



## GOVERNMENT OF SINDH SINDH REVENUE BOARD

Dated Karachi, 23<sup>rd</sup> July, 2024

### PRESS RELEASE

**Sub: REDUCED RATE OF 8% SINDH SALES TAX ON THE SERVICES PROVIDED OR RENDERED BY RESTAURANTS WHERE PAYMENT IS MADE THROUGH THE PRESCRIBED DIGITAL MODES**

In a section of the Press, it has been reported that the facility of reduced rate of Sindh Sales Tax (SST) on restaurant services where payments are made by customers through digital modes i.e. debit cards, credit cards, mobile wallets or QR scanning has been withdrawn.

2. It is clarified for information of all concerned that the said facility of reduced rate of SST has not been withdrawn but is still operative. It is pertinent that restaurants who desire to opt standard rate of 15% SST even in cases where payment is made through aforesaid digital modes, are required to obtain permission from SRB in this regard in terms of rule 42(1)(b) of the Sindh Sales Tax on Services Rules, 2011.

3. Currently, there are more than 1700 restaurants which are registered with SRB of which only 58 restaurants have obtained the requisite permission from SRB the details of which are available at SRB website <<https://www.srb.gos.pk/srb/restaurant-list/>>. It is also pertinent that only such restaurants have been allowed to charge 15% SST whose POS invoicing systems are duly integrated with SRB system besides being compliant to the provisions of the Sindh Sales Tax on Services Act, 2011.

4. It appears that the Press Report about withdrawal of reduced rate of 8% SST, being not based on facts and law, is likely to create misgivings in the minds of the restaurant customers and is, therefore, denied. The customers, before patronizing any restaurant, may check about applicability of rate of SST either by visiting aforesaid SRB website or by demanding from the restaurant to show the requisite written permission of SRB.



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