



GOVERNMENT OF SINDH SINDH REVENUE BOARD



Dated Karachi, the 16th June, 2024

PRESS RELEASE

Subject: **LEVY OF SINDH SALES TAX ON EDUCATION AND HEALTH SERVICES THROUGH SINDH BUDGET 2024-25**

Reports have appeared in certain sections of the Press that the Sindh Government has imposed, through the Sindh Finance Bill, 2024, Sindh Sales Tax (SST) at the standard rate of 15% on the services of hospitals, medical practitioners (doctors) and educational institutions.

2. It is clarified for general information that the Finance Bill specifies the standard rate (15%) of SST as a scheme of specifying the taxable services. However, the effective rates (reduced rates, if any, as per the Government decision) are published in the Gazette notifications separately.

3. Sindh Finance Bill, 2024 does not immediately impose a 15% SST on health and education services. The Bill outlines the standard rate framework; however, specific services within the health and education sectors, as approved by the Sindh Cabinet, are proposed to be subjected to taxation at reduced rate of 3%.

4. The reduced rates applicable to taxable services, including health and education services, will be formally notified as soon as the Bill becomes an Act of the Provincial Assembly of Sindh.

5. The Government of Sindh remains committed to ensuring accessible and affordable health and education services for all residents of the province. The introduction of any tax measures is aimed at supporting sustainable funding for these critical sectors while considering the impact on stakeholders.

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