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SRB Seals Tour Operator Branches for Tax Default

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Karachi, March 7, 2024 – In a stern move against non-compliant taxpayers, the Sindh Revenue Board (SRB) sealed two branches of a prominent tour operator on Thursday for defaulting in payment of sales tax on services.

The action, undertaken by SRB officers, targeted the business premises of the travel agent located in Bahadurabad and DHA, Karachi, respectively, highlighting the gravity of non-payment and non-filing of monthly sales tax returns.

According to an official statement, the tour operator had been repeatedly directed by the SRB to adhere to the provisions of the Sindh Sales Tax on Services Act, 2011, and the accompanying rules. The directive included the mandatory deposit of due amounts of monthly tax and the electronic filing of monthly sales tax returns. Despite being granted sufficient time for compliance, the tour operator failed to meet these obligations, resulting in a substantial loss of Sindh Sales Tax (SST) revenue.

The SRB's stringent stance reflects its commitment to enforcing tax regulations and ensuring that businesses contribute their fair share to the regional economy. Non-compliance with tax obligations not only hampers revenue collection but also undermines the overall economic stability of the region.

The sealed branches in Bahadurabad and DHA were closed after the SRB officers took action against the tour operator. The closure was a consequence of their

persistent failure to meet the specified tax requirements. However, the SRB clarified that upon payment of the outstanding tax dues, the premises would be promptly de-sealed.

This episode underscores the SRB's determination to address tax evasion and non-compliance systematically. The board has made it clear that similar actions will be taken against other travel agents and tour operators who neglect to complete their registration with the SRB, fail to deposit due amounts of Sindh sales tax, or attempt to suppress their sales.

The SRB's efforts are crucial not only for revenue generation but also for fostering a culture of accountability and transparency in the business community. By holding non-compliant entities accountable, the SRB aims to encourage responsible financial practices and ensure a level playing field for all businesses operating within the region.

Businesses are urged to fulfill their tax obligations promptly, as the SRB signals its commitment to maintaining a fair and transparent tax system. The consequences of non-compliance, as demonstrated by the recent sealing of tour operator branches, emphasize the importance of adhering to tax regulations for the collective benefit of the economy and society at large.