing all the particulars as prescribed under section 26 (1) of the Act ⁴⁴[including the following:-

- (i) Name, address and SNTN (Sindh Sales Tax Registration Number) of the service provider;
- (ii) Name, address and NTN or SNTN or CNIC number of the service recipient;
- (iii) Serial number and date of issue of the tax invoice;
- (iv) Description, tariff heading and other details of the service provided;
- (v) Value exclusive of Sindh sales tax;
- (vi) Rate of Sindh sales tax;
- (vii) Amount of Sindh sales tax; and
- (viii) (viii) Value inclusive of Sindh sales tax]

Provided that the customers or clients or members who have been extended credit facility by a service provider, may for the taxable services provided or rendered during the month, be issued serially numbered sales tax invoices at the end of each month.

(2) A service provider, providing or rendering taxable services shall maintain the records prescribed under section 26 of the Act. A service provider using computerized accounting system may issue computer generated sales tax invoice containing all the prescribed entries.

⁴⁵[(2A) A service provider, providing or rendering taxable services, shall also maintain the following records in addition to those prescribed under section 26 of the Act:-

- (i) records of the invoices issued in terms of sub-rule (1);
- (ii) records of daily POS (Point of Sale) closing report of all the cash registers of a service provider and its branches and outlets in Sindh;

44. Inserted by the Notification No. SRB-3-4/13/2011, dated 24th November, 2011

45. Sub-rule (2A) inserted by Notification No, SRB-3-4/1/2013 dated 31st January, 2013,

- (iii) records of goods and services purchased or received, showing the description, quantity and value of the goods and services, the name, address and registration number of the supplier or seller or service provider and the amount of the tax involved;
- (iv) records (GDs and import invoices) of goods imported, showing the description, quantity and value of goods and the amount of tax involved;
- (v) records of the documents (including Debit and Credit Notes), returns and statements prescribed, filed or made under the Act or rules made thereunder;
- (vi) bank statements and banking instruments in relation to payments made and payments received;
- (vii) utility bills for gas, electricity, water and telephones and other telecommunications services;
- (viii) lease deeds, lease agreements, tenancy agreements and rental agreements;
- (ix) franchise agreements including technical fee agreements or royalty agreements or distribution agreements or agency agreements;
- (x) invoice/bills issued or received in respect of franchise services and the payments made or received in relation thereto;
- (xi) contracts/agreements made about the provision or receipts of goods and services;
- (xii) details (e.g. name, NTN, CNIC, address, phone number, fax number, e-mail ID, etc.) of the service provider, approved/authorized by any person for providing or rendering (whether to the said person or to any other person or service recipient) catering services ⁴⁶[pandal & Shamiana services, decoration services, illumination and lighting services, air-conditioning services, fumigation services, event management services, event photography/ideograph services, valet services, security services], advertisement services, stevedoring services, ship management services, customs agents services, contractual services and contractor services in their jurisdictional area, building, premises or precincts thereof;
- (xiii) inventory record of the input goods or input services;
- (xiv) financial statements and annual accounts;
- (xv) records justifying apportionment of input tax made in terms of sub-rule (3) of rule 22; and
- (xvi) audit observations/audit reports received, if any, from any tax jurisdiction in Pakistan or from the Revenue Receipt Audit or Commercial Audit departments of the Auditor General of Pakistan.]

46. The comma and words inserted by Notification No. SRB-3-4/9/2013 dated 1st July, 2013

(3) Audit of the records of service providers for verification of correct payment of sales tax on monthly basis shall be conducted once in year or more than once with the approval of the Board.

PART-I

30. Procedure for collection of Sales tax on services provided by banking companies, financial institutions ⁴⁷[cooperative financing societies, modarabas, musharikas, leasing companies, foreign exchange dealers, non-banking financial institutions, companies providing management services including fund and asset management services and other persons dealing in any such services.]-- (1) The provisions of these rules shall apply for collection of Sales tax on services by persons providing or rendering financial services as notified under the Second schedule to the Act.

(2) Every banking company ⁴⁸[, cooperative financing society, modaraba, musharika, leasing company, foreign exchange dealer, non-banking financial institution, companies providing management services including fund and asset management services and other person dealing in any such services, hereinafter referred to in this rule as ‘company or institution’,] shall pay the sales tax leviable on all services rendered or provided to any person except the services of utility collection, Umra and Hajj service, cheque book ⁴⁹[***], Musharika and Modarba Financing.

(3) The central offices of the ⁵⁰[company or institution] located in the Province of Sindh shall apply to the Sindh Revenue Board for sales tax registration in the prescribed form.

(4) The tax under these rules shall be paid by the ⁵¹[company or institution] on the gross amount charged for service provided to the customers excluding mark-up or interest.

(5) The tax due for each month shall be paid by the Central Office of the company or institution ⁵²[by the 15th day of the following month. ⁵³[The prescribed tax return shall also be filed within 3 days from the de date for payment of tax.]

(6) In case Sales tax is not deposited by the company or institution by the due date, it shall, in addition to the payment of Sales tax and default surcharge, be also liable to penalty under the Act or these rules.

47. Substituted for the words “ and non banking finance companies” by Notification No. SRB-3-4/13/2011 dated 24th November, 2011,

48. Substituted for the words “ and non banking finance companies” by Notification No. SRB-3-4/13/2011 dated 24th November, 2011,

49. The words “issuance cheque return” omitted by Notification No. SRB-3-4/4/2012. dated 14th April, 2012

50. Substituted for the words and comma “Banking companies, financial institutions and non-banking financial companies” by Notification No. SRB-3-4/13/2011 dated 24th November, 2011.

51. Substituted for the words and comma “Banking companies, financial institutions and non-banking financial companies” by Notification No. SRB-3-4/13/2011 dated 24th November, 2011.

52. Substituted for the words “alongwith the returns as provided “ by Notification No. SRB-3-4/13/2011 dated 24th November, 2011,

53. The full stop, words and digit” substituted for “followed by the prescribed tax return by the 18th day of that month, as prescribed”, by notification No. SRB-3-4/13/2014 dated 1st July, 2014.

(7) The ⁵⁴[company or institution] shall not be required to issue invoices in respect of the services provided or rendered. A reconciliation statement in the format set out in Annex to ⁵⁵[this rules] ⁵⁶[shall also be filed, in addition to the prescribed tax return,] by ⁵⁷[company or institution] registered under the Act by the ⁵⁸[24]th of the month following the end of every quarter.

⁵⁹[(8) ***

(9) ***]

(10) Each outlet of the company ⁶⁰[or institution] located in Sindh shall maintain records of the services provided or rendered under these rules and the collection of tax thereon in such manner as will enable the distinct ascertainment of collection of sales tax on each of the services mentioned in the scope of these rules.

(11) The Central Office in the Province of Sindh shall submit a copy of annual audit report to the ⁶¹[SRB] within 15 days of its publication and any short collection of tax found out as a result of such audit report shall be paid by the registered person within 15 days of the notice received for such collection.

⁶²[“Annex”

See rule 30 (7)

**QUARTERLY RECONCILIATION OF SALES TAXABLE SERVICES
PROVIDED OR RENDERED IN SINDH BY THE BANKING & NONBANKING
FINANCIAL COMPANIES**

Name of the Bank/Non-Banking Financial Company _____

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

S. No. Particulars of Services.

Value of Services as per Return (in Rs)

		Month 1	Month 2	Month 3	Total
1.	L/C commission				
2.	Guarantee commission				
3.	Brokerage commission				
4.	Issuance of letters of credit				

54. Substituted for the words and comma “Banking companies, financial institutions and non-banking financial companies” by Notification No. SRB-3-4/13/2011 dated 24th November, 2011,

55. Substituted for the words :these rules” by Notification No. SRB-3-4/11/2011, dated 19th October, 2011.

56. Substituted for the words “shall be filed” by Notification No. SRB-3-4/13/2011, dated 24th November, 2011.

57. Substituted for the words and comma “Banking companies, financial institutions and non-banking financial companies” by Notification No. SRB-3-4/13/2011 dated 24th November, 2011,

58. Substituted for the figures “15” by Notification No. SRB-3-4/13/2011 dated 24th November, 2011.

59. Sub-rules (8) and (9) omitted by Notification No. SRB-3-4/13/2011 dated 24th November, 2011.

60. The words inserted by by Notification No. SRB-3-4/13/2011 dated 24th November, 2011.

61. Substituted for the words” Commissioner of sales tax” by Notification No. SRB-3-4/4/2011, dated 7th September, 2011.

62. “Annex” added by Notification No. SRB-3-4/11/2011, dated 19th October, 2011.

5.	Issuance of pay orders, cashiers' cheques and demand drafts				
6.	Bills of exchange				
7.	Transfer of money, including telephonic transfer, mail transfer and electronic transfer				
8.	Providing bank guarantees				
9.	Bill discounting commission				
10.	Safe deposit lockers' fee				
11.	Safe vaults				
12.	Credit and debit card issuance, processing, operation charges relating thereto				
13.	Commission and brokerage on foreign exchange dealing				
14.	Services provided as a banker to an issue				
15.	Advance & loans				
16.	Financial Leasing				
17.	Commodity or equipment leasing				
18.	Hire-purchase leasing				
19.	Other leasing				
20.	Taxable insurance services				
21.	Services in respect of exempt insurance, if any.				
22.	Services in respect of Hajj & Umrah				
23.	Services in respect of Musharika and Modaraba financing				
24.	Services in respect of utility bills' collection				
25.	Advisory Services				
26.	Funds management services				
27.	Asset management services				
28.	Consultancy Services				
29.	Transfer of information data				
30.	Other services.				
	Total				

[RECONCILIATION]

		⁶³ [Month 1	Month 2	Month 3	Total
A		Liable to tax at ⁶⁴ [15%]				

63. Table substituted by Notification No. SRB-3-4/2/2012, dated 1st February, 2012

64. Substituted for the figures "16%" by notification No. SRB-3-4/13/2014

	Value of Services	Exemption from tax/ Non-taxable				
		Total				
B	⁶⁵ [15%] ST on non-exempt taxable services					
C	Input tax for the month					
D	Net Sales Tax (B – C)					
E	Sales Tax withheld by the buyer/recipient of service as withholding agent					
F	Sales Tax withheld by the return filer as withholding agent.					
G	Sales Tax Payable {(D-E) +F}					
H	ST Amount paid					
I	CPR No. & date					

PART-II

31. Procedure of collection of sales tax for insurance ⁶⁶[or reinsurance] companies.-- (1) All ⁶⁷[insurance or reinsurance companies] shall pay the Sales Tax on Service leviable on services provided or rendered by them in respect of all ⁶⁸[kind of insurance and re0insurance except] Crop insurance and marine insurance for export.

(2) The sales tax shall be paid on the gross amount of premium charged on risk covered in the ⁶⁹[insurance or reinsurance policy ⁷⁰[including the gross amount of reinsurance premium. Fee or charges received by a reinsurance company from any person including an insurance company or from a ceding insurance company]].

(3) The Sales tax in respect of an ⁷¹[insurance or reinsurance policy] shall be accounted for in the same month when the premium is received and shall be deposited by the ⁷²[insurance or reinsurance company] at the time of filing of return by the 15th day of the following month in the manner as provided in Chapter III of these rules.

(4) In case Sales tax is not paid by any ⁷³[insurance or reinsurance company] by the due date, the insurance company shall, in addition to the payment of Sales tax and default surcharge, be also liable to penalty under the Act or these rules.

(5) An ⁷⁴[insurance or reinsurance company] shall not be liable to pay the Sales tax in respect of contract or any part thereof if cancelled.

65. Substituted for the figures “16%” by notification No. SRB-3-4/13/2014

66. The words added by Notification No. SRB-3-4/9/2013, dated 1st July, 2013.

67. Substituted for the words “insurance companies” by Notification No. SRB-3-4/9/2013, dated 1st July, 2013

68. Substituted for the words and commas “kind of insurance except life insurance, health insurance,” by notification No. SRB-3-4/13/2014 dated 1st July, 2014.

69. Substituted for the words “insurance policy” by Notification No. SRB-3-4/9/2013, dated 1st July, 2013

70. Added by notification No. SRB-3-4/13/2014 dated 1st July, 2014.

71. Substituted for the words “insurance policy” by the notification No. SRB-3-4/14/2014 dated 1st July, 2014 earlier it was substituted for the words “insurance policy” by Notification No. SRB-3-4/9/2013, dated 1st July, 2013

72. Substituted for the words “insurance companies” by Notification No. SRB-3-4/9/2013, dated 1st July, 2013

73. Substituted for the words “insurance companies” by Notification No. SRB-3-4/9/2013, dated 1st July, 2013

(6) The ⁷⁵[insurance or reinsurance companies] shall maintain such records and submit such returns as the Board may prescribe from time to time. ⁷⁶[However the insurance and reinsurance companies shall invariably maintain the records prescribed in section 26 of the Act and rule 29 of these Rules.]

(7) A Copy of annual audit report, duly audited by a chartered accountant, shall be submitted to the Commissioner within 15 days of its receipt by the ⁷⁷[insurance or reinsurance companies] from its chartered accountant and any short payment of Sales Tax found out as a result of such audit shall be paid by the ⁷⁸[insurance or reinsurance companies] within 15 days of the receipt of the audit report and proof of such payment shall be furnished to the Board.

PART-III

32. Procedure for payment of Sales Tax by Shipping agents.-- (1) Every shipping agent, hereinafter referred to as the ⁷⁹[agent], shall charge, collect and pay the Sales Tax in respect of each ship handled by him which calls at any port of Pakistan after calling on a foreign port.

(2) Every agent shall pay Sales Tax at the rate of sixteen per cent of the value of taxable services which shall be the commission charged by an agent on the net ocean freight amount of cost and freight import or export cargo for such services provided or rendered by him.

(3) For the purposes of levy of Sales Tax, the value of taxable services shall not include reimbursable expenses (except any fee or share in charges realised) incurred by an agent, such as freight, pilot age and berth-hiring charges, port dues, cargo expenses, brokerage paid on export cargo and ship handling expenses paid to the stevedores including all ancillary charges.

⁸⁰[(4) The amount of sales tax involved shall be deposited in the prescribed manner by the 15th day of the following month and the prescribed tax return shall be filed within three days from the due date prescribed for payment of tax.]

(5) The Assistant Collector of the concerned Customs ⁸¹[station] shall not grant final port clearance to a ship unless the agent furnishes proof of filing of return and proof of payment of tax (if shown payable in the return).

(6) The agent shall furnish to the Board a monthly statement ⁸²[in addition to the prescribed return,] in respect of ships handled by him by the ⁸³[25]th day of the following month, in the ⁸⁴[[following format:

74. Substituted for the words "insurance companies" by Notification No. SRB-3-4/9/2013, dated 1st July, 2013

75. Substituted for the words "insurance companies" by Notification No. SRB-3-4/9/2013, dated 1st July, 2013

76. Added by notification No. SRB-3-4/13/2014 dated 1st July, 2014.

77. Substituted for the words "insurance companies" by Notification No. SRB-3-4/9/2013, dated 1st July, 2013

78. Substituted for the words "insurance companies" by Notification No. SRB-3-4/9/2013, dated 1st July, 2013

79. Substituted for the word "gent" by Notification No, SRB-3-4/4/2011. Dated 7th September, 2011.

80. Sub-rule (4) substituted by Notification No. SRB-3-4/5/2012, dated 1st February, 2012. Prior to substitution sub-rule (4) was as under :-

"(4) The tax due for each month shall be paid at the time of filing of return by the 15th day of the following month in the manner as provided in Chapter III of these rules."

81. The word inserted by Notification No. SRB-3-4/9/2013, 1st July, 2013.

**“GOVERNMENT OF SINDH
SINDH REVENUE BOARD
MONTHLY STATEMENT FOR SERVICES RENDERED BY SHIPPING AGENTS**

- (i) Name of shipping Agent
- (ii) Sindh Sales Tax Registration No./SNTN.....
- (iii) Customs Shipping Agent License No.....
- (iv) Month (Tax period) to which the Statement relates.....
- (v) CPR Number(s) Amount(s)

S. No.	Vessel's Name	IGM/ EGM/ VIR No. & date	Port of Arrival/ Departure	Value of services (including commission, fee, etc.)	Amount/ Expenses paid/ payable to Stevedores	
					Name & SNTN of Stevedore	Amount
					(6A)	(6B)
1	2	3	4	5	6	
Amount of Other reimbursable expenses/ charges admissible for deduction	Taxable Value {5-(6+7)}	Amount of SST payable on the amount in Column (8)	No. of BLs & HBLs issued	Amount of SST payable in relation to Column (10)	Total SST payable (9+11)	
7	8	9	10	11	12	

Signature _____
Name _____
Designation _____
Official Seal _____]

PART-IV

⁸⁵[33. Procedure for collection of sales tax on advertising agents.-- (1) Every person providing or rendering the services of an advertising agent shall pay sales tax in the manner

82. The comma and words added by Notification No. SRB-3-4/2/2012 dated 2nd April, 2012.
83. Substituted for the figure "15th" by Notification No. SRB-3-4/2/2012 dated 2nd April, 2012.
84. Substituted for the words and full stop "prescribed manner." By Notification No. SRB-3-4/2/2012 dated 2nd April, 2012.
85. Rule 33 substituted by Notification No. SRB-3-4/9/2013, dated 1st July, 2013. Prior to amendment rule 33 was as under :-

85a[33. Procedure for advertising agents and persons providing services of advertisement on C. C. TV, Cable TV, Billboards, etc. – (1) Every person providing or rendering the advertisement services of advertisement on C. C. TV, Cable TV, billboards, hoardings, poles, web/internet etc, as described in the Second Schedule to the Act, shall be liable to be registered under the Act and shall pay sales tax in the manner specified hereinafter:-

Provided that advertising agents and persons providing the services of advertisement on aforesaid media, shall be deemed to be an “advertising enterprise” for the purpose of this rule.

(2) The advertising enterprise shall maintain account of all services provided or rendered by it and shall issue a bill of charge for each transaction from duly bound book of serially numbered bills of charges or electronically generated invoices which shall include the particulars as prescribed in sub-rule (1) of rule 29 of these rules.

(3) A copy of the bill, referred to in sub-rule (2), shall be given to the person to whom such services have been provided or rendered and one copy thereof shall be retained by the person, providing or rendering the services, in the said bound book of bills of charge. The record of the electronically generated invoice shall be saved and retained electronically.

(4) Not more than once book of bills of charges or electronic data and evidence shall be used at one time; provided that where such advertising enterprise has one or more branches of the establishment, separate books of bill of charges may be used for each such branch.

(5) The advertising enterprise shall pay the tax by the 15th day of the month following the tax period to which it relates and the prescribed tax return shall be submitted by the 18th of that following month.

(6) The advertising enterprise shall not be required to charge sales tax but commission earned in relation to their services as an intermediary between another advertising enterprise and advertiser provided that the sales tax has already been charged and paid on such commission by such other advertising enterprises. Where an advertising enterprise provides or renders any non-taxable or exempt services, he shall show such services in the relevant columns of the prescribed tax return and its Annex-A although such non-taxable or exempt services shall not be leviable to tax in accordance with the Act. The claim of input tax credit shall, however be apportioned in terms of sub-rule (3) of rule 22 and shown in the return accordingly. The records of services provided as advertising company and advertising agents shall be separately maintained by such advertising enterprise.]

85a. Section 33 substituted by Notification No. SRB-3-4/2/2012, dated 1st February, 2012. Prior to amendment this rule was as under :-

33. Procedure for advertising agents or advertising companies. – (1) Every person providing or rendering services as an advertising agent or advertising company shall pay sales tax in the manner specified hereinafter provided that no sales tax shall be payable on the salary and allowances ancillary to the salary of such person.

(2) The advertising agent shall maintain account of all services provided or rendered by him and shall issue a bill of charges for each transaction from a duly bound book of serially numbered bills of charges or electronically generated invoices which shall include the particulars of the person providing or rendering service, description of the service provided or rendered and the amount charged.

(3) A copy of the bill referred to in sub-rule(2) shall be given to the person to whom such services have been provided or rendered and one copy thereof shall be retained by the person providing or rendering services in the said bound book of bills of charges.

(4) Not more than one book of bill of charges or electronic data and evidence shall be used at one time provided that where such person has one or more branches of the establishment; separate book of bill of charges may be used for each such branch.

(5) The advertising agent shall also maintain their accounts in register on a weekly basis ending every Thursday in the following Form namely:

Name and location of the agent

Bill of charges No. and date	Name of the media company	Amount of charges /bills to be billed	Amount of Sales Tax
------------------------------	---------------------------	---------------------------------------	---------------------

(6) The person providing or rendering service shall pay ^a1[tax] on quarterly basis by the 15th day of November, February, May and August on the basis of the amount of commission charged or billed during the last quarter.

prescribed in this rule The procedure in this rule shall also apply to the advertising agents providing or rendering the services of advertisements on buildings, hoarding sites, billboards, sign boards, digital boards, poles, banners, vehicles, etc.

(2) Every advertising agent shall register under section 24 of the Act read with the provisions of Chapter II of these rules.

(3) The value for the purposes of levy of tax on the services by the advertising agents shall be:-

- (a) where the services are provided or rendered on commission basis, the amount of commission charged by the advertising agent. Where any extra commission is received by the advertising agent from the media (including the print media) it shall also be included in the value of services liable to tax to be paid by the advertising agent; and
- (b) where the services are provided or rendered on any basis other than on commission basis, the gross amount of value for such services.

(4) Every such advertising agent shall issue an invoice or a bill of charges for each transaction from a duly bound book of serially -numbered invoices or bill of charges or

(7) The person liable to pay Sales tax shall, along with the evidence of payment of ^{a1}[tax], submit to the ^{a2}[SRB] quarterly statement, before the last day of the month of November, February, May and August, in the following form :-

Quarterly statement for services rendered by M/s.
.....
(Name and complete address)
For the Quarter ending20.....

- 1. Amount of commission billed during the quarter.
- 2. **a3**[Sales Tax on Services] paid by the agent:
 - (i) Treasury's name.
 - (ii) Treasury Challan number and date.
 - (iii) Amount
- 3. **a3** [Sales Tax on Services] paid by others as withholding **a1** [tax].
 - (i) Name of the person paying the withholding **a1** [tax].
 - (ii) Treasury's name.
 - (iii) Treasury Challan number and date.
 - (iv) Amount

a1. Substituted for the word "duty" by Notification No. SRB-3-484/2011, dated 7th September, 2011.

a2. Substituted for the word "Commissioner" by Notification No. SRB-3-484/2011, dated 7th September, 2011

a3 Substituted for the words "Excise Duty" by Notification No. SRB-3-484/2011, dated 7th September, 2011

electronically generated invoices or bill of charges which shall contain the particulars as specified in sub-rule (1) of rule 29 of these rules. A copy of such invoice or the bill shall be given to the person to whom such services are provided or rendered and one copy thereof shall be retained by the advertising agent in the bound book of invoices or bill of charges. Not more than one book of invoices or bill of charges or electronic data and evidence shall be used at one time provided that where the advertising agent has one or more branches, separate books of invoices or bill of charges may be used for each such branch also indicating the location or address of such branch

(5) Every such advertising agent shall maintain account of all services provided or rendered by him and shall also maintain the record prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules.

(6) The tax involved on the services provided or rendered by an advertising agent during a tax period shall be deposited by such advertising agent in the manner prescribed in Chapter III of these rules by the 15th day of the month following the tax period to which it relates. The advertising agent shall file his tax return in the manner prescribed in Chapter-III of these rules within 3 days from the due date prescribed for payment of tax.

(7) Every such advertising agent shall, inter-alia, ensure that he also complies with the provisions of the SRB Circular No. 6 of 2012 dated the 9th April, 2012, in relation to the amounts of tax covered by the Sindh Sales Tax Special Procedure (Withholding) Rules, 2011.

PART-V

⁸⁶[34. **Advertisements on television radio , cable TV and CCTV.**-- (1) In relation to advertisements, for the purposes of this rule, the expression “taxable services” means the services in respect of advertisements-

86. Rule 34 substituted by Notification No. SRB-3-4/9/2013, dated 1st July, 2013. Prior to substitution rule 34 was as under:-

34. Advertisements on television and radio- (1) In relation to advertisements, the expression “taxable services” means the services in respect of advertisements-

- (a) Broadcast or telecast by TV or radio stations based in Pakistan;
 - (b) Booked in Pakistan for broadcasting or telecasting on TV or radio stations based abroad, whether or not possessing landing rights in Pakistan; and
 - (c) Transmitted on closed circuit T.V. or cable T.V. networks.
- (2) Value of taxable service for the purposes of levy of sales tax shall be the total

consideration in money received or the gross amount charged by a service provider from his clients for broadcasting or telecasting of any advertisement on radio or television, including all Federal and Provincial levies but excluding the amount of sales tax.

(3) A registered person (client) whose advertisement is released on radio or television, and to whom the sales tax invoice is issued and routed through the advertising agency, can claim input tax adjustment for the amount of tax paid on account of release of advertisement on radio or television subject to the observance and fulfillment of following conditions, namely:-

- (a) Payments for all such advertisements are made by such registered person through banking channels in such manner that payment against a particular invoice is easily verified;
- (b) All invoices issued by the service provider are in accordance with the specimen invoice set out.

- (a) broadcast or telecast by TV or radio stations based in Pakistan;
- (b) booked in Pakistan for broadcasting or telecasting on TV or radio stations based abroad, whether or not possessing landing rights in Pakistan; and
- (c) transmitted on closed circuit TV or cable TV networks.

(2) The value of taxable service for the purposes of levy of sales tax shall be the total consideration in money received or the gross amount, including the Federal and Provincial levies but excluding the amount of Sindh sales tax, charged by a Service provider from his clients for broadcasting or telecasting of any advertisement on radio or television or cable TV or CCTV, whichever is higher.

⁸⁷[(2A) The person providing the services of advertisements on television, radio, cable TV and CCTV shall pay the amounts of sales tax in the prescribed manner by the 15th day of the second month following the tax period to which it relates and shall also file the tax return in the prescribed manner within 3 days from the due date prescribed for payment of tax.]

(3) A registered person (client) whose advertisement is released on radio or television or cable TV or CCTV and to whom the sales tax invoice is issued and routed through the advertising agency, can claim input tax adjustment for the amount of tax paid on account of such release of advertisement on radio or television or cable TV or CCTV subject to the observance and fulfillment of following conditions, namely:-

- (a) Payments for all such advertisements are made by such registered person through banking channels in such manner that payment against a particular invoice is easily verified;
- (b) All invoices issued by the service provider are in accordance with the provisions of sub-rule (1) of rule 29 of these rules; and
- (c) In case the payment of the value of service and/or the tax involved thereon, is made to an advertising agent, the provisions of SRB Circular No. 6 of 2012 dated the 9th April, 2012, are duly complied with by the service providers, the service recipient and also the advertising agent.]

⁸⁸[34A. **Procedure for levy, collection and payment of sales tax on Sponsorship services.--**

(1) The provisions of this rule shall apply in relation to the persons providing or rendering or receiving the sponsorship services (tariff heading 9805.9100), as defined in sub-section (87) of section 2 of the Act, , and the tax payable on the said services.

(2) For the purpose of this rule, the term ⁸⁹ “[service provider]” shall mean the person providing the sponsorship in any manner and the term “service recipient” shall mean the person receiving the sponsorship in any manner.

(3) In case the ⁹⁰[service provider] has a place of business in Sindh, the ⁹¹[service provider] shall be required to registered with the Board in accordance with the provisions of

87. Rule (2A) added by the Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

88. New rule 34A inserted vide notification No. SRB-3-4/3/2014 dated 25th February, 2014.

89 . Substituted for the word “sponsor” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

90 . Substituted for the word “sponsor” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

section 24 of the Act, read with the provisions of Chapter-II of these rules, and he shall also be responsible for payment of the tax in accordance with the provisions of the Act and these rules.

(4) In case the ⁹²[service provider] does not have a place of business in Sindh and also in case where the sponsorship is received from any place or ⁹³[from any person] outside Pakistan, the service recipient shall be responsible for payment of the tax in accordance with the provisions of the Act and these rules.

(5) The value of the taxable services of sponsorship shall be the gross amount charged or paid for the service and shall be determined in accordance with the provisions of section 5 of the Act:

Provided that in case the consideration for the service is received from a ⁹⁴[service provider] not having place of business in Sindh, the charge received by the ⁹⁵[service provider] shall be treated as tax-inclusive value and the tax shall be worked out and paid by the ⁹⁶[service provider] on the basis of tax fraction formula, that is, the amount of tax shall be calculated by multiplying the amount of charge, so received, with the tax rate and then dividing the resultant figure by the tax rate plus one hundred.

(6) The provisions of section 7 of the Act, read with sub-section (2) of section 17 thereof, shall, *inter-alia*, apply in relation to the tax payable under this rule.

(7) Every such person (⁹⁷[service provider] or service recipient, as the case may be) shall maintain account of all services provided or rendered or received by him and shall also maintain the record prescribed under section 26 of the Act and sub-rule (2A) of rule 29 of these rules. In case where the services are provided or rendered under an agreement or a contract between the Sponsor and the service recipient, record of copies of such agreement/contract shall also be maintained.

(8) The tax involved on the sponsorship services shall be paid by the ⁹⁸[service provider] or the service recipient, as the case may be, in the manner prescribed in Chapter-III of these rules by the 15th day of the month following the tax period to which it relates and the tax return shall also be filed within 3 days of the due date prescribed for payment of tax.”]

PART-VI

35. Procedure for collection of Sales Tax on Telecommunication Services.—(1) Every person, firm or company, herein after referred to as the person, engaged in providing or rendering telecommunication services as mentioned in the Second Schedule to the Act, if not

91 . Substituted for the word “sponsor” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

92 . Substituted for the word “sponsor” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

93 . Substituted for the word “sponsor” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

94 . Substituted for the word “sponsor” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

95 . Substituted for the word “service recipient” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

96 . Substituted for the word “service recipient” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

97 . Substituted for the word “sponsor” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

98 . Substituted for the word “sponsor” by notification No. SRB-3-4/14/2014 dated 1st July, 2014

already registered, shall obtain Sales Tax registration from the Sindh Revenue Board as provided under chapter II of these rules.

(2) The person shall pay Sales Tax in the following mode and manner, namely:--

(a) In case of post paid telephone services, Sales tax shall be paid by the 21st day of the following second month;

(b) In case of pre-paid telephone services, Sales Tax shall be paid by the 21st day of the following month; ⁹⁹[***]

¹⁰⁰[(bb) In case of incoming international calls, sales tax shall be paid by the 21st day of the month following the month in which the incoming international call is terminated; ¹⁰¹[***]

¹⁰²[(bbb) In case of internet or broadband services including DCNS, content services, value added service and value added data services, -----

(i) by the 2st day of the following month in case of pre-paid services; and

(ii) by the 21st day of the following second month in case of post paid services;]

(c) In case ¹⁰³[of] other telecommunication services, Sales Tax shall be paid by the 21st day of the following month.

¹⁰⁴[(2a) here a registered person is providing telecom services in respect of international incoming calls and is sharing charges with person operating in foreign jurisdiction, the charges received by the registered person shall be treated as tax-inclusive value and tax shall be worked out and paid by such registered person on the basis of tax fraction formula, that is, the amount of tax shall be calculated by multiplying the amount of charge, with tax rate and then dividing the resultant figure by the tax rate plus one hundred.]

(3) While determining his liability, the person shall be entitled to deduct input tax paid on procurement of any equipment or the Sales tax paid on acquiring services in connection with the provision of telecommunication services.

¹⁰⁵[(4) The person providing or rendering telecommunication services shall, in addition to the prescribed tax return, submit a monthly statement in the following Form by 24th day of the month following the tax period, namely:-

99. The word "and" omitted vide notification No. SRB3-4/16/2012 dated 16th November, 2012.

100. New clause (bb) inserted vide notification No. SRB3-4/16/2012 dated 16th November, 2012.

101. The word "and" omitted vide notification No. SRB-3-4/13/2014 dated 1st July, 2014.

102. New clause (bbb) added by the notification No. SRB-3-4/13/2014 dated 1st July, 2014.

103. Substituted for the word "off" vide notification No. SRB-3-4/3/2014 dated 25th February, 2014

104. Sub-rule (2A) inserted vide notification No. SRB-3-4/3/2014 dated 25th February, 2014

105. Sub-rule (4) and forms there under substituted vide notification No. notification No. SRB-3-4/13/2011 dated 24th November, 2011. At the time of substitution the sub rule (4) and the Form were as under :-

(4) The person, or as the case may be, or the outlet of the person shall along with the proof of payment of Sales Tax submit its Revenue Office-wise or, as the case may be, service outlet-wise statement by the date specified in sub-rule(2), in the following Forms-

FORM-I

MONTHLY RETURN FOR POST PAID TELEPHONE SERVICES RENDERED BY M/S. _____
DURING THE BILLING MONTH OF _____

Name and location of the Revenue Office/service outlet	Description of telecommunication service provided/rendered	Tariff heading as per Second Schedule to the Act	Amount billed or ought to be billed during the month
(1)	(2)	(3)	(4)

Sales Tax	sales tax paid	Balance payable (if any)	No. and date of Treasury challan
(5)	(6)	(7)	(8)

FORM-II

MONTHLY RETURNS FOR PREPAID TELEPHONE SERVICES RENDERED BY M/S. _____
DURING THE BILLING MONTH OF -----

Name and location of the service outlet	Description of telecommunication service provided/rendered	Tariff heading/ Subheading as per Second Schedule to the Act	No. and value of pre- Paid cards sold during the month	
			No.	Amount or value
(1)	(2)	(3)	(4)	(5)

Sales Tax	Sales Tax paid	Balance payable (if any)	No. and date of Treasury challan
(6)	(7)	(8)	(9)

FORM-III

MONTHLY RETURN FOR TELECOMMUNICATION SERVICES RENDERED BY M/S. _____
DURING THE BILLING MONTH OF _____

Name and location of the Revenue Office/Service outlet	Description of telecommunication service provided/rendered	Tariff heading as per Second Schedule to the Act	Amount billed or ought to be billed during the month
(1)	(2)	(3)	(4)

Sales Tax payable	Sales Tax	Balance payable (if-any)	No. and date Of Treasury challan

106 FORM

(5)	(6)	(7)	(8)
-----	-----	-----	-----

106 Form substituted vide notification No. SRB-3-4/3/2012 dated 2nd April, 2012. Prior to substitution earlier Form was as under :-

FORM
MONTHLY STATEMENT FOR TELECOM SERVICES
 PROVIDED OR RENDERED BY M/S. _____
 SNTN _____
 FOR THE TAX PERIOD _____

S. No.	Description	Value	Sindh Sales Tax
1	Fixed line telephone service		
2	Wireless telephone		
3	Pre-paid Cellular telephone (cards sold/easy load/top-up etc.)		
4	Post-paid Cellular telephone (for the previous tax period		
5	Wireless Local Loop telephone		
6	Video telephone		
7	Payphone card services		
8	Bandwidth services		
9	Telegraph		
10	Telex		
11	Telefax		
12	Data Communication Network services (DCNS)		
13	Value added data services		
14	Other taxable telecom services		
15	Other taxable services		
16	Exempt / Non-taxable services		
	(a) Exempt Internet Services		
	(b) Exempt services used by software houses and data and internet service providers		
	(c) Exempt charges received from LDI license holders		
	(d) other exempt services		
	(e) Non-taxable services, if any		
	Total Exempt / Non-taxable services		
17	Gross Sindh Sales Tax Payable		
18	Input tax adjustable		
19	Net Sindh Sales Tax Payable		

MONTHLY STATEMENT FOR TELECOM SERVICES
 PROVIDED OR RENDERED BY M/S. _____ SNTN _____
 FOR THE TAX PERIOD _____

Part-I
Break-up of Services Provided in Sindh

S. No.	Description	Value	Sindh Sales Tax
1	Fixed line telephone service		
2	Wireless telephone		
3	Pre-paid Cellular telephone (cards sold/easy load/top-up etc.)		
4	Post-paid Cellular telephone (for the previous tax period)		
5	Wireless Local Loop telephone		
6	Video telephone		
7	Payphone card services		
8	Bandwidth services		
9	Telegraph		
10	Telex		
11	Telefax		
12	Data Communication Network services (DCNS)		
13	Value added data services		
¹⁰⁷ [13A]	Charges received by the Long Distance International calls license holders including Pakistan Telecommunication Company Limited on international incoming calls.]		
¹⁰⁸ [13B]	Internet services, whether dial up or broadband, including e-mail services,		

Amount of Sindh Sales Tax deposited: CPR # _____ Date _____ NBP Branch _____ Code _____	
-----------------------------------------------------------------------------------------------	--

107. New entry "13A" in the first column and relevant entry in second column added by notification No. SRB-3-4/16/2012 dated 16th November, 2012.

108. New entry "13B" in the first column and relevant entry in second column added by notification No. SRB-3-4/9/2013 dated 2st July, 2013.

	Data Communication Network Services (DCNS) and value added Data Services]		
14	Other taxable telecom services		
15	Other taxable services		
16	Exempt / Non-taxable services ¹⁰⁹ [valued not more than Rs. 1,500/- per service recipient per month]		
	(a) Exempt Internet Services		
	(b) Exempt services used by software ¹¹⁰ [export houses].		
	(c) ¹¹¹ [***].		
	¹¹² [(d) ***]		
	(e) other exempt services		
	(f) Non-taxable services, if any		
	Total Exempt / Non-taxable services		
17	Gross Sindh Sales Tax Payable		
18	Input tax adjustable related to Sindh sales tax (see rule 22)		
19	Net Sindh Sales Tax Payable		
20	Add: Sindh sales tax payable		
21	Total Sindh sales tax payable		
Amount of Sindh Sales Tax deposited: CPR # _____ Date _____ NBP Branch _____ Code _____			

Part-II
Region-wise break-up of output tax

S.No	Region /Province	Out put tax
1	Sindh	
2	Baluchistan	
3	Punjab	
4	Khyber Pakhtunkhaw	
5	Islamabad Capital Territory	
TOTAL		

109. The words added by notification No. SRB-3-4/9/2013 dated 1st July, 2013.

110. Substituted for the word "houses" vide notification No. SRB-3-4/3/2014 dated 25th February, 2014

111. Clause "(c) omitted vide notification No. SRB-3-4/3/2014 dated 25th February, 2014

112. Entry (d) Exempt charges received from LDI license holders." omitted by notification No. SRB-3-4/16/2012 dated 16th November, 2012.

PART-VII

36. Procedure for payment of Sales Tax on franchise fee or technical fee or royalty under a franchise agreement.-- In the matter of franchise as defined in clause (ix), in sub-rule (1) of rule 2, the procedure of levy and collection of sales tax will be as follows:-

- (i) In such cases where remittance or payment of the franchise fee or royalty or technical fee is made under a proper agreement between a foreign or local franchiser and a franchisee, the assessable value for the purpose of levy of 10% sales tax shall be the gross amount remitted or paid to the franchiser or the amount laid down in the franchise agreement ¹¹³[, whichever is higher:]

¹¹⁴[Provided that in such cases where no remittance or payment of franchise fee or technical fee or royalty is made by the franchisee, the assessable value shall be the amount laid down in the franchise agreement:

Provided further that in such cases where there is no franchise agreement or in case where the franchise agreement does not require that remittance or payment of franchise fee or technical fee or royalty during any period or during a specified period, the assessable value, except for the first one year from the date of commencement of the franchise or the date of initial franchise agreement, as the case may be, shall be an amount equal to 10% of the turnover of the franchised goods or services of the franchisee for the tax]

- (ii) In case where franchisers are foreign or local beverage companies, if there is no formal agreement between the franchiser or franchisee, the assessable value for the purpose of levy of sales tax shall be 10% of the value of concentrate supplied by the franchiser to the franchisee. However, in such cases where proper remittance or payment of fee or royalty is being made by the franchisee beverage company to the local or foreign franchiser under a proper agreement, the assessable value shall be the gross amount of fee or royalty remitted or paid to the franchiser or the amount laid down in the agreement;
- (iii) For the food sector, in case of a proper franchise or royalty agreement, the assessable value for levy of sales tax shall be the gross amount of franchise fee or royalty remitted or paid to the franchiser or the amount laid down in the agreement. In case there is no formal agreement the assessable value for levy of sales tax shall be 10% of the ¹¹⁵[turnover of the franchised goods or services of the franchisee for the tax period for which the tax is payable];

113. The coma, words and colon added by Notification No. SRB-3-4/1/2013, dated 31st January, 2013.

114. Proviso added by Notification No. SRB-3-4/1/2013, dated 31st January, 2013.

115. Substituted for the words "net sale of the franchisee" by Notification No. SRB-3-4/1/2013, dated 31st January, 2013

- (iv) In case where the franchiser and franchisee are both locally based, the liability to deposit the ¹¹⁶[tax on] franchise fee or royalty shall be upon the franchiser. ¹¹⁷[However, in case where the franchiser is based outside Pakistan, the liability to deposit the tax on franchise fee or royalty shall be upon the franchisee]; and
- (v) The sales tax shall be payable on the 15th day of the month, following the payment month laid down in the franchise agreement. Where there is no date prescribed in the agreement or in case of no agreement the tax shall be payable on the 15th day on quarterly basis.

PART-VIII

37. Customs House Agents, Clearing Agents and Ship-Chandlers.-- (1) In relation to Customs agents, value of taxable service for the purposes of levy of sales tax shall be the total consideration or charges received by a Customs agent for providing and rendering the service, excluding the amount of sales tax. It shall not include considerations received on account of transportation charges, demurrage, wharfage, customs-duties, excise duty, sales tax, provincial duties or taxes, toll taxes, municipal charges, port charges; handling charges, packing charges, labor payment and such other reimbursable expenses which a Customs agent pays on behalf of his clients against a proper receipt or invoice or bill. However if any fee or commission is realized from such service providers then the same shall be included in the base for application of the tax rate.

(2) The sales tax registration number along with license number of the Customs agent shall be quoted on the Goods Declaration or the drawback or refund claim, as the case may be.

(3) In relation to ship-chandlers, value of taxable services for the purposes of levy of sales tax, shall be total consideration received or the gross amount charged by a ship-chandler for providing or rendering the taxable services, including all Federal and Provincial levies but excluding the amount of sales tax. It shall not include consideration received on other accounts such as transportation charges, toll taxes, municipal charges, port charges, handling charges, packing charges and labor charges, which a ship-chandler pays on behalf of his clients against a proper receipt or bill. However if any fee or commission is realized from such service providers then the same shall be included in the base for application of the tax rate.

¹¹⁸**[38. Service provided or rendered by Stevedores. --** (I) ¹¹⁹[The provision of this rule shall apply to the services provided or rendered by the stevedores and the tax involved thereon]

116. The words "tax on" inserted by Notification No. SRB-3-4/4/2011, dated 7th September. 2011.

117. The words inserted by Notification No. SRB-3-4/4/2011, dated 7th September. 2011.

118. Rule 38 substituted by Notification No. SRB-3-4/3/2012, dated 2nd April, 2012. Prior to substitution rule 38 was as under :-

"38. Services provided by Stevedores.- (i) A stevedore shall issue serially numbered sales tax invoice as required under the Act.

(2) Every person registered as stevedore shall file monthly sales tax return in the manner as prescribed in these rules.

(3) The cases or disputes relating in the stevedores operating under these rules shall be dealt with by the Board."

119. Sub-rule(1) substituted vide Notification No. SRB-3-4/9/2013 dated 2st July, 2013 Prior to substitution sub-rule (1) was as under :-

"(1) Stevedore" includes a person engaged in landing and loading or unloading of cargo, including containers, pallets and bulk cargo, from ships, vessels, steamers and country crafts in any manner and also includes a person who hires long shore, dock or harbor workers to load or unload ships, vessels, steamers and country crafts. A person providing or rendering any services related to or ancillary to the

(2) A stevedore shall get itself e-registered/e-enrolled in the manner prescribed under section 24 of the Act read with rules 3, 4, 5 and 6.

(3) A stevedore shall issue a serially-numbered tax invoice in respect of all its services provided or rendered. The tax invoice shall bear the particulars prescribed under sub-rule (1) of rule 29.

(4) A stevedore shall deposit the amount of sales tax involved by the 15th day of a month following the tax period to which it relates, and shall also submit a return ¹²⁰[within three days from the date for payment of tax] in the manner as prescribed in chapter III of these Rules.

(5) The stevedores shall also submit, in addition to the prescribed tax return, a monthly statement in respect of the services provided or rendered by it in the following format **by the 18th day** of a month following the tax period to which it relates:

GOVERNMENT OF SINDH
Sindh Revenue Board

MONTHLY STATEMENT FOR SERVICES RENDERED BY STEVEDORES

- (i) Name of the Stevedore _____
- (ii) Sindh Sales Tax Registration No./SNTN.....
- (iii) KPT license No./PQA’s Cargo Handling Contractor approval No. / Other Port Operator or Terminal Operators license / approval No.
- (iv) Month (Tax period) to which the Statement relates.....
- (v) CPR Number (s) Amount(s)

S. No	Vessel’s Name	Shipping Line / Company’s Name	IGM/ EGM/ VIR No. & date	Port of Arrival / Departure	Name(s) & SNTN of the Shipping Agent/ NVOCC/Slot Carrier/ Charterer/ Consolidator ¹²¹ [,/other service recipient] etc.	Amount/ Value received/ receivable by the Stevedore	Amount of SST payable in relation to Column
-------	---------------	--------------------------------	--------------------------	-----------------------------	-----------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------	---------------------------------------------

handling of or otherwise dealing with such or other cargo at port of in any area or terminal at the port in any manner or style shall be included in the terminology “stevedores” for the purpose of levy of sales tax on the stevedoring services provided or rendered by such person.”

120. Substituted for the words and digit “within 3 days from the due date for payment of tax”

							(7)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

¹²²[**39. Service provided or rendered by Freight Forwarding Agents.**— (1) The provisions of this rule shall apply to the persons providing or rendering the services of freight forwarding agents.

(2) Every such freight forwarding agent shall be registered under section 24 of the Act, read with the provisions of Chapter-II

of these rules.

(3) The Bills of Lading and the House Bills of Lading issued by a freight forwarding agent shall be charged to tax at a specific rate of Rs . 500/- per Bill of Lading or House Bill of Lading. Other services provided or rendered by a freight forwarding agent shall be charged to tax at ¹²³[15%] of the value including the fee, commission, remuneration or charges for such services.

(4) The tax involved on the services provided or rendered by a freight forwarding agent during a tax period shall be deposited by such freight forwarding agent in the manner prescribed in Chapter III of these rules by the 15th day of the month following the tax period to which it relates. The freight forwarding agent shall file his tax return in the manner prescribed in Chapter-III of these rules within 3 days from the due date prescribed for payment of tax.]

40. Port Operators and Terminal Operators.-- ¹²⁴[(1) All services provided or rendered by a port operator or a terminal operator in relation to a vessel, whether arriving or

121. The slash and words inserted by Notification No. SRB-3-4/9/2013, dated 1st July, 2013.

122. Rule 39 substituted vide Notification No. SRB-3-4/9/2013 dated 2st July, 2013. Prior to substitution it was as under :-

39. Freight Forwarders: (1) A freight forwarder for the purpose of the Act, is a 'person' who is registered or otherwise, provides or renders or is engaged for his principals or client(s) for providing or rendering of services, for fee or charges or commission or remuneration for some or all the services being provided by the Shipping agents, Clearing agent, Stevedore, Ship Chandler, Terminal Operator or such services of warehousing and/or provides cover or guarantee for insurance or banking services, in respect of imports or exports of goods, whether independently or in partnership or in arrangement with any such service provider or renderer.

(2) Persons performing *such* services as defined in clause (X) of sub-rule (1) of rule 2, will pay Sales Tax on providing, rendering of services or arranging thereof, of any or all such services; at the rate of 16% of fee, commission, remuneration or charges invoiced for such services "[or at such other rates as may be notified under sub-section (2) of section 8 of the Act].

a. *Aded by Notification No. SRB-2-4/4/2011, dated 7th September,2011..*

123. Substituted for the figure "16%" vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

124 Rule 40 substituted vide Notification No. SRB-3-4/13/2014 dated 1st July. 2014. Prior to substitution it was as under :-

40. Port Operators and Terminal Operators: (1) All import related services provided by a port operator and Terminal Operator shall be leviable to tax, namely:-

- (i) Piloting and mooring;
- (ii) Delivery charges;
- (iii) Storage in port area ⁵[and terminal area] including demurrage;
- (iv) Wharfage; and
- (v) Other import related services provided in port area ⁶[and terminal area].

(2) Value of taxable services for the purpose of levy of sales tax shall be the gross amount charged for the services.

(3) The Port Operator and Terminal Operator shall maintain such records as stipulated under section 26 of the Act in such manner as will enable distinct ascertainment of payment of tax due.

sailing, shall be liable to tax, namely:-

- (i) piloting and mooring;
- (ii) berthing;
- (iii) towing or haulage;
- (iv) wharfing or wharfage; and
- (v) services involving:-
 - (a) pipeline charges for liquid cargo;
 - (b) hopper or evacuator charges;
 - (c) charges of water supply;
 - (d) outer anchorage fee/charges;
 - (e) port dues and charges;
 - (t) delivery charges;
 - (g) storage charges;
 - (h) demurrages;
 - (i) salvage charges;
 - (j) sailing or swinging charges;
 - (k) bunker charges; and
 - (1) cancellation charges;

(2) All services provided or rendered by a port operator or a terminal operator in relation to the cargo imported into Pakistan or the imported cargo in transit or in transshipment through a port or terminal in Sindh, shall also be liable to tax.

(3) The value of the taxable services shall be the gross amount charged for the services.

(4) The tax shall be paid in Sindh Government's head of account "B-02384" in the prescribed manner by the 15th day of a month following the tax period to which it relates and the tax return in form SST-03, shall also be filed within 3 days from the due date for payment of tax.

(5) All port operators and terminal operator shall maintain such records as are prescribed under section 26 of the Act and rule 29 of these rules.]

¹²⁵**[40A. Services provided by Airports Operators and Airport Terminal Operators.-** (1) All charges on account of the following services provided or rendered by an airport operator and an airport terminal operator shall be leviable to sales tax:

- (i) Landing, housing, hangarage and parking;
-

- (ii) Aerobridge facility;
- (iii) Aircraft power supply;
- (iv) Ground handling;
- (v) Commercial licenses in respect of various services provided or rendered at an airport;
- (vi) Royalties including those on meal uplift; and
- (vii) Cargo throughput and the cargo and baggage storage services:

Provided that the charges on account of aforesaid services shall not be subjected to sales tax in case of the services provided or rendered to the aircrafts of the armed forces using an airport belonging to or operated by the armed forces of Pakistan.

(2) The value of taxable services for the purpose of levy of sales tax shall be the gross amount charged for the services.

(3) The amount of sales tax involved shall be deposited in the prescribed manner by the 15th day of the following second month and the prescribed tax return shall be filed within three days from the due date prescribed for payment of tax.

(4) The airport operator and the airport terminal operator shall maintain such record as are prescribed under section 26 of the Act in such manner as will enable distinct ascertainment of payment of the tax due.

¹²⁶**[40B. Services provided by airport ground service providers and airport service providers.--** (1) All charges on account of the following services provided or rendered to airlines by airport ground service providers and other airport services providers at an airport shall be leviable to sales tax:

- (i) aircraft handling;
- (ii) passenger and baggage handling;
- (iii) cargo and mail handling;
- (iv) cabin services and maintenance;
- (v) ramp handling; and
- (vi) services like Airport Connect Open.

(2) The value of taxable services for the purpose of levy of sales tax shall be the gross amount charged for the services.

126. Rule 40B inserted vide notification No. SRB-3-4/13/2011 dated 24th November, 2011

(3) The amount of sales tax involved shall be deposited in the prescribed manner by the 15th day of the following month and the prescribed tax return shall be filed within three days from the due date prescribed for payment of tax.

(4) The airport ground service providers and other airport service providers shall maintain such record as are prescribed under section 26 of the Act in such manner as will enable distinct ascertainment of payment of the tax due.]

¹²⁷[**40C. Ship Management Services.**- (1) Ship management services falling in tariff heading 9805.2100 of the Second Schedule to the Act shall pay tax at ¹²⁸[15%].

(2) Ship management services include the services of:

- (a) Supervision or negotiation for the maintenance, survey and repair of ship;
- (b) Engagement or providing of crew;
- (c) Receiving the hire and freight charges on behalf of the owner.
- (d) Negotiating contracts for bunker fuel and lubricating oils;
- (e) Arranging or negotiating arrangements for loading and unloading;
- (f) Payment on behalf of the owners of expenses incurred in providing services or in relation to management of the ship;
- (g) Entry of the ship on protection or indemnity association;
- (h) Providing or negotiating for victualling or storing of ship;
- (i) Dealing with insurance, salvage or other claims;
- (j) Arranging of insurance in relation to ship; and
- (k) Any other ship management service

(3) The person providing or rendering ship management services shall get himself e-registered with SRB and shall issue serially numbered tax invoices as prescribed in the sub-rule (1) of rule 29.

(4) The person providing or rendering ship management services shall e-deposit the amount of Sindh Sales Tax in the prescribed manner by the 15th day of the month following the tax period to which it relates and shall also e-file the prescribed tax return (SST-03) ¹²⁹[with in 3 days of that following month.

(5) The person providing or rendering ship management services shall submit a quarterly statement in the form set out below, by the 24th day of the month following the quarter to which it relates:-

127. Rule "40C" Inserted vide notification No. SRB-3-4/3/2012 dated 02-04-2012

128. Substituted for the figure "16%" vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

129. Substituted for the words "within 3 days of that following month " vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.]

GOVERNMENT OF SINDH
Sindh Revenue Board
QUARTERLY STATEMENT FOR SERVICES RENDERED BY
SHIP MANAGEMENT SERVICE PROVIDERS

- (i) Name of the service provider
- (ii) Sindh Sales Tax Registration No./SNTN.....
- (iii) Period to which the Statement relates: from to

S. No.	Service Description	Value of Service (Rs.)			
		Month 1	Month 2	Month 3	Month 4
1	Supervision or negotiation for the maintenance, survey and repair of ship;				
2	Engagement or providing of crew;				
3	Receiving the hiring and freight charges on behalf of the owner.				
4	Negotiating contracts for bunker fuel and lubricating oils;				
5	Arranging or negotiating arrangements for loading and unloading;				
6	Payment on behalf of the owners of expenses incurred in providing services or in relation to management of the ship;				
7	Entry of the ship on protection or indemnity association;				
8	Providing or negotiating for victualling or storing of ship;				
9	Dealing with insurance, salvage or other claims;				
10	Arranging of insurance in relation to ship; and				
11	Other ship management service				
12	Gross Total				
13	Value of admissible / creditable				

	inputs				
14	Net Total Value				
15	CPR Number(s)				
16	Amount(s) of tax paid				

¹³⁰**[40D. Services provided by Foreign Exchange Companies, Forex Dealers and Money Changers.--** (1) Every foreign exchange Company, Forex Dealer and Money Changer, hereinafter referred as “Exchange Company” in this rule, shall pay the sales tax leviable on the services rendered or provided to any person in respect of currency exchange.

(2) The exchange company providing or rendering taxable services in the province of Sindh shall apply to the Sindh Revenue Board for sales tax registration in the prescribed manner.

(3) The value of services provided by an exchange company in respect of transaction involving exchange of currencies at the counter shall be 20 paisa for every one hundred rupees equivalent being exchanged. The actual value exceeding the aforesaid fixed value shall not constitute the taxable value in such case.

130. Rule 40D inserted vide Notification No. SRB-3-4/13/2012 dated 27th July, 2012. Annex to the Notification is as under :-

Annex to the Notification

Following easy to use procedure can be used by Money Exchange Companies for e-filing of SRB Sales Tax on Service Returns (Restricted application over the counter Sale/Purchase or providing service to the client over counter.)

1. User-ID and Password will be obtained after completing e-enrollment process on <http://e.srb.gos.pk>
2. After Login to SRB website <http://e.srb.gos.pk> open a new return by selecting left panel.
3. A new Return will be opened. Select a link of “Annex-C” as given on column Sr. No. 9. Your NTN and Name will be automatically appearing on the Return and Annexure.
4. By clicking on above link a Sales Details Performa (Annexure-C) will be opened as following. Enter your following sales detail in the Annexure-C.

NTN	Document Type	Document No.	Date	Tax Rate	Value of Sales	Sales Tax involved
					See No. 5 and Expl	

Use the following entries to fill up the details.

- a. NTN: 9999997-8
 - b. Document Type: SI (Sales Invoice)
 - c. Document Number: 1
 - d. Date: 01/mm/yyyy
 - e. Tax Rate: 16%
 - f. Value of Sales: (Your total value of sales)
 - g. Sales Tax Involved (This field will be automatically calculated.)
- 5 The value of sales may be calculated as per following formulae:
Value of Sales of Taxable = (Sale + Purchase)x0.002

(e) Illustration: Exchange Company buys US\$ 50 for 4,500 rupees (say, at Rs. 90 per Dollar unit) From a customer. The value of service shall be 20 paisa x4,50=900 paisa/100=p rupees
The tax at the rate of 16% shall be 9x16%= Rs.144

6. Save Annex-C details and back to the main return form. Now Save and verify the Return.
7. Deposit the payable tax amount on NBP branch on SRB Challan/PSID form SST-04. You will receive a CPR-ID from bank branch. Enter this CPR-ID number on the Return Form using ‘Feed CPR’ button.
8. Press the Submit button on the main return form to e-File and submit your return to SRB.

For further support and guidance, SRB support centre is also functional at SRB Head Office, Shaheen Complex, Karachi. UAN:111-778-000]

(4) The sales tax on services shall be payable at the rate of ¹³¹[15%]. of the value determined in the manner prescribed above.

Illustration: Exchange Company buys US\$ 50 for rupees (say at Rs. 90 per Dollar unit) from a customer. The value of service shall be:

20 paisa x 4500 = 900 paisa/100 = 9 rupees.

The Tax at the rate of ¹³²[15%] shall be Rs.9x ¹³³[15%].=¹³⁴[1.35];

and same formula for the sale.

(5) The exchange company shall not be entitled to any input tax credit or adjustment.

(6) The Exchange company shall issue tax invoice as prescribed in rule 29.

(7) The tax due for each tax period shall be paid and the return shall be filed by the central or regional office of the registered person in Sindh in the manner and at the time as prescribed in rule 13 and 14. However, the exchange company shall fill in the return and only the Annex-C thereof providing total value of services determined in the prescribed manner, for the tax period in a single entry.

(8) In case sale tax is not deposited or if the tax return is not filed in the prescribed manner (as per annexure for on line submission of return) by the prescribed due date, the exchange company shall , in addition to the payment of sales tax and default surcharge, be also liable to penalty under the Act or these rules.

(9) The registered person shall maintain separate record of all transaction and the tax collected thereon in respect of each branch or sub-office in Sindh and shall keep consolidated record at the central or regional office in Sindh in such manner as will enable distinct ascertainment of collection of sales tax on each of the services mentioned in scope of these rules.]

¹³⁵**[41. Services provided or rendered by Stockbrokers and Commodity brokers.--** (1) The provisions of this rules shall apply to the persons providing or rendering the services of Stockbrokers and Commodity brokers.

(2) Every such Stockbroker and Commodity broker shall be registered under section 24 of the Act, read with the provisions of Chapter II of these rules.

131. Substituted for the figure "16%" vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

132. Substituted for the figure "16%" vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

133. Substituted for the figure "16%" vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

134. Substituted for the figures "1.44" vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

135. Rule 41 substituted vide Notification No. SRB-3-4/9/2013 dated 1st July, 2013. Prior to substitution rule 41 was as under :-

"41. Stockbrokers: (1) value of taxable services for the purpose of levy of sales tax shall be the gross commission charged from clients in respect of purchase or sale of shares in a Stock Exchange.

(2) The Stock Brokers shall maintain records as stipulated in section 26 of the Act in such manner as will enable distinct ascertainment of payment of tax due."

¹³⁶[(3) The value of taxable services for the purposes of levy of sales tax shall be the gross commission, fee, remuneration and charges received by a stockbroker or a commodity broker from his clients, customers or service recipients in respect of:-

- (a) sale or purchase or subscription of securities in an exchange or over-the-counter market/deal;
- (b) advisory or consultancy services;
- (c) research services; and
- (d) other such identical or similar services.]

(4) Where a Stockbroker or a Commodity broker has himself purchased stocks or commodity contracts from his own resources with a view to selling the same to any person other than the concerned joint-stock company or joint-commodity company, he shall pay the tax on the basis of the commission worked out on the open market rates at the time of sale of such stocks or commodity contracts.

(5) The tax involved on the services provided or rendered by a Stockbroker or a Commodity broker during a tax period shall be

deposited by such a Stockbroker or a Commodity broker in the manner prescribed in Chapter-III of these rules by the 15th day of the month following the tax period to which it relates. The Stockbroker or a Commodity broker shall file his tax return in the manner prescribed in Chapter-III of these rules within 3 days from the due date prescribed for payment of tax

(6) The Stock Brokers shall maintain records as stipulated in section 26 of the Act and sub-rule (2) of rule 29 of these rules in such manner as will enable distinct ascertainment of payment of tax due.]

PART-IX

42. Services provided or rendered by ¹³⁷[hotels, motels, guest houses, clubs, restaurants ¹³⁸[, marriage halls and lawns], caterers, etc.]-- (1) Services relating to food items, drinks and eatables: The provisions of this part shall apply for collection and payment of sales tax on services in the matter of food, drinks (water soft drinks and other) and other eatables served by hotels ¹³⁹[, motels, guest houses], Restaurants, Marriage Halls, Lawns, Clubs And Caterers,

136. Sub-rule (3) substituted vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014. Prior to substitution sub-rule (3) was as under :-

“(3) The value of taxable services for the purposes of levy of sales tax shall be the gross commission, fee and other amounts charged by a Stockbroker or a Commodity broker from his clients in respect of purchase or sale of shares in a Stock Exchange or in respect of purchase or sale of commodity contracts including futures, options and similar financial derivatives in a commodity exchange as defined in the Securities and Exchange Ordinance, 1969.”

137. The words and commas “hotels, restaurants, clubs and caterers” substituted vide notification No. SRB-3-4/2/2012 dated 1st February, 2012.

138. The coma and the words Inserted by Notification No. SRB-3-4/9/2013 dated 1st July, 2013.

139. The coma and the words Inserted by Notification No. SRB-3-4/2/2012, dated 1st February, 2012.

whether for consumption inside the premises of the referred establishment or for supply or delivery for outside consumption.

- (a) ¹⁴⁰[Every such restaurant or caterer who are not located in the premises of a hotel, motel, guest house, marriage lawn, or club, but] whose total annual turnover from the service of such food items exceeds rupees 3.6 million per annum of all the outlets of such registered person in the Province of Sindh, shall, if not already registered, obtain registration in the manner as specified in chapter II of these rules. The determination of the turnover will be made on monthly turnover basis, keeping in view area, location, city, menu served, capacity and by delivery and sale/supply, if not otherwise determinable¹⁴¹[:]

¹⁴²[Provided that the aforesaid threshold of total annual turnover exceeding rupees 3.6 million per annum shall not apply in case of following categories of restaurants and caterers:-

- (i) restaurants which are air-conditioned on any day in a financial year;
 - (ii) restaurants located within the building, premises or precincts of any hotel, motel, guest house or club whose services are liable to sales tax;
 - (iii) restaurants and caterers providing or rendering services in the building, premises, precincts, hall or lawn of any hotel, motel, guest house or club whose services are liable to sales tax;
 - (iv) restaurants and caterers which are franchisers or franchisees;
 - (v) restaurants and caterers having branches or more than one outlet in Sindh; or
 - (vi) restaurants and caterers whose total utility bills (gas, electricity and telephone) exceed Rs. 40,000/= in any month during a financial year.]
- (b) Every person serving/supplying food, in or from the premises of hotels ¹⁴³[, restaurants, marriage halls, lawns, clubs and caterers shall be charged and pay sales tax at the rate specified in Second Schedule of the Act ¹⁴⁴[:]

¹⁴⁵[Provided that the Board may require, in terms of sub-section (3) of section 52 of the Act, all hotels or motels or guesthouses or restaurants or clubs or marriage halls and lawns to submit a periodical statement to the Board containing such particulars of the catering activity conducted in their premises as it may prescribe.]

- (c) If the supplies are made free of charge or for some other consideration or a consideration which is lower than the listed prices, the tax shall be charged as if it were supplied at the price listed in the menu card.

140. Substituted for the words "Every such person" by Notification No. SRB-3-4/2/2012, dated 1st February, 2012

141. " Colon" substituted for full stop by Notification No. SRB-3-4/12/2013 dated 31st January, 2013

142. Proviso added by Notification No. SRB-3-4/12/2013 dated 31st January, 2013.

143. The comma and words added by Notification No. SRB-3-4/2/2012 dated 1st February, 2012. .

144. Colon substituted for full stop by Notification No. SRB-3-4/2/2012 dated 1st February, 2012.

145. Proviso inserted vide Notification No. SRB-3-4/2/2012 dated 1st February, 2012.

- (d) The food served by flight- kitchens on-board the conveyance leaving for a destination outside Pakistan shall be exempt.

¹⁴⁶[(1A) *Other services provided or rendered by marriage halls and lawns.*-- (a) In relation to marriage halls and lawns, the value of taxable services for the levy of tax shall be the gross amount charged for the services, including the services of catering, pandal & shamiana, decoration, illumination and lighting, air-conditioning, fumigation, event management, event photography/videography, valet, security, etc., as are provided or rendered by such marriage halls and lawns. It shall not include consideration received on account of refundable deposits or security unless the same is deducted or adjusted in full or in part as settlement or recovery of dues for the services provided or rendered.

(b) Every such person providing or rendering the services of marriage halls and lawns shall register himself under section 24 of the Act, read with the provisions of Chapter-II of these rules. However, where the marriage halls and lawns are owned or operated by a hotel, motel, guest house, restaurant, caterer or club or are located within the building, premises or precincts of such hotel, motel, guest house, restaurant, caterer or club as are already registered under this Act, separate registration shall not be required provided that the details of such marriage halls and lawns are duly entered in the tax registration profile of such hotel, motel, guesthouse, restaurant , caterer or club in terms of rule 7 of these rules read with the Form SST-01.

(c) Every such person shall issue a serially-numbered invoice or bill of charges or an electronically generated invoice or bill of charges for each transaction in terms of sub-rule (4) of this rule. The invoice or the bill of charges shall contain the particulars as specified in sub-rule (1) of rule 29 of these rules. A copy of the invoice or the bill of charges shall be given to the person to whom such services are provided or rendered and one copy shall be retained by the service provider in the bound book of invoices or bill of charges.

(d) Every such person (marriage hall and lawn) shall maintain account of all services provided or rendered by him and shall also maintain the record prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules.

(e) The tax involved on the services provided or rendered by persons engaged in the economic activity of marriage halls and lawns during a tax period shall be paid by the service provider in the manner prescribed in Chapter-III of these rules by the 15th day of the month following the tax period to which it relates. The tax return shall be filed by the service provider in the manner prescribed in Chapter-III of these rules within 3 days from the due date prescribed for payment of tax.]

(2) *Other services provided or rendered by clubs and hotels:* (a) In relation to clubs, the value of taxable services for the purpose of levy of Sales Tax shall be the gross amount charged or the consideration in money including fee relating to award of new membership, monthly membership fee ¹⁴⁷[and donations received from members or applicants for membership] and all Federal or Provincial levies, if any, which club receives from its members or clients for providing or rendering taxable services. It shall not include consideration received on account of refundable deposit or security unless the same is deducted or adjusted in full or in

146 Sub-rule (1A) added vide Notification No. SRB-3-4/9/2013 dated 2st July, 2013.

147. Inserted vide notification No. SRB-3-4/2/2012 dated 1st February, 2012

part as settlement or recovery of dues for services. ¹⁴⁸[It shall also not include the club's voluntarily deposited receipts on account of staff welfare like eid gifts, bonuses and gratuity to the club staff and donations received for charitable causes subject to the condition that the amounts, so received for these purposes, are used, entirely and exclusively, for the purpose for which it is received.]

Explanation:-- Membership includes permanent membership where it is initially given, temporary membership, associated membership, honorary membership or membership of any affiliated club using the services of the other club;

(b) In relation to hotels, the provisions of this part shall apply for collection and payment of Sales Tax on all the services like gym, sports, swimming, golf, events organized, exhibitions, shows, parties etc, used by the clients in addition to the food, drinks and other eatables.

¹⁴⁹[(3) Every registered person shall submit the monthly tax return and make the payment of the tax due in the manner and by the due date as prescribed in rule 13 and 14.

Provided that in respect of services provided or rendered by clubs, the due date for deposit of the tax due shall be the fifteenth day of the second month following the month in which services were provided or rendered by the club and the club shall also file the prescribed tax return within three days of the due date for the payment of the tax.]

(4) Every person shall print, in his menu card or list of food items to be supplied, the price of each item or as the case may be, combination of food, inclusive of all duties and taxes, whether Provincial or Federal, including the Sales Tax. The recipient or consumer of food shall be invoiced or billed pay only the price shown in the menu card or price list.

(5) The registered persons shall issue a serially numbered Sales Tax invoice or bill.

(6) The persons using computerized accounting system may issue the computer generated cash memo or as the case may be a computer-generated Sales Tax invoice.

¹⁵⁰[(6A) Every person providing or rendering the services of club shall, in addition to the monthly tax return (Form SST-03), submit a quarterly statement, together with its Annex-A, in the following format:-

QUARTERLY STATEMENT OF THE SERVICES PROVIDED OR RENDERED BY THE CLUB.

Name of the Club: _____

Sindh Sales Tax Registration No. /SNTN: _____

148. Inserted vide notification No. notification No. SRB-3-4/13/2011 dated 24th November, 2011.

149. Sub-rule (3) substituted vide Notification No. SRB-3-4/1/2013 dated 31st January, 2013. Prior to substitution sub-rule (3) was as under :-

“(3) Every registered person shall submit the monthly return along with the payment of tax due by the fifteenth day of the following month in the manner as provided in Chapter III of these rules:

Provided that in respect of supplies made by the clubs, the due date for filing of return and deposit of tax due shall be the 15th day of the second month following the month in which supplies were made by the club.”

150. Sub-rule (6A) and sub-rule (6B) added vide notification No. SRB-3-4/14/2012 dated 27th September, 2012

Months (tax period) to which the statement relates: _____

CPR Nos and dates: _____

S. No.	Particulars of Service	Value of Service			
		Month 1	Month 2	Month 3	Total
1.	Monthly/periodically/fee/charges:-				
	a) For Members.				
	b) For Member's spouse & household.				
	c) For absentee Members.				
	d) For Non-utilization.				
2.	New Membership or Transfer Membership Fee/Charges.				
3.	Donation and contribution received from Members or Applicants for new membership.				
4.	Fee/subscription/charges for Sports/ Games/library/swimming/pool/ locker/etc				
5.	Room Rent charges,				
6.	Restaurant/Bakery/Beverages/Catering Charges.				
7.	Late-payment charges/Service charges.				
8.	Club Events/Programs/Function charges				
9.	Amount/charges received for the use of premises halls for functions (List of Caterers and the amount of received from them to be provided at Annex-A).				
10.	Halls /Lawn Charges received from members/non-members for their functions/events, including marriage parties)excluding the charges at S. No. 9 above)				
11.	Arrears of other charges adjusted against refundable security deposit.				
12.	Other services provided to members/non- members.				
13.	Total amount charged for taxable services.				
14.	Non-taxable services:				
	a) Voluntary staff welfare charges, Voluntary eid gifts for staff and voluntary bonuses and gratuity to staff.				
	b) Donations received for charitable causes.				
	c) Refundable security deposits.				
	d) Others (please specify if any)				
		AMOUNT OF TAX			
15.	Amount of tax on services provided as per S. No. 13.				
16.	Amount of input tax claimed.				
17.	Amount of tax withheld by others.				
18.	Amount of tax withheld by the club as service recipient-				

cum-withholding agent).

19. Net Amount of tax payable {(15+18)- (16+17)}

20. Amount of tax deposited.

Annex “A”

Details of the Caterers

Date	Lawn/Hall Name/ Number	Name of Caterer Who Provided services	SNTN/NTN of the Caterer	No. of Persons/guests Served by the Caterer	Charges Per head Received by the Club for use of Club premises by Caterer.	Amount of sales tax charged, if any, by the Club from the Caterer or on behalf of the Caterer.	Remarks.

(6B) The statement prescribed in sub-rule (6A) shall be submitted by the 24th day of the ¹⁵¹[second month] following the respective quarters ending September, December, March and June.]

(7) The registered person shall maintain all the records as prescribed under section 26 of the Act.

¹⁵²[PART-X

151. Substituted for the word “month by Notification No. SRB-3-4/1/2013, dated 31st January, 2013.

152. PART X with rule 42A added vide notification No. . SRB-3-4/4/2011 dated 07th September, 2011.

42A. Services provided or rendered by property developers and promoters.-- (1) Services provided or rendered by such property developers and promoters as are levied to tax at a specific rate or based on value, as is notified in a notification issued under the Act, shall be collected and paid by the service provider in accordance with this rule at the time and in the manner prescribed by the Act or the rules issued thereunder;

(2) No input tax credit or adjustment or deduction shall be allowed to the service providers governed by this rule; and

(3) The fixed rate of tax, as notified, shall be paid by the service provider at the time he receives payment of the value for such services preceding the event of lease or conveyance deed:

Provided that where the property is sold on installment basis, the tax shall be paid by the service provider at the time he receives the respective installments. In such cases, the total amount of tax due on a property, so sold on installment-payment basis, shall be divided proportionately on the basis of the installments as may be agreed between the service-provider and the buyer/service recipient;

Provided further that where an installment is not paid by the buyer/service recipient on the due date, the service provider may defer the payment of tax due accordingly to a date when he actually receives the payment of the installment from the buyer.

Provided further that where the service provider refunds the amount of value or installments thereof to the buyer for any reason, like cancellation, etc, the service provider shall be entitled to claim refund of the tax paid subject to the provisions of section 16 of the Act].

¹⁵³**[42B. Special procedure for collection and payment of sales tax on construction services.--**(1) The provisions of this rule shall apply to the persons providing or rendering construction services (tariff heading 9824.0000) who elect or opt to pay the tax at the reduced rate specified in relation thereto in a notification issued under sub-section (2) of section 8 of the Act.

(2) A person, desiring to be governed by this rule, shall submit his written election or option in the Form appended to this rule, so as to reach the Commissioner-II of the SRB on or before the 26 th July, 2013:

Provided that a person not in construction business on the first day of July, 2013 , shall submit his election or option in the prescribed form within 21 days from the date of commencement of his business of providing or rendering such construction services:

Provided further that a person, not submitting his option/election in the prescribed form within the date as prescribed in this sub-rule, shall be deemed to have not elected and not opted for the purposes of the reduced rate of tax as specified in the notification issued under sub-section (2) of section 8 of the Act and accordingly, such a person shall pay the statutory rate of

153. Rule 42B added vide Notification No. SRB-3-4/9/2013 dated 2st July, 2013,

tax of ¹⁵⁴[15%] on his services and all the provisions of the Act and the rules made thereunder, except this rule, shall apply in his case.

(3) The value of taxable services for the purposes of levy of sales tax shall be the gross amount charged for the services provided or rendered.

(4) The provisions of section 7 of the Act, read with sub-section (2) of section 17 thereof shall apply in relation to the tax payable by person electing or opting to be governed by the provisions of this rule.

(5) Every such person shall issue a serially-numbered invoice or bill of charges or an electronically generated invoice or bill of charges for each transaction in terms of sub-rule (4) of this rule. The invoice or the bill of charges shall contain the particulars as specified in sub-rule (1) of rule 29 of these rules. A copy of the invoice or the bill of charges shall be given to the person to whom such services are provided or rendered and one copy shall be retained by the service provider in the bound book of invoices or bill of charges.

(6) Every such person (service provider) shall maintain account of all services provided or rendered by him and shall also maintain the record prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules. He shall also maintain record of the approved building plan, drawing (electrical and structural drawings), completion certificate, and the contract or the agreement made between the service provider and the service recipient.

(7) The tax involved on the services provided or rendered by persons engaged in the economic activity of construction services during a tax period shall be paid by the service provider in the manner prescribed in Chapter-III of these rules by the 15th day of the month following the tax period to which it relates. The tax return shall be filed by the service provider in the manner prescribed in Chapter-III of these rules within 3 days from the due date prescribed for payment of tax.

FORM

Election/option of the person providing or rendering construction services (tariff heading 9824.0000) for payment of tax under the Special Procedure of rule 42B of the Sindh Sales Tax on Services Rules, 2011

I, _____ S/o _____
holder of CNIC No. _____ and NTN _____ do hereby declare that:

(1) I am the _____ in M/s _____
(designiation) (Business name)

(NTN _____) having its office/head office/Registered office at _____
(full address)

which is engaged in the economic activity of providing of construction service (tariff heading 9824.000).

154. Substituted for the figure "16%" vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

(2) I am fully competent and duly authorized by the said M/s _____

_____ to sign and submit this form of election of option for the said M/s _____ to be governed by the provision of rule 42B of the Sindh Sales Tax on Services Rules, 2011.

(3) I do hereby declare and affirm that the said M/s _____ (NTN _____) elect and opt to be governed by the provisions of rule 42B of the Sindh Sales Tax on Services Rules, 2011, read with the reduced rate of tax, limitation and conditions as are prescribed in relation thereto in the notification issued under sub-rule (2) of section 8 of the Sindh Sales Tax on Services Act, 2011.

Signature. _____

Date _____

Name _____

CNIC No. _____

Tele. No. _____

Witness :-

Cell phone No. _____

1. Signature _____

Company/Firm/ Service providers

Date _____

Stamp _____

Name _____

CNIC No. _____

2. Signature _____

Date _____

Name _____

CNIC No. _____]

42C. Service provided or rendered by Beauty Parlours, Beauty Clinics, Slimming Clinics, Body Massage Centers, Pedicure Centers, etc.-- (1) Services provided or rendered by such Beauty Parlours, Beauty Clinics, Slimming Clinics, Body Massage Centers, Pedicure Centers, etc., as are levied to tax, shall be collected and paid by the service provider in accordance with this rule.

(2) Every such Beauty Parlour, Beauty Clinic, Slimming Clinic, Body Massage Center, Pedicure Center, etc., other than the ones which are exempt from the payment of tax in terms of a notification issued under sub-section (1) of section 10 of the Act, shall register itself under section 24 of the Act read with the provisions of Chapter-II of these rules.

(3) The value of taxable services for the purpose of levy of sales tax shall be the gross amount charged for the services provided or rendered.

(4) Every such Beauty Parlour, Beauty Clinic, Slimming Clinic, Body Massage Center, Pedicure Center, etc., shall issue an invoice or a bill of charges for each transaction from a duly bound book of serially-numbered invoices or bill of charges or electronically-generated invoices or bill of charges which shall contain the particulars as specified in sub-rule (1) of rule 29 of these rules. A copy of such invoice or the bill shall be given to the person to whom such services are provided or rendered and one copy thereof shall be retained by the Beauty Parlour, Beauty Clinic, Slimming Clinic, Body Massage Center, Pedicure Center, etc., in the bound book of invoices or bill of charges. Not more than one book of invoices or bill of charges or electronic data and evidence shall be used at one time provided that where the Beauty Parlour, Beauty Clinic, Slimming Clinic, Body Massage Center, Pedicure Center, etc., has one or more branches, separate books of invoices or bill of charges may be used for each such branch also indicating the location or address of such branch.

(5) Every such Beauty Parlour, Beauty Clinic, Slimming Clinic, Body Massage Center, Pedicure Center, etc., shall maintain account of all services provided or rendered by him and shall also maintain the record prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules.

(6) The tax involved on the services provided or rendered by a Beauty Parlour, Beauty Clinic, Slimming Clinic, Body Massage Center, Pedicure Center, etc., during a tax period shall be deposited by such a Beauty Parlour, Beauty Clinic, Slimming Clinic, Body Massage Center, Pedicure Center, etc., in the manner prescribed in Chapter-III of these rules by the 15th day of the month following the tax period to which it relates. The Beauty Parlour, Beauty Clinic, Slimming Clinic, Body massage Center, Pedicure Center, etc., shall file his tax return in the manner prescribed in Chapter-III of these rules within 3 days from the due date prescribed for payment of tax.]

¹⁵⁶[PART- XII

42D. Service provided or rendered by Security Agency.-- (1) The sales tax on the services provided or rendered by a Security Agency shall be collected and paid by the service provider in accordance with this rule.

(2) Every Security Agency shall register itself under section 24 of the Act read with the provisions of Chapter-II of these rules.

(3) The value of taxable services for the purpose of levy of sales tax shall be the gross amount charged for the services provided or rendered.

(4) Every Security Agency shall issue an invoice or a bill of charges for each transaction from a duly bound book of serially-numbered invoices or bill of charges or electronically generated invoices or bill of charges which shall contain the particulars as specified in sub-rule (1) of rule 29 of these rules. A copy of such invoice or the bill shall be given to the person to whom such services are provided or rendered and one copy thereof shall be retained by the Security Agency in the bound book of invoices or bill of charges. Not more than one book of invoices or bill of charges or electronic data and evidence shall be used at one time provided that where the Security Agency has one or more branches, separate books of invoices or bill of charges may be used for each such branch also indicating the location or address of such branch.

(5) Every Security Agency shall maintain account of all services provided or rendered by it and shall also maintain the record prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules.

(6) The tax involved on the services provided or rendered by a Security Agency during a tax period shall be deposited by such a Security Agency in the manner prescribed in Chapter-III of these rules by the 15th day of the ¹⁵⁷[second month] following the tax period to which it relates. The Security Agency shall file his tax return in the manner prescribed in Chapter-III of these rules within 3 days from the due date prescribed for payment of tax.]

¹⁵⁸[PART-XIII

42E. Procedure for collection and payment of sales tax on Labour and Manpower Supply Services.--(1) The provisions of this rule shall apply to the persons providing or rendering labour and manpower supply services (tariff heading 9829.0000) and the tax payable on the said services.

(2) Every person providing or rendering labour and manpower supply service shall register himself under section 24 of the Act read with the provisions of Chapter-II of these rules.

156. Part XII with Rule 42D added by Notification No. SRB-3-4/9/2013, dated 1st July, 3013.

157. Substituted for the word "month" vide Notification No. SRB-3-4/13/2014 dated 1st July, 2014.

158. Part XIII with Rule 42E added by Notification No. SRB-3-4/9/2013, dated 1st July, 3013

(3) The value of taxable services for the purposes of levy of sales tax shall be the gross amount charged for the services provided or rendered:

Provided that the amount of salary and allowances of the labour and manpower supplied by such persons to a service recipient, where reimbursed by the service recipient on actual basis, shall be excluded from the value of the services for the purpose of payment of tax under this rule.

(4) The provisions of section 7 of the Act, read with sub-section (2) of section 17 thereof shall apply in relation to the tax payable by person.

(5) Every such person shall issue a serially-numbered invoice or bill of charges or an electronically generated invoice or bill of charges for each transaction in terms of sub-rule (4) of this rule. The invoice or the bill of charges shall contain the particulars as specified in sub-rule (1) of rule 29 of these rules. A copy of the invoice or the bill of charges shall be given to the person to whom such services are provided or rendered and one copy shall be retained by the service provider in the bound book of invoices or bill of charges.

(6) Every such person (service provider) shall maintain account of all services provided or rendered by him and shall also maintain the record prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules. He shall also maintain record of the contract or the agreement made between the service provider and the service recipient.

(7) The tax involved on the services provided or rendered by persons engaged in the economic activity of labour and manpower supply service during a tax period shall be paid by the service provider in the manner prescribed in Chapter-III of these rules by the 15th day of the month following the tax period to which it relates. The tax return shall be filed by the service provider in the manner prescribed in Chapter-III of these rules within 3 days from the due date prescribed for payment of tax.]

159 [PART-XIV

42F. Procedure for collection and payment of sales tax on Legal Practitioners & Consultants, Accountants & Auditors and Tax Consultants.-- (1) The provisions of this rule shall apply to the persons providing or rendering the services of legal practitioners and consultants, accountants & auditors and tax consultants (tariff headings 9815.2000, 9815.3000 and 9815.9000, respectively) and the tax payable on the said services.

(2) Every person providing or rendering legal practitioners and consultants, accountants & auditors and tax consultants services shall register himself under section 24 of the Act read with the provisions of Chapter-II of these rules.

(3) The value of taxable services for the purpose of levy of sales tax shall be the gross amount charged for the services provided or rendered.

(4) The provisions of section 7 of the Act, read with sub-section (2) of section 17 thereof shall, inter-alia, apply in relation to the tax payable by person.

(5) Every such person shall issue a serially-numbered invoice or bill of charges or an electronically generated invoice or bill of charges for each transaction in terms of sub-rule (4) of this rule. The invoice or the bill of charges shall contain the particulars as specified in sub-rule (1) of rule 29 of these rules. A copy of the invoice or the bill of charges shall be given to the person to whom such services are provided or rendered and one copy shall be retained by the service provider in the bound book of invoices or bill of charges.

(6) Every such person (service provider) shall maintain account of all services provided or rendered by him and shall also maintain the record prescribed in section 26 of the Act and sub-rule (2A) of rule 29 of these rules. In cases where the services are provided or rendered under an agreement or contract between the service provider and the service recipient (client) record of copies of such agreement/contract shall also be maintained by the service provider.

(7) The tax involved on the services provided or rendered by persons engaged in the economic activity of legal practitioners & consultants, accountants & auditors and tax consultants during a tax period shall be paid by the service provider in the manner prescribed in Chapter-III of these rules by the 15th day of the ⁷⁴[**Second month**] following the tax period to which it relates. The tax return shall be filed by the service provider in the manner prescribed in Chapter-III of these rules within 3 days from the due date prescribed for payment of tax.]

¹⁶⁰[**42G. Procedure for collection and payment of sales tax on the services provided or rendered by persons or transport agencies engaged in the services of or in relation to inter-city transportation or carriage of goods by road or through pipeline or conduit.--** (1) The provisions of this rule shall apply to the persons, including the goods transport agency, providing or rendering the services in relation to inter-city transportation or carriage of goods by road or through pipeline or conduit.

(2) Every such person or goods transport agency who provides or renders the services of or in relation to inter-city transportation or carriage of goods by road or through pipeline or conduit, whether in Sindh or from Sindh, shall be liable to registration under section 24 of the Act, read with the provisions of Chapter-II of these rules.

(3) The value of the taxable services for the levy of sales tax shall be the gross amount charged for the services provided or rendered, including the charges for services of cargo handling like loading, un-loading, packing, un-packing, stacking and storage of the goods or the cargo.

(4) Every such person shall issue a tax invoice as prescribed in sub-rule (1) of rule 29. However, the serially numbered transport bilty or consignment note issued by such persons shall be treated as a tax invoice provided that it contains at least the following particulars:-

- (i) Name, address and Sindh sales tax registration number (SNTN) of the service provider;
- (ii) Name and NTN/CNIC of the consignor;
- (iii) Name and NTN/CNIC/telephone number of the consignee;

¹⁶⁰. Rule 42G added vide Notification No. SRB-3-4/14/2014 dated 1st July, 2014

- (iv) Place of transportation/carriage:
 - (a) From; and
 - (b) to;
- (v) Description of the material or the goods and its quantity;
- (vi) Transportation charges including handling charges, etc.:
 - (a) Amount;
 - (b) Whether "pre-paid" or "to pay at destination"; and
- (vii) Amount of Sindh sales tax.

(5) The amount of sales tax involved shall be deposited in Sindh Government head of account "B-02384" in the prescribed manner:-

- (i) in case of the pre-paid transportation or carriage services, by the 15 th day of the month following the tax period which the services were provided; and
- (ii) in the case of post-paid or "to pay at destination" transportation or carriage of goods, by the 15 th day of the second month following the tax period in which the services were provided.

(6) The tax return in the prescribed form SST-03 shall be filed by such person within 3 days from the due date for payment of tax.

(7) Every such person or goods transport agency shall maintain the record, as prescribed in section 26 of the Act, read with sub-rule (2A) of rule 29. The transport bility or consignment note issued by such person shall also be treated a prescribed record.]

¹⁶¹[PART – XV

42 H. Procedure for levy and collection of tax on the services provided in the matter of manufacturing or processing for others on toll basis.-- (1) The provisions of this rule shall apply to the persons (hereinafter called "toll manufacture or processor") providing or rendering the services in the matter of manufacturing or processing for others on toll basis.

(2) Every such toll manufacturer or processor who renders the services in the matter of manufacturing or processing for others on toll basis shall be liable to registration under section 24 of the Act, read with the rules prescribed under Chapter-II of these rules.

(3) The value of the taxable services for the levy of sales tax shall be the gross amount charged for the services provided or rendered:

Provided that the value of the patent, design, raw materials and other inputs as are received by the toll manufacturer or processor from his service recipients shall be excluded from the value of such service: and

Provided further that value of all other raw materials, inputs, services, etc., as are procured by the toll manufacturer or processor himself and are used in the services so provided or rendered by him shall be included in the value of the service and the input tax paid thereon by the toll manufacturer or processor shall be eligible for input tax credit or adjustment in accordance with the provisions of section 15 of the Act, read with the rules prescribed under Chapter-V of these rules.

(4) Every such toll manufacturer or processor shall issue a tax invoice as prescribed in sub-rule (1) of rule 29 and shall maintain all the record prescribed under section 26 of the Act, read with rule 29 of these rules.

(5) Every such toll manufacturer or processor shall deposit the amount of tax under the Sindh Government's head of account "B-02384", in the prescribed manner, by the 15th day of the month following the tax period to which it relates and he shall also file his tax return in the prescribed Form SST-03 within 3 days from the due date for payment of tax.]

CHAPTER VII

TAXPAYER'S AUTHORIZED REPRESENTATIVES

43. Persons authorized to represent a taxpayer.-- A Tax Practitioner registered under Income tax rules, Sales tax rules, Customs Act, an advocate enrolled with Bar and an Accountant, shall, on being given authority or power of attorney in the specified manner under these Rules (Form II), may represent a tax payer and may appear on his behalf before ¹⁶²[the Board or the Appellate Tribunal or the Commissioner (Appeals) or any] adjudicating authority.

Provided that no such person shall be entitled to represent a taxpayer for a period of one year from the date of his retirement or resignation, or in a case in which he had made, or approved, as the case may be, any order under the relevant Acts.

44. Disqualifications.-- The following persons shall not be entitled to represent a taxpayer under this Chapter:

- (a) any person who has been convicted as a result of any criminal proceedings under any law for the time being in force in Pakistan;
- (b) a person who has been dismissed or compulsorily retired from service;
- (c) a person who is an un-discharged insolvent; and
- (d) a person who has been found guilty of misconduct.

162. Substituted for the words "Appellate Tribunal or any other" by Notification No. SRB-3-4/9/2013 dated 1st July, 2013.

**Government of Sindh
Sindh Revenue Board
Letter of Authorization**

I, _____, Proprietor/Partner/Director of
M/s _____, hereby authorize

Mr. _____, S/o Mr. _____

C.N.I.C No _____ to represent before adjudicating authority Dep.
Commissioner/ Commissioner or at the Sindh Revenue Board or the Tribunal on behalf of
M/S. _____ Sales Tax [National Tax Number] _____ for
hearing on _____ (date)/ till the decision of the case (cross out whichever is
not applicable) or till withdrawal of this authorization, whichever is earlier.

I also affirm and certify that he fulfills the conditions of an authorized representative as
prescribed in the Sales Tax Rules 2011.

Dated: _____ Signature: _____

Name: _____

(Proprietor/ Partner/Director)

C.N.I.C. No. _____

Company or Business Seal/Stamp _____

**CHAPTER VIII
SPECIAL AUDIT**

45. Application.-- the provisions of this chapter shall apply to the registered persons who are
subject to special audit in terms of section 29 of the Act.

46. Special Audit.-- The Board may cause special audit by a special auditor, of the records,
tax invoices and monthly returns required to be maintained, issued or furnished by any registered
person, or class or classes of registered persons under section 28 and 29 of the Act.

47. Scope of special audit.-- The scope of the special audit shall be the expression of
professional opinion with respect to the following, namely:

- (a) Whether the records, tax invoices and monthly returns have been maintained, issued or furnished correctly by the registered person; and
- (b) Whether the monthly returns furnished by the registered person correctly reflect that—
 - i) all taxable supplies in the tax period as revealed by the records and tax invoices; and
 - ii) all input tax, output tax, and the net amount of sales tax payable or refundable, as the case may be, are in accordance with the provision of the Act and are duly substantiated by the records required to be maintained for the purpose.

48. Form of audit report.-- The special auditor shall submit his audit report in the Form as specified in the terms of reference.

49. Penalty.-- (1) In case of violation of this chapter or any clause of the terms of reference, the payment of fee as specified therein shall be withheld forthwith, without prejudice to any action, that may be taken under the provisions of the Chartered Accountant Ordinance, 1961 (X of 1961), the Cost and Management Accountants Act, 1966 (XIV of 1966) and bye- laws made there under, or the Act.

(2) In case the payment has already been made in full or part thereof, to the special auditor, the same shall be returned within one week of issuance, by the Board, of a demand notice in this regard

CHAPTER IX

ALTERNATIVE DISPUTE RESOLUTION

50 Application.-- The provisions of this chapter shall apply to all cases of dispute brought or specified for resolution under section 65 of the Act.

51 Application for Alternative Dispute Resolution.-- Any registered person interested for resolution of any dispute under section 65 may submit a written application for alternative dispute resolution to the Board, stating inter alia, the following namely:-

- a) The particulars of the case.
- b) The grounds on the basis of which a resolution of a dispute is being sought by the applicant duly supported with relevant documents;
- c) The extent or the amount of sales tax, default surcharge and penalties, which the applicant agrees to pay, if any;
- d) Details of amounts already paid, if any, and
- e) The particulars of any person who will represent the applicant.

52. Appointment of Alternative Dispute Resolution Committee.--(1) The Board, after examination of the contents of an application by a registered person and facts stated therein

and on satisfaction that a dispute deserves consideration for resolution for the removal of hardship under section 65 of the Act, may constitute a committee for examination of the issues involved in the dispute and for taking other actions as provided under sub section (3) of section 65 of the Act.

(2) The Board may appoint one of the members of the committee, other than a public servant, to be its chairman.

(3) The Board shall require the committee to submit its report within 60 days of its appointment:

Provided that the time so specified may, if requested by the chairman of the committee for reasons to be recorded in writing, be extended by the Board to such extent and subject to such conditions and limitations as it may deem proper.

53. Working of the Committee.-- The committee shall hold all its meetings at Board office or at any other venue to be decided by the Board. The Chairman of the committee shall be responsible for deciding the procedure to be followed by the committee which may, inter alia, include the following

- (a) to specify date and time for conducting proceeding by the committee;
- b) to supervise the proceedings and ensure maintenance of record of proceedings of the committee;
- c) to issue notices by courier, registered post or electronic mail to the applicant;
- d) to requisition and procure relevant records or witnesses from the field office or other concerned quarters;
- e) to ensure attendance of all concerned;
- f) to co-opt any other technical, professional or legal expert or tax consultant;
- g) to consolidate recommendations of the committee and submission of the conclusive report to the Board; and
- h) for any other matter covered under this Chapter

54. Recommendations of the Committee.-- (1) The committee may determine the issue and may thereafter seek further information or data or expert opinion or make or cause to be made such inquiries or audit as it may deem fit. The committee shall formulate its recommendations in respect of any matter mentioned in the sub-section (1) of section 65 of the Act.

(2) The chairman of the committee shall send a copy of the recommendations of the committee to the Board, and the applicant.

55. Reconsideration by the Committee.-- (1) The Board of its own motion or on the request of the applicant may refer back the recommendation of the committee for rectification of any obvious error or for reconsideration of the facts not considered earlier.

(2) The committee after rectification of the error or reconsideration of the facts as aforesaid shall furnish to the Board its fresh or amended recommendations within such period, as may be specified by the Board.

56. Decision of the Board.-- (1) The Board, after examination of the recommendations of the committee shall finally decide the dispute and make such orders, as it may deem fit for the resolution of the dispute under intimation to the applicant.

(2) On receipt of the Board's order as aforesaid, the concerned field officer shall implement the order issued by the Board in the manner provided for in sub-section (6) of section 65 of the Act.

(3) A complete record of all proceedings of the cases dealt with under the alternate dispute resolution scheme shall be maintained by the concerned field officer who shall also ensure that proper arrangements are made for the purpose of maintaining such records in appropriate manner.

CHAPTER X APPEALS AND ALLIED MATTERS

57. Appeal to Commissioner (Appeals).-- An appeal in Form SST-5A shall be filed as specified under section 57 of the Act.

58. Appeal to the Appellate Tribunal.-- An appeal in Form SST-5B shall be filed as specified under section 61 of the Act.

59. Reference to the High Court.-- Reference to the High Court in Form SST-5C shall be filed as specified in section 63 of the Act.

¹⁶³ [CHAPTER XI MISCELLANEOUS PROVISIONS

60. Service of communications.-- The officer of the SRB may, where deemed fit and appropriate, serve any communication including a notification, notice, requisition, decision, assessment or order, upon any registered person electronically through email address as recorded by the registered person on registration application (Form SST-01).]

163. "Chapter XI (Rule 60)" added vide notification No. SRB-3-4/2/2012 dated 01st February, 2012.