

# **THE SALES TAX SPECIALPROCEDURES RULES, 2006**

## **List of Chapters**

### **CHAPTER I**

*SPECIAL PROCEDURE FOR FILING OF NIL RETURNS*

### **CHAPTER II**

*SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY COMMERCIAL IMPORTERS.*

### **CHAPTER III**

*SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY RETAILERS*

### **CHAPTER IV**

*SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY WHOLESALE-CUM-RETAIL OUTLETS*

### **CHAPTER V**

*SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY JEWELLERS*

### **CHAPTER VI**

*SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX ON ELECTRIC POWER*

### **CHAPTER VII**

*SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX ON NATURAL GAS*

### **CHAPTER VIII**

*SPECIAL PROCEDURE FOR SUPPLY OF SUGAR TO TRADING CORPORATION OF PAKISTAN (TCP)*

### **CHAPTER IX**

*SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX ON SUPPLY OF FOOD*

### **CHAPTER X**

*SPECIAL PROCEDURE FOR PERSONS PROVIDING OR RENDERING SERVICES SUBJECT TO SALES TAX UNDER THE PROVINCIAL LAWS*

### **PART ONE**

*ADVERTISEMENTS ON TELEVISION AND RADIO*

### **PART TWO**

*CUSTOMS AGENTS AND SHIP-CHANDLERS*

### **PART THREE**

*SERVICES PROVIDED BY STEVEDORES*

### **PART FOUR**

*COURIER SERVICES*

**CHAPTER XI**

*SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY STEEL-MELTERS AND RE-ROLLERS*

**CHAPTER XII**

*SPECIAL PROCEDURE FOR THE SHIP-BREAKING INDUSTRY*

**CHAPTER XIII**

*SPECIAL PROCEDURE FOR ZERO-RATING OF HAND-KNOTTED CARPETS*

**CHAPTER XIV**

*SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX BY THE ADVERTISING AGENCIES*

**CHAPTER XV**

*SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX FROM THE OIL MARKETING COMPANIES (SHARING OF PRODUCT)*

**CHAPTER XVI**

*SPECIAL PROCEDURE FOR ISSUANCE OF ELECTRONIC SALES TAX INVOICES BETWEEN BUYERS AND SELLERS*

**CHAPTER XVII**

*SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY MANUFACTURERS OF BISCUITS AND CONFECTIONERY*

**CHAPTER XVIII**

*SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX ON VEHICLES*

**CHAPTER XIX**

*SPECIAL PROCEDURE FOR PROCESSING OF REFUND CLAIMS FILED BY THE PERSONS ENGAGED IN MAKING ZERO-RATED SUPPLY OF GINNED COTTON*

**CHAPTER XX**

*SPECIAL PROCEDURE FOR ACCESSING THE COMPUTERIZED SYSTEM*

GOVERNMENT OF PAKISTAN  
MINISTRY OF FINANCE, ECONOMIC AFFAIRS,  
STATISTICS & REVENUE  
(REVENUE DIVISION)

\*\*\*\*\*

Islamabad, the 5<sup>th</sup> June, 2006.

**NOTIFICATION**  
**(SALES TAX)**

**S.R.O. 560(I)/2006.**— In exercise of the powers conferred by section 71 of the Sales Tax Act, 1990, read with clauses (9) and (46) of section 2, sections 3 and 4, sub-section (2) of section 6, section 7A, clause (b) of sub-section (1) of section 8, clause (a) of sub-section (2) of section 13, sub-sections (2A) and (3) of section 22, sections 23 and 60 thereof, the Federal Government is pleased to make the following rules, namely:—

**THE SALES TAX SPECIAL PROCEDURES RULES, 2006**

**1. Short title, application and commencement.**—(1) These rules may be called the Sales Tax Special Procedures Rules, 2006.

(2) They shall apply to such persons as are specified in the respective Chapter.

(3) These shall come into force with effect from the 1<sup>st</sup> day of July, 2006.

**2. Definitions.**— (1) In these Rules, unless there is anything repugnant in the subject or context,—

(i) “Act” means the Sales Tax Act, 1990;

(ii) “advanced electronic signature” means an electronic signature which is either,—

(a) unique to the person signing it, capable of identifying such person, created in a manner or using a means under the sole control of the person using it, and attached to the electronic document to which it relates in a manner that any subsequent change in the electronic document is detectable; or

(b) provided by an accredited certification service provider and accredited by the Certification Council as being capable of establishing authenticity and integrity of an electronic document;

(iii) “advertisement” means a set of visual and audio messages for the projection of a product, service or idea with the object of propagating

sale, purchase or hire of the product, service or idea for creating other related effects;

- (iv) “advertising agency” means a person who is engaged in the advertising business including supply of printed material, directly or indirectly to its clients and is a member of Pakistan Advertising Association;
- (v) ‘AGPR’ means the Accountant General Pakistan Revenues;
- (vi) “Annex” means an Annex to these rules;
- (vii) “assessed import value” means the value of imported goods determined under section 25 of the Customs Act, 1969 (IV of 1969), including the amount of customs-duties and excise duty, if any, levied thereon;
- (viii) “NEPRA” means the National Electric Power Regulatory Authority established under section 3 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997);
- (ix) "caterer" means a person or establishment, by whatever name called, which in ordinary course of business supplies foods, drinks and other eatables in any mode, manner or style or under any arrangements to canteens, messes or to any organization, institution or person, whether or not it provides entertainment or supplies furniture or crockery and cutlery, or ornamental or decorative accessories or lighting for illumination, on hire, lease or for any other consideration;
- (x) "club" means an establishment, organization or place, other than a hotel or restaurant, the membership of which is restricted to a particular class of people or which is run on the basis of mutuality and supplies foods, drinks or other eatables, whether or not it has any arrangement for boarding, lodging or games;
- (xi) "CNG station" means any place or premises from where Compressed Natural Gas (CNG) is supplied to, or filled in, cylinders or tankers;
- (xii) “Collectorate” means the office of the Collector of Sales Tax having jurisdiction and includes the Large Taxpayers’ Unit (LTU) and the Regional Tax Office (RTO), where the offices of Income Tax, Sales Tax and Federal Excise are co-located, and the word “Collector” shall be construed accordingly;
- (xiii) “commission” means--
  - (a) in case of an advertising agency, the amount agreed between that agency and its clients for the arrangement of supervision of supply of printed material; and

- (b) in case of a car dealer, the amount payable by the consumer to the dealer for the purpose of intermediating sale, booking, delivery or other related services or activities in respect of a vehicle and includes any other amount charged from a consumer or seller over and above the price of the vehicle;
- (xiv) “consumer”, with reference to Chapter VI of these rules, means a person or his successor-in-interest who purchases or receives electric power for consumption and not for delivery or resale thereof to others and includes a person who owns or occupies a premises where electric power is supplied;
- (xv) “courier company” means a commercial concern engaged in providing or rendering courier services to its customers;
- (xvi) “courier service” means delivery of documents, goods or articles utilizing the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles for consideration;
- (xvii) “Customs Agent” means a person licensed, temporarily or otherwise, under section 207 or 208 of the Customs Act, 1969 (IV of 1969), read with the Chapter VIII (Customs Agents Licensing) of the Customs Rules, 2001, for the transaction of any business relating to the entrance or departure of any conveyance or the import or export (including transit and transshipment) of goods or baggage, at any customs station including a Custom-house, a Land Customs Station, a Customs sea-port or a customs airport;
- (xviii) "Daily Gross Take" or "DGT", with reference to supply of food, means the total value of supply received during each day and includes the amount of sales tax;
- (xix) "distribution", with reference to Chapter VI of these rules, means the ownership, operation, management or control of distribution facilities for the movement or delivery or sale to consumers of electric power but shall not include the ownership, operation, management and control of distribution facilities located on private property and used solely to move or deliver electric power to the person, owning, operating, managing and controlling those facilities or to tenants thereof shall not constitute distribution;
- (xx) “electronic data interchange (EDI)” means a system of secure transmission of electronic information, based on an agreed and internationally accepted standards and can be understood and treated automatically without human intervention;
- (xxi) “electronic invoicing” means electronic transmission and storage of sales tax invoices, without the delivery of paper documents;

- (xxii) "Fiscal Electronic Cash Register" or "FECR" means an electronic cash register with fiscal memory (black box), fiscal screw and seal, capable of simultaneously printing second copy (record copy) that contains all information in addition to that on the first paper roll (customer copy) and having two displays, one for operator and the other for customer;
- (xxiii) "food" includes baked, cooked, prepared or fresh food, ice-cream, beverages or drinks, whether alcoholic or otherwise, and other eatables, whether prepared by the person supplying the same or procured otherwise;
- (xxiv) "foreign currency" means foreign currency as defined in clause (c) of section 2 of the Foreign Exchange Regulation Act, 1947 (VII of 1947);
- (xxv) "foreign credit card" means a credit card issued outside Pakistan by a foreign bank or foreign based credit card company, payment of which is made in foreign exchange;
- (xxvi) "foreign national" means a person who has nationality other than of Pakistan and holds a valid foreign passport at the time of visit to Pakistan;
- (xxvii) "gas bill" means the bill of charges issued by the gas transmission and distribution companies to their consumers pertaining to a tax period for natural gas supplied by them;
- (xxviii) "generation", with reference to Chapter VI of these rules, includes the ownership, operation, management or control of generation facilities for delivery or sale of electric power and not solely for consumption by the person owning, operating, managing and controlling those facilities;
- (xxix) "hotel" means an establishment, organization or place where rooms or suites of rooms are let out on rent, whether or not it has any arrangement of catering or provides any other services, facilities or utilities, by whatever name called;
- (xxx) "HUBCO" means the Hub Power Company Limited;
- (xxxi) "IPP" means an Independent Power Producer established in private sector operating under a license issued by the NEPRA for the purpose of generation, transmission, distribution and sale of electric power, and governed by various Implementation Agreements executed between the Islamic Republic of Pakistan and such Independent Power Producer and includes HUBCO and KAPCO;
- (xxxii) "jeweller" means any person engaged in the supply of ornaments as a manufacturer, wholesaler or retailer, but does not include a zargar;

- (xxxiii) "ornaments" include articles of adornment made of gold, silver, precious and semi-precious metals, precious or semi-precious stones, gems or any other such materials;
- (xxxiv) "JIMCO" means joint installation of the oil marketing companies at Mehmood Kot, District Gujrat;
- (xxxv) "KAPCO" means the Kot Addu Power Company Limited;
- (xxxvi) "KESC" means the Karachi Electric Supply Corporation;
- (xxxvii) "kitchen" means an establishment, organization or place where food is prepared and supplied on board any aircraft, ship, bus, wagon, railway train or any other means of transportation irrespective of the fact whether the kitchen is owned by the person operating the conveyance or not;
- (xxxviii) "natural gas" means the gas obtained from bore-holes and wells whether unmixed or mixed with artificial gas consisting primarily of hydrocarbons whether gaseous or in liquid form, which are not oils and includes liquefied petroleum gas (LPG) and compressed natural gas (CNG);
- (xxxix) "nil return" means a return indicating that no sales tax is payable by the registered person in respect of the tax period to which the return relates, and includes a null return and a return where refund is claimed;
- (xl) "Nil Return Receipt Counter" means a counter set up in the concerned Collectorate of Sales Tax for the purpose of receiving nil returns;
- (xli) "null return" means a return which indicates that no transaction was made by the registered person during the tax period and no amount of tax is to be paid or refunded;
- (xlii) "OMC" means the oil marketing company including Shell Pakistan Limited, Caltex Oil (Pakistan) Limited and Pakistan State Oil (PSO);
- (xliii) "Private Sector Project" means a facility for generation, transmission or distribution of electric power constructed, owned, managed or controlled by any one or more organizations or companies incorporated under the Companies Ordinance, 1984 (XLVIII of 1984);
- (xliv) "product", with reference to Chapter XV of these rules, means all taxable petroleum products whether imported or otherwise, which are stored at JIMCO, Mehmood Kot, District Gujrat, by or on behalf of OMCs;

- (xlv) "product sharing" means acquiring of a product by one OMC from another OMC on loan basis, without payment of price under an arrangement of returning the product of the same description by the former to the latter, within such time as may be agreed between them;
- (xlvi) "Public Sector Project" means a facility for generation, transmission or distribution of electric power constructed, owned, managed or controlled by the Federal Government, a Provincial Government, a local authority or any body owned or controlled by any such Government or authority;
- (xlvii) "restaurant" means an establishment, organization or place, by whatever name called, supplying food consumed in that premises or catered outside or supplied as take-aways, whether or not it provides any other services, facilities or utilities and does not include restaurant located in a hotel the supply of which shall be governed under Chapter X;
- (xlviii) "TCP" means the Trading Corporation of Pakistan;
- (xlix) "ship" means all kinds of vessels and floating structures including launch boat and tug boat, whether self propelled or otherwise;
- (l) "ship-breaking" means and includes—
  - (a) any process or operation by which ship or part of a ship is broken or dismantled or is cut into ship scrap;
  - (b) the process or operation of retrieval or separation of any article, accessory or part of a ship; and
  - (c) converting a ship into ship scrap by any other method or manner; and the term "ship breaker" shall be construed accordingly.
- (li) "ship-chandler" means an agent or a person authorized or licensed under the Customs Ship-chandlers (Licensing) Rules, 1980, for transacting business relating to the supply of provisions and stores on any conveyance proceeding to any foreign port, airport or station;
- (lii) "steel melter" means any person engaged in the process of manufacture of steel ingots or billets;
- (liii) "steel re-roller" means any person engaged in the process of manufacture of mild steel products from steel ingots or billets;
- (liv) "stevedore" means a person engaged in loading and unloading of cargo, including bulk cargo, from ships in any manner and includes a person providing or rendering any other services ancillary to the



handling of or otherwise dealing with such or other similar cargo at port in any manner or style;

- (lv) “taxable services” means the services chargeable to sales tax under the respective Provincial Ordinance, and include all such services, utilities or facilities, by whatever name called, which are provided or rendered by a service provider to his clients or customers or members;
- (lvi) “Terminal Operator” means the company or person managing the affairs of joint installation (JIMCO) at Mehmood Kot, District Gujrat;
- (lvii) “value of taxable services” in relation to hotels and courier services, shall be the gross amount charged or the consideration in money including all Federal and Provincial levies, if any, which a service provider receives from the clients or customers or members for providing or rendering taxable services, but excluding the amount of sales tax:

Provided that in case the consideration for providing a taxable service is in kind or is partly in kind and partly in money or the service provider and recipient/client are associated persons and the service is provided for no consideration or for a consideration which is lower than the open market value, the value of taxable service shall mean the open market value for providing the taxable service, excluding the amount of tax:

Provided further that value of taxable service in relation to clubs for the purpose of levy of sales tax shall not include consideration received on account of membership fees, refundable deposit or security unless the same is deducted or adjusted in full or in part as settlement or recovery of dues for services;

- (lviii) “vehicles” include all types of vehicles covered under Chapter 87 of the Pakistan Customs Tariff other than headings 87.12, 87.15 and 87.16 thereof, as are generally used for the transportation of persons or goods including three and two wheelers;
- (lix) “vehicle identification number (VIN) chip” means a device to be affixed on the vehicle with unique identification number in such form, style and manner as may be specified by the National Database and Registration Authority (NADRA); and
- (lx) “zargar” means any person who is engaged in the making of ornaments or carrying out any related process on labour charge basis and is not involved in the sale of ornaments to ordinary consumers.

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

(3) All provisions of any other rules made under the Act, in so far as they are not inconsistent with these rules shall, *mutatis mutandis*, apply to the registered persons operating under these rules.

## CHAPTER I

### SPECIAL PROCEDURE FOR FILING OF NIL RETURNS

**3. Application.—** The provisions of this Chapter shall apply to those registered persons who intend to file a nil return for any tax period in the Collectorate instead of designated branch of National Bank of Pakistan.

**4. Setting up of Nil Return Receipt Counters.—**(1) The Collector may set up one or more Nil Return Receipt Counters, in such offices of the Collectorate as he may deem necessary, to receive nil returns from the persons registered with that Collectorate.

(2) The Collector shall ensure that the location and timings of receiving the returns on the counters are publicized in newspapers and displayed at a prominent place in the Collectorate.

**5. Filing of nil returns in the Collectorate.—** Every registered person intending to file a nil return under section 26 of the Act may, in lieu of filing a nil return under Chapter II of the Sales Tax Rules, 2006, file the nil return, in duplicate, not later than the due date, at the counter set up in the Collectorate for the purpose.

**6. Receipt of Nil Returns by the Collectorate.—**(1) While receiving a nil return, the person receiving the nil return shall ensure that the particulars mentioned in both the two copies tally with each other and shall then sign and stamp the two copies and also endorse the date of submission thereof.

(2) The person receiving a nil return shall forward the original copy thereof to the Computer Section and return back the duplicate copy, duly signed, stamped and indicating the date of submission, to the registered person in token of receipt.

**7. Computer feeding.—** All nil returns received in the Computer Section shall be immediately fed in the computer system.

## CHAPTER II

### SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY COMMERCIAL IMPORTERS.

**8. Application.—** The provisions of this Chapter shall apply to the commercial importers i.e. the registered persons who import goods for subsequent supply to other persons in the same state.

**9. Payment of sales tax on value addition.—(1)** A commercial importer shall pay sales tax on supply of imported goods, other than those mentioned in the Third Schedule to the Act, at the rate specified in sub-section (1) of section 3 of the Act, on a value addition of not less than ten *per cent*, on the Goods Declaration, at the same time while making payment of customs duty and other payable taxes, for such imported goods. The amount of sales tax on such value addition shall be calculated in the manner, as illustrated in the Example below:

#### EXAMPLE

(a)	Value of imported goods determined under section 25 of the Customs Act, 1969 (IV of 1969)	= Rs.100.00
(b)	Customs duty e.g. at the rate of 20%	= Rs. 20.00
(c)	Assessed import value (= a + b)	= Rs.120.00
(d)	Sales tax at the rate of 15% payable on Goods Declaration	= Rs. 18.00
(e)	Value addition on which sales tax is payable = [c x 10 ÷ 100]	= Rs. 12.00
(f)	Sales tax on value addition also payable on Goods Declaration = [e x 15 ÷ 100]	= Rs. 1.80

(2) In case of the goods mentioned in the Third Schedule to the Act, if imported by a commercial importer, sales tax shall be paid at the rate specified in sub-section (1) of section 3 of the Act, on a value addition of not less than fifteen *per cent*, in the same manner as prescribed in sub-rule (1).

(3) In case of supply of locally manufactured goods, other than the goods in respect of which value addition is already fixed through a separate notification issued under the Act, if made by a commercial importer, sales tax shall be paid at the rate specified under sub-section (1) of section 3 of the Act, on a minimum value addition of five *per cent* of the value of such locally manufactured goods. The amount of sales tax on such value addition shall be calculated in the manner, as illustrated in the Example below:

## EXAMPLE

- (a) Value of locally purchased goods = Rs.1000.00
- (b) Value addition on which sales tax is payable = Rs.50.00  
[a x 5 ÷ 100]
- (c) Sales tax on value addition [b x 15 ÷ 100] = Rs.7.50

(4) The sales tax on value addition, as aforesaid, shall be charged and paid by the importer in the same manner and at the same time as if it were a duty of customs payable under the Customs Act, 1969 (IV of 1969).

(5) The sales tax so charged shall be recorded on the Goods Declaration against the following respective heads of accounts:

- (a) In case of Goods also liable to duties of excise:  
“B02332 Sales Tax on Goods Liable to Federal Excise-Other Collections”
- (b) In case of Goods not liable to duties of excise  
“B02342 Sales Tax on Goods not Liable to Federal Excise-Other Collections”

(6) In case value addition on local supply of imported goods made during a particular tax period is higher than the prescribed value addition of ten *per cent* on which sales tax has been paid at the time of import, the commercial importer shall not be entitled to off-set such higher value addition against any lower value addition at the time of supply during that tax period or during any other tax period.

**10. Invoices and records.**— A commercial importer shall issue a serially numbered tax invoice for each supply, as required under section 23 of the Act and shall maintain such records as are prescribed under section 22 of the said Act.

**11. Filing of return.**—(1) A commercial importer shall file sales tax return on quarterly basis in the designated branch of the National Bank of Pakistan, in the form set out at Annex-A in the following manner:-

- (a) the tax return for the quarter ending on 30<sup>th</sup> September shall be filed by the 15<sup>th</sup> day of October;
- (b) the tax return for the quarter ending on 31<sup>st</sup> December shall be filed by the 15<sup>th</sup> day of January;
- (c) the tax return for the quarter ending on 31<sup>st</sup> March shall be filed by the 15<sup>th</sup> day of April; and

(d) the tax return for the quarter ending on 30<sup>th</sup> June shall be filed by the 15<sup>th</sup> day of July.

(2) In case the actual value addition on local supply of imported goods during the quarter exceeds the prescribed value addition, the commercial importer shall pay the balance amount of tax payable on such excess value addition, to be calculated in the manner specified in the prescribed quarterly return. In no case, the commercial importer shall be entitled to refund of sales tax paid on such higher value addition.

**12. Other Statements to be filed.**— (1) A commercial importer shall file statements on quarterly basis, on the dates indicated in rule 11, to the Collector of Sales Tax having jurisdiction, providing the details regarding the imports made by him and the supplies made to the registered persons during the quarter, in the format as in Annex-B to these rules.

(2) A commercial importer shall submit an annual statement in the form set out at Annex-C, in the manner prescribed in sub-rule (1).

(3) Failure to file the tax return or the statements referred to in sub-rule (1) and (2) above within the due date, shall render the concerned commercial importer liable to penal action prescribed under section 33 of the Act, besides payment of due tax, if any, any the default surcharge calculated thereon under section 34 of the Act.

**13. Reconciliation of tax payment.**— The Collector shall, for each quarter, ascertain or cause to be ascertained from the import database whether or not all commercial importers registered in his jurisdiction have discharged their liability in accordance with this chapter and where any commercial importer has not so discharged his liability, the records maintained by him for the said quarter shall be audited to determine and recover the liability due from such importer.

### CHAPTER III

#### SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY RETAILERS

**14. Application.**— (1) The provisions of this Chapter shall apply to the persons registered as retailers under the Act.

**15. Registration.**— Every person required to be registered as a retailer under the Act shall, if not already registered, obtain registration in the manner specified in Chapter I of the Sales Tax Rules, 2006.

**16. Levy and rate of tax.**— A retailer operating under these rules shall charge and collect sales tax at the rate of three percent of the value of taxable supplies at the time of supply thereof, which shall be paid on monthly basis by the 15<sup>th</sup> day of the month following the tax period in which supplies were made.

**17. Determination of sales tax liabilities.—**(1)The tax paid by the retailers operating under this Chapter shall be construed as the discharge of final tax liability for the purpose of sales tax (*two per cent*) as well as for income tax (*one per cent*):

Provided that in case of corporate sector retailers covered under this Chapter one third of the tax paid shall be treated as withholding income tax adjustable against the final income tax liability.

(2) The retailers operating under these rules shall not be entitled to adjustment of any input tax or claim refund of sales tax or income tax.

**18. Filing of return.—** A retailer operating under these rules shall file monthly return in the format set out at Annex-D by the 15<sup>th</sup> day of the month following the tax period in which the supplies were made, in the designated branch of National Bank of Pakistan in the manner specified in the Act and deposit the tax due accordingly.

**19. Issuance of invoice or cash memo.—** Every retailer operating under these rules shall issue serially numbered invoices, or as the case may be, cash memos generated whether manually or through FECR in respect of each supply made by him.

**20. Use of Fiscal Electronic Cash Registers.—** From such date and subject to such procedure, conditions, limitations and restrictions as may be prescribed, the Board may, by General Order or otherwise, prescribe the use of Fiscal Electronic Cash Registers (FECR) by every or selected retailers operating under this Chapter.

**21. Instructions by the Board.—** In order to carry out the purpose of this Chapter and to resolve the ancillary issues and matters incidental thereto, the Board may through General Order issue instructions accordingly.

## CHAPTER IV

### SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY WHOLESALE-CUM-RETAIL OUTLETS

**22. Application.—** The provisions of this Chapter shall apply to such chains of wholesale-cum-retail outlets, engaged in bulk import and supply of consumer goods on wholesale basis to the retailers as well as on retail basis to the general body of consumers.

**23. Registration.—** Every person liable to be registered as a wholesale-cum-retailer under these rules shall, if not already registered, obtain registration in the manner prescribed in Chapter I of the Sales Tax Rules, 2006:

Provided that the application for registration of the wholesale-cum-retailers shall not be entertained in case they do not have the requisite arrangement for installation and use of FECR.

**24. Rate and determination of sales tax.**— (1) A wholesale-*cum*-retailer operating under these rules shall, in respect of the supplies made by him, excluding the supply of goods mentioned in the Third Schedule to the Act, pay sales tax at the rate specified in sub-section (1) of section 3 of the Act.

(2) The liability to pay sales tax shall be determined in accordance with the provisions of sections 7 and 8 of the Act.

**25. Filing of return and payment of sales tax.**— (1) The wholesale-*cum*-retailers operating under these rules shall furnish Sales Tax return for a tax period in the designated branch of National Bank of Pakistan in the manner specified in section 26 of the Act and deposit the tax due from them accordingly by the 15<sup>th</sup> day of the month following the tax period in which supplies were made.

(2) Failure to file the return or payment of due tax within the due date shall render the concerned wholesale-*cum*-retailer liable to penal action prescribed under section 33 of the Act besides payment of due tax and default surcharge thereon calculated under section 34 of the Act.

**26. Maintenance of records and issuance of invoices through Fiscal Electronic Cash Registers.**— (1) The registered wholesale-*cum*-retailer shall issue a serially numbered sales tax invoice or bill generated through FECR, indicating the description of goods supplied along with value and sales tax chargeable thereon.

(2) The sales tax invoice or bill shall start with the number '0001' on the first day of each financial year or commencement of business, whichever is earlier.

(3) No invoice, except the one generated through FECR, shall be issued by the wholesale-*cum*-retailer.

(4) The wholesale-*cum*-retailer shall maintain entire sales tax records, as required under section 22 of the Act, electronically.

(5) In addition to the records prescribed under section 22 of the Act, the wholesale-*cum*-retailer shall, at the end of each business day, prepare and maintain a record of daily transactions.

**27. Miscellaneous.**— (1) The provisions of Chapter II of these rules shall not apply to the imports made by the wholesale-*cum*-retailer.

(2) The provisions of section 73 of the Act shall not affect the admissibility of input tax adjustment where the wholesale-*cum*-retailer receives consideration in cash against the supplies made by him.

## CHAPTER V

### SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY JEWELLERS

**28. Application.**—The provisions of this Chapter shall apply to the jewellers, goldsmiths and other persons engaged in the manufacture or supply of ornaments whether on ownership basis or on labour or service charges basis as well as to persons engaged in the supply of ready-made ornaments.

**29. Registration.**—(1) Every jeweller engaged in the business of manufacturing or supplying ornaments shall, if not already registered, obtain registration in the manner specified in Chapter I of the Sales Tax Rules, 2006.

(2) The exemption available to manufacturers and retailers having annual turnover less than that specified under the Sixth Schedule to the Act, shall be available to jewellers.

(3) A *zargar* shall not be required to be registered if he is not engaged in the sale of ornaments to the general body of consumers.

**30. Exemption.**— While determining his tax liability, a jeweller shall be entitled to exemption to the extent of the amount of sales tax as is in excess of the sales tax chargeable on the difference between sale price of ornaments, excluding the amount of sales tax, and the value of exempt gold or silver used therein, provided that—

- (a) such difference is in no case less than ten *per cent* of the sale price excluding the amount of tax; and
- (b) the labour charges incurred in the making of ornaments and the price of precious or semi-precious stones and gems, if used, is included in the sale price for the purpose of assessment of tax.

**31. Payment of tax.**—(1) A jeweller shall pay sales tax at the rate specified in sub-section (1) of section 3 of the Act on the following basis, namely:-

- (i) in case of a jeweller working on labour (making) charges basis, on the amount of labour (making) charges received by him:

**Example.**— A jeweller receives material from a customer for manufacturing ornaments, on which he charges ten thousand rupees as labour (making) charges. Sales tax payable on this amount shall be calculated as  $\text{Rs.}10000 \times 15/100 = \text{Rs.}1500$ ; and

- (ii) in case a jeweller making or supplying ornaments wholly or partly from exempt un-worked gold or silver purchased or owned by him, sales tax shall be paid on the differential amount determined in accordance with the provisions of rule 30:



**Example.—** A jeweller purchases exempt un-worked gold for eight thousand rupees and after manufacturing ornaments sells the same against a price of ten thousand rupees, thereby the difference between sale value and value of exempt gold comes to two thousand rupees. Sales tax shall be payable on this differential amount as  $Rs.2000 \times 15/100 = Rs.300$ .

(2) A registered jeweller shall not be entitled to adjustment of any input tax or claim any refund of sales tax.

**32. Invoices and returns.—** (1) A registered jeweller shall issue, in English or in Urdu language, tax invoices in the form as set out at Annex-E.

(2) A registered jeweller shall file monthly returns in the form as set out in Annex-F.

**33. Record keeping.—** A registered jeweller shall keep the following record, namely:—

- (a) a register, in the form as set out in Annex-G to this Chapter, in English or in Urdu language;
- (b) copies of sales tax invoices issued by him under sub-rule (1) of rule 32;
- (c) electricity bills, telephone bills, rent receipts, wage payment receipts and proof, if any, of all such other expenditures relating to his business activity;
- (d) copies of monthly returns filed by him; and
- (e) purchase invoices, purchase memos or receipts in any form, if any, received on purchase of raw materials and other inputs.

**34. Audit.—** Audit of a jeweller operating under this Chapter shall be conducted once in a year, but the auditors shall not require the registered jewellers to furnish any document or record other than the ones specified in this Chapter.

**35. Responsibility of Jewellers' Association.—** The concerned Jewellers Association or Trade Body shall be responsible to ensure that all its member jewellers having turnover above the exemption threshold are registered, and the concerned office bearer shall be personally responsible if, at any later stage, it is found that the turnover of any jeweller certified by him as less than the aforesaid threshold was actually above such threshold.

## CHAPTER VI

### SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX ON ELECTRIC POWER

**36. Application.**—The provisions of this Chapter shall apply for collection and payment of sales tax on electric power imported, generated, produced, transmitted and supplied by electricity generation, transmission and distribution companies licensed under the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), including their distributors, dealers and agents, or by any other person dealing in importation, generation, production, transmission, distribution and supply of electric power.

**37. Registration.**— Every electricity generation, transmission and distribution company licensed by NEPRA, including a distributor, dealer and agent of such company, an Independent Power Producer, a Public Sector Project, Private Sector Project, or any other person dealing in importation, generation, production, transmission, distribution and supply of electric power shall, if not already registered, obtain registration in the manner prescribed in Chapter I of the Sales Tax Rules, 2006.

**38. Levy and collection of sales tax.**— (1) Every person, as referred to in the preceding rule, who supplies electric power shall charge and collect sales tax at the rate specified in sub-section (1) of section 3 of the Act.

(2) Subject to sub-rule (3), sales tax on electric power shall be levied and collected at the following stages, namely:—

- (a) in case of its importation, the responsibility to pay sales tax shall be of the importer, and the value thereof shall be the value as determined under section 25 or, as the case may be, section 25B of the Customs Act, 1969 (IV of 1969), including the amount of customs-duties and duty of excise duties levied thereon; and
- (b) in case of generation, transmission, distribution and supply of electric power by a public sector project like WAPDA a private sector project including an IPP, a Captive Power Unit or any other person, the responsibility to collect sales tax shall be of the person making the supply, and the value shall be the price of electric power including all charges, surcharges excluding the amount of late payment surcharge, rents, commissions and all duties and taxes whether local, Provincial or Federal, but excluding the amount of sales tax, as provided in clause (46) of section 2 of the Act.

(3) In case of an IPP, HUBCO or KAPCO, the value of supply shall be the amount received by such IPP or, as the case may be, HUBCO or KAPCO, on account of Energy Purchase Price only and any amount in excess of Energy Purchase Price received on account of Capacity Purchase Price, Energy Price Premium, Excess

Bonus, Supplemental Charges, etc., shall not be deemed as a component of the value of supply, notwithstanding anything contained in clause (46) of section 2 of the Act:

Provided that in case WAPDA or KESC disputes any amount, WAPDA or, as the case may be, KESC, shall issue a certificate showing such amount and the tax involved therein and such certificate shall be deemed to be a Credit Note for the IPP for the purposes of section 9 of the Act, and shall be accounted for in the return for the tax period in which such Credit Note is issued:

Provided further that in case an IPP, for the like reasons, receives any amount from WAPDA or KESC in respect of supply made during any pervious tax period, tax on such amount shall be accounted for in the return for the period in which it is received.

**39. Filing of returns and deposit of sales tax.—** (1) In case of WAPDA and KESC, sales tax levied and collected under rule 38 during a tax period shall be deposited on 'accrual basis' i.e. the amount of sales tax actually billed to the consumers or purchasers for the tax period.

(2) WAPDA and KESC shall submit the monthly return as prescribed under section 26 of the Act, by the 21<sup>st</sup> day of the month following the month in which the electric power bill or invoice has been raised. The tax due shall be deposited in the Government Treasury under the relevant head "B02300-Sales Tax" along with the prescribed return in a designated branch of National Bank of Pakistan.

(3) In case of an IPP, the due date for the purpose of filing monthly sales tax return and for payment of sales tax shall be the 25<sup>th</sup> day of the month following the month to which the sales tax invoice relates.

(4) Any person other than an IPP or WAPDA or KESC, who supplies electric power shall file a monthly sales tax return under section 26 of the Act and Chapter II of the Sales Tax Rules, 2006, and deposit the amount of sales tax payable for the tax period by the due date.

**40. Determination of sales tax liability in respect of WAPDA and KESC.—** (1) Any person, except WAPDA and KESC, who supplies electric power shall be entitled to claim admissible input tax adjustment in the manner specified in section 7 of the Act, read with section 8 thereof.

(2) WAPDA and KESC shall be entitled to claim admissible input tax adjustment against sales tax paid on their taxable purchases made in the month immediately preceding the tax period.

**41. Input tax adjustment for registered consumers.—** (1) In case of registered consumers, the electric power bill issued by electric power distribution company shall be treated as a tax invoice as defined in clause (40) of section 2 of the Act.

(2) Subject to sub-rule (3), registered consumers shall be entitled to claim input tax adjustment against such invoice in the tax period in which the bill is paid, as per the provisions of section 7 and 8 of the Act provided the bill contains registration number and address of the business premises declared to the Collector by such consumer.

(3) In case a registered consumer is consuming electric power for both the taxable as well as non-taxable activity, he shall ascertain the correct amount of electric power consumed in taxable activity and adjust the input tax in accordance with section 8 of the Act read with Chapter IV of the Sales Tax Rules, 2006.

**42. Record keeping and invoicing.—** (1) Every person who supplies electric power shall maintain records as prescribed under section 22 of the Act or a notification issued there-under.

(2) Every person who supplies or distributes electric power shall print in his bill or invoice, as the case may be, registration number of the consumer, if applicable, the rate and the amount of sales tax required to be charged by him under sub-section (1) of section 3 of the Act.

(3) Every person who supplies electric power and using computerized accounting system may issue a computer generated sales tax invoice and keep his record on the computer in the prescribed format.

**43. Penalty.—**(1) Non-issuance of electric power bill for a tax period or any inordinate delay in the issuance of such bill by the electric power transmission and distribution companies or by any registered person engaged in the supply of electric power shall attract penalties under the relevant provisions of the Act.

(2) If the tax is not paid within the due date or in the manner as provided under this Chapter, the registered person shall be liable to pay default surcharge and such other penalties prescribed in the Act.

## CHAPTER VII

### SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX ON NATURAL GAS

**44. Application.—** The provisions of this Chapter shall apply for collection and payment of Sales Tax on Natural Gas including Compressed Natural Gas (CNG) and Liquefied Petroleum Gas (LPG) imported, produced, transmitted and supplied by gas well-head companies and gas transmission and distribution companies licensed under the Natural Gas Rules, 1960, including their distributors, dealers, sales agents, retailers or by any other person hereinafter called the "person" for the purposes of this Chapter and dealing in importation, production or distribution and supply of Natural Gas including Compressed Natural Gas and Liquefied Petroleum Gas.

**45. Levy and collection of sales tax.—** (1) Every person who supplies natural gas shall be liable to registration and shall charge and pay sales tax at the rate specified in sub-section (1) of section 3 of the Act.

(2) Sales tax on natural gas shall be levied and collected at the following stages and in the following manners, namely:—

- (a) in case of its importation, the responsibility to pay sales tax shall be of the importer, who shall pay in the manner prescribed in sub-section (1) of section 6 of the Act, and the value thereof shall be the value as determined under section 25 or 25B of the Customs Act, 1969 (IV of 1969), read with section 31A thereof, including the amount of customs-duties and Federal excise duties levied thereon;
- (b) in case of production and supply from the bore-holes and wells, the person responsible to charge and pay sales tax shall be the person making the supply at the bore-holes or the well-heads. The value for the purposes of levy of sales tax shall include price of natural gas, charges, rents, commissions and all duties and taxes, local Provincial and Federal, but excluding the amount of sales tax, as provided in clause (46) of section 2 of the Act;
- (c) in case of supply of natural gas by a gas transmission and distribution company, the person responsible to charge, collect and deposit sales tax shall be the gas transmission and distribution company and the value for the purpose of tax shall be the total amount billed including price of natural gas, charges excluding the amount of late payment surcharge, rents, commissions and all duties and taxes, local, Provincial and Federal, but excluding the amount of sales tax as provided in clause (46) of section 2 of the Act;
- (d) in case of supply of CNG, the person responsible to charge, collect and pay sales tax shall be the person supplying the gas to its customers, and the value of supply in case of CNG shall include the price of CNG, charges, rents, commissions and all duties and taxes, local, Provincial and Federal, but excluding the amount of sales tax as provided in clause (46) of section 2 of the Act; and
- (e) in case of supply of LPG, the person responsible to charge, collect and deposit sales tax shall be the person who is a manufacturer, dealer, distributor or a retailer of LPG and the value of LPG for the purposes of levy of sales tax shall include price of LPG, charges, rents, commissions and all duties and taxes, local, Provincial and Federal, but excluding the amount of sales tax as provided in clause (46) of section 2 of the Act.

(3) If the supplies are made free of charge or for some other consideration or a consideration which is lower than the billed or invoiced prices, the sales tax shall be

charged as if it were supplied at open market price in terms of sub-clause (a) of clause (46) of section 2 of the Act.

**46. Determination of tax liability.—** While determining his tax liability, the person supplying or distributing natural gas shall be entitled for input tax credit for the tax paid on his purchases for making taxable supplies against output tax payable subject to the limitations and restrictions imposed under sections 7 and 8 of the Act and the notifications issued there-under:

Provided that where the registered person is engaged in making taxable as well as exempt supplies, the input tax credit shall be allowed in accordance with section 8 of the Act read with Chapter IV of the Sales Tax Rules, 2006.

**47. Record keeping and invoicing.—** (1) Every person supplying or distributing natural gas shall issue a serially numbered sales tax invoice for every supply made by him.

(2) The bill or invoice issued by the person supplying or distributing natural gas shall, *inter alia*, indicate the rate and amount of sales tax required to be charged by him under sub-section (1) of section 3 of the Act:

Provided that the monthly gas bill or invoice issued to a registered consumer shall also contain registration number of that consumer, and such bill or invoice shall be deemed to be tax invoice in terms of section 23 of the Act.

(3) The registered consumer shall be entitled to claim input tax adjustment against such bill or invoice in the tax period in which the bill is paid as per the provisions of section 7 of the Act, subject to the condition that the bill contains registration number and address of the business premises declared to the Collector by such consumer:

Provided that where the registered consumer is engaged in making taxable as well as exempt supplies, the input tax credit shall be allowed in accordance with section 8 of the Act read with Chapter IV of the Sales Tax Rules, 2006.

(4) The registered persons supplying natural gas using computerized accounting system may, issue computer-generated sales tax invoices and keep their record on computer in the prescribed format.

(5) The registered person supplying natural gas shall maintain records as prescribed under section 22 of the Act, including record of daily stocks and sales, stating therein the quantity and value of the gas supplied and the amount of sales tax charged thereon, provided that the gas transmission and distribution companies shall not be required to maintain records of daily stocks and sales.

**48. Filing of monthly return.—** Every person supplying or distributing natural gas shall submit monthly return as prescribed in the Act. The tax due shall be deposited in the Government Treasury under the relevant head "B02300-Sales Tax" by the 15<sup>th</sup> day of the month following the month in which the gas has been supplied, provided that

in case of gas supplied by gas companies to its consumers directly, and charges are billed on a monthly basis, the date shall be the 15<sup>th</sup> day of the second month following the month in which supplies were made.

**49. Penalty.—**(1) Non-issuance of gas bill or invoice for a tax period or any inordinate delay in the issuance of such bill by the person engaged in supplying or distributing natural gas shall attract penalties under the relevant provisions of the Act.

(2) If the tax is not paid within the date due as provided under this Chapter, the registered person supplying or distributing natural gas shall be liable to pay default surcharge and such other penalties prescribed in the Act.

## CHAPTER VIII

### SPECIAL PROCEDURE FOR SUPPLY OF SUGAR TO TRADING CORPORATION OF PAKISTAN (TCP)

**50. Application.—**The provisions of this Chapter shall be applicable in case of supply of sugar by the registered manufacturers of sugar to the TCP for further supply or export thereof.

**51. Manner of payment of tax.—**(1) Upon successful grant of tender for purchase of sugar, TCP will only pay the value of supply of sugar to the sugar mills excluding the amount of sales tax against a Commercial Invoice issued by the mills.

(2) At the time of removal of sugar from the mill premises, the mill will issue a sales tax invoice in favour of TCP who will accordingly pay to the mill the amount of sales tax due on the quantity being removed from the sugar mill.

(3) In the event of removal of sugar by TCP for export purposes, the mill will issue a zero-rated tax invoice, against which no sales tax shall be payable.

**52. Relevant tax period.—**The mill will show the value of sugar sold to TCP and the tax chargeable thereon in the monthly tax return as well as in its supply register relating to the tax period in which the sales tax invoice has been issued by the mill in favour of TCP.

**53. Monthly statement by TCP.—**TCP shall submit a monthly statement to the Collector in the format set out at Annex-H, which shall be used by the Collector for cross verification of the supplies declared by the sugar mills as having been made to the TCP.

## CHAPTER IX

### SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX ON SUPPLY OF FOOD

**54. Application.—**The provisions of this Chapter shall apply for collection and payment of sales tax on food, drinks, and other eatables supplied by hotels, restaurants,

clubs, caterers, parlours, kitchens and other such similar establishments, hereinafter referred to as person in this chapter, whether for consumption inside the premises of such establishments or for supply for outside consumption including consumption in the canteens and messes, etc.

**55. Registration.—** Every such person, whose total annual turnover from the supply of food exceeds five million rupees during the last twelve months, shall, if not already registered, obtain registration in the manner specified in Chapter I of the Sales Tax Rules, 2006.

**56. Levy and collection.—** (1) Every person supplying food, in or from the premises of clubs, caterers, kitchens, hotels or restaurants shall be required to charge and pay sales tax at the rate specified in sub-section (1) of section 3 of the Act irrespective of the fact that the food is consumed in that premises or supplied or catered outside or supplied as 'take-aways'.

(2) The sales tax on food served in a tax period shall be calculated in accordance with the following formula:

$$\text{Amount of Sales Tax} = \frac{\text{Total value of supply due from consumer or recipient of food}}{100 + \text{rate of sales tax}} \times \text{Rate of sales tax}$$

(3) If the supplies are made free of charge or for some other consideration or a consideration, which is lower than the listed prices, the sales tax shall be charged as if it were supplied at the price listed in the menu card in terms of sub-clause (a) of clause (46) of section 2 of the Act.

(4) The food supplied by flight-kitchens on-board the conveyance leaving for a destination outside Pakistan shall be zero-rated in accordance with clause (b) of section 4 of the Act.

**57. Determination of tax liability.—** While determining his tax liability, the registered person shall be entitled for input tax credit for the tax paid on his purchases or utilities consumed for preparation or supply of food against output tax payable subject to the limitations and restrictions imposed under sections 7 and 8 of the Act and the rules or notifications issued thereunder; and subject to fulfilment of the conditions laid down under section 73 of the Act:

Provided that where the said person is engaged in making taxable as well as exempt supplies, the input tax credit shall be allowed in accordance with the provisions of section 8 of the Act read with Chapter IV of the Sales Tax Rules, 2006.

**58. Filing of return.—** Every registered person shall submit the monthly return as prescribed in the Act. The tax due along with monthly return shall be deposited in the designated branch of the National Bank of Pakistan under the relevant head of



account "B02300-Sales Tax" by the 15<sup>th</sup> day of the month following the month in which supplies were made:

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

**59. Record keeping and invoicing.**—(1) 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 to pay only the price shown in the menu card or the price list.

(2) The registered persons shall issue a serially numbered Sales Tax Invoice or bill starting with the number '0001' on the first day of each financial year or commencement of business, in the format given in Annex-I to these rules. The persons using FECR or a computerized accounting system may issue the FECR- generated cash memo, or as the case may be, a computer-generated sales tax invoice in the prescribed format.

(3) The persons opting for generation and issuance of Sales Tax Invoices or bills on FECR or a computer shall retain their record electronically as required under sub-section (3) of section 22 of the Sales Tax Act, 1990.

(4) At the end of each business day, the hotel, restaurant, club, caterer, kitchen, parlour or any other person registered under this Chapter shall keep a record of his Daily Gross Take (DGT) showing, where applicable, any zero-rated or exempt supplies separately.

(5) All the records prescribed under section 22 of the Act shall be maintained by such persons.

(6) The amount of sales tax payable by the registered person shall be calculated in accordance with sub-section (36) of section 2 of the Act, as illustrated in the example below:-

**EXAMPLE:**-If the price of any food item printed in the menu card or the price list is Rs.1000 (inclusive of sales tax), the amount of sales tax at the rate of 15 per cent shall be worked out as under:

$$\frac{15}{100 + 15} \times 1000 = \text{Rs.130.43}$$

## CHAPTER X

### SPECIAL PROCEDURE FOR PERSONS PROVIDING OR RENDERING SERVICES SUBJECT TO SALES TAX UNDER THE PROVINCIAL LAWS

**60. 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 respective Provincial laws, but excluding the services mentioned under Chapter IX of these rules.

**61. Registration.**— (1) Every service provider, providing or rendering taxable services to its customers or clients or members, if not already registered, shall obtain registration in the manner prescribed in Chapter I of the Sales Tax Rules, 2006.

(2) A service provider having his establishments, offices or branches located in different cities may obtain a single registration in the jurisdiction of the Collectorate of Sales Tax where he is assessed for income tax purposes.

**62. Levy and collection of sales tax.**—A service provider, providing or rendering taxable services to customers, clients or members shall charge, collect and pay sales tax at the rate of fifteen *per cent* of the value of taxable services provided or rendered by him.

**63. 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 section 26 of the Act read with Chapter II of the Sales Tax Rules, 2006, by the 15<sup>th</sup> day of the month following the month in which such services were provided or rendered, or such other date as may be specified by the Federal Government through a notification in the official Gazette in terms of sub-section (9) of section 2 of the Act.

(2) The tax due along with the return shall be deposited in the designated branch of National Bank of Pakistan under the relevant head “B02366-Sales Tax on Services collected on behalf of Provincial Governments”, within the stipulated date.

(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 in money, in respect thereof is received, whichever is earlier.

**64. 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 or imports made and utilities like telephone (excluding mobile telephone), gas and electricity consumed in furtherance of taxable activity, against his output tax liability, subject to the conditions, limitations and restrictions prescribed under sections 7 and 8 of the Act and the rules or notifications issued there-under; and subject to fulfillment of the conditions laid down under section 73 of the Act.

(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, in accordance with sub-section (2) of section 8 of the Act read with the Chapter IV of the Sales Tax Rules, 2006.

(3) In case of new registrants, the provisions of section 59 of the Act shall be applicable for the purposes of input tax adjustment.

**65. Recordkeeping 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 23 of the Act:

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 using computerized accounting system may issue computer generated sales tax invoice containing all the prescribed entries.

(3) A service provider, providing or rendering taxable services shall maintain the records prescribed under section 22 of the Act.

**66. Specific provisions.—**The specific provisions relating to particular categories of service providers are contained in Part One to Four of this Chapter.

## **PART ONE**

### **ADVERTISEMENTS ON TELEVISION AND RADIO**

**67. Scope and value.—** (1) In relation to advertisements, the term “taxable services” means the broadcasting or telecasting of any advertisement on radio or television.

(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.

**68. Input tax adjustment by the client.—** 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 fulfilment 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 at Annex-J; and
- (c) while claiming input tax adjustment, the provisions of section 8 of the Act read with Chapter IV of the Sales Tax Rules, 2006, are observed.

**69. Invoicing.—** A person or firm, station, corporation or institution, engaged in broadcasting or telecasting of any advertisement on radio or television, shall issue serially numbered sales tax invoices in the format prescribed under clause (b) of rule 68, for the taxable services provided or rendered to the clients.

## PART TWO

### CUSTOMS AGENTS AND SHIP-CHANDLERS

**70. Scope and levy in relation to Customs agents.—** (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, labour payment and such other reimbursable expenses, which a Customs agent pays on behalf of his clients against a proper receipt or invoice or bill:

Provided that the value of taxable services shall, in no case, be less than the minimum benchmark level per document indicated in the TABLE below:

**TABLE**

S. No.	Document	Minimum value of taxable service
01.	Goods Declaration (GD) for home consumption or warehousing	Rs. 2200

02.	Goods Declaration (GD) for home consumption of warehoused goods i.e. ex-bond GD	Rs. 550
03.	Goods Declaration for export i.e. shipping bill or bill of export	Rs. 1000
04.	Drawback claim	0.25% of the amount of drawback claim.
05.	Goods Declaration filed at airport (AFU)	Rs. 550
06.	Goods Declaration for clearance of baggage	Rs. 500
07.	Transit or transshipment permit	Rs. 500

(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) The sales tax levied and charged on taxable services provided by a Customs agent is adjustable against the output tax liability of a registered person, provided the registered person holds a valid sales tax invoice issued by a registered Customs agent and subject to fulfilment of conditions and restrictions prescribed under sections 7, 8 and 73 of the Act and the rules or notifications issued there-under.

**71. Scope and levy in relation to ship-chandlers.—** 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 labour charges, which a ship-chandler pays on behalf of his clients against a proper receipt or bill.

## PART THREE

### SERVICES PROVIDED BY STEVEDORES

**72. Tax liability of stevedores.—** (1) The persons registered as stevedores, shall charge and pay tax on the basis of volume of cargo loaded on or discharged from the vessel, as per rates specified in the Table below namely:—

**TABLE**

<b>S. No.</b>	<b>Nature of cargo</b>	<b>Rate of sales tax</b>
(1)	Loading and discharge of laden containers at Karachi Port and Port Qasim.	Rs.170 per move
(2)	Dry bulk or break bulk cargo handled at Karachi Port and Port Qasim.	Rs.20 per metric tonne
(3)	Liquid bulk cargo handled by commercial tank and bulk terminals at Karachi Port and Port Qasim.	Rs.5 per metric tonne

(2) Where the cargo is handled by stevedores without involving container terminal operators, tax shall be paid by the stevedores, while in case of containerized cargo passing through container terminals, the liability to pay tax shall be of the container terminal operators and in case of bulk cargo, the liability to pay tax shall be of the concerned commercial tank terminal operators, or as the case may be, of the bulk terminal operator.

(3) The stevedores shall not be entitled to any input tax adjustment or refund on any account, whatsoever.

(4) A stevedore shall issue serially numbered sales tax invoice as required under section 23 of the Act.

(5) Every person registered as stevedore shall file monthly sales tax return in the format set out at Annex-K by the 15<sup>th</sup> day of the month following the month in which services were provided or rendered.

(6) The cases or disputes relating to the stevedores operating under these rules shall be dealt-with in the Large Taxpayers Unit, Karachi.

## PART FOUR

### COURIER SERVICES

**73. Scope and levy.—** (1) With regard to a courier company, taxable service means any service provided to a customer by a courier company in relation to delivery of documents, goods or articles.

(2) Sales tax shall not be payable in respect of a shipment the booking of which was either cancelled or returned to the client, subject to the condition that the relevant invoice is cancelled and the courier company issues a Credit Note, as required under section 9 of the Act read with Chapter III of the Sales Tax Rules, 2006.

(3) No sales tax shall be levied on the internal office mail sent by the courier company to any of its own offices, whether within or outside the city, subject to the condition that the courier company itself is the consignor as well as consignee in such cases.

(4) Registered exporters shall be entitled to claim refund of sales tax paid on courier services related to the exported goods for which a combined or separate Goods Declaration for export has been filed under the Customs Act, 1969 (IV of 1969), treating such services as zero-rated supplies in terms of section 4 of the Act.

## CHAPTER XI

### SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY STEEL-MELTERS AND RE-ROLLERS

**74. Application.—**The provisions of this Chapter shall apply to steel melting and steel re-rolling units, except Pakistan Steel Mills, Karachi.

**75. Registration.—** Every steel-melter or steel re-roller, if not already registered, shall obtain registration in the manner prescribed in Chapter I of the Sales Tax Rules, 2006.

**76. Payment of tax.—**(1) A steel-melter shall pay sales tax at the rate specified in sub-section (1) of section 3 of the Act on the following basis, namely:-

- (a) for the purpose of determination of his tax liability, the production of a steel-melter shall be calculated at the rate of six hundred units of electricity consumed for production of one metric ton ingots or billets;
- (b) where a steel-melter, melts and casts ingots or billets from locally generated scrap for which a sales tax invoice is not available, he shall pay upfront sales tax on a value addition not less than three thousand two hundred rupees per metric ton;

- (c) where a steel-melter, melts and casts ingots or billets from imported scrap against which he holds a valid GD in his name, or from scrap purchased from Pakistan Steel Mills, Karachi, against a valid sales tax invoice in his name, he shall pay sales tax as determined under section 7 of the Act, subject to the condition that the minimum value addition shall be two thousand and two hundred rupees per metric ton; and
- (d) where a steel-melter, melts and casts ingots or billets from imported scrap as well as from the scrap purchased from Pakistan Steel Mills, Karachi, or uses local scrap, he shall determine his liability proportionately as under clause (b) and (c):

Provided that in case a steel-melter, in a tax period, issues sales tax invoices resulting in value addition greater than the value addition specified in clauses (b) and (c), he shall pay sales tax on the basis of such greater value addition.

(2) For the purpose of determination of tax liability, the production of a manual steel re-roller shall be calculated at ninety units of electricity consumed for the manufacture of one metric ton Mild steel products (bars, reinforced bars and structural sections made of mild steel) subject to the condition that his minimum value addition shall be one thousand five hundred and thirty five rupees per metric ton:

Provided that in case a steel re-roller, in a tax period, issues sales tax invoices resulting in value addition greater than the value addition specified in this sub-rule, he shall pay sales tax on the basis of such greater value addition.

**77. Invoices and returns.—**(1) A registered steel-melter and a registered steel re-roller shall issue tax invoices as provided under section 23 and file monthly sales tax return under section 26 of the Act, along with details of his production in the format set out at Annex-L.

(2) The tax invoice for supply of ingots or billets issued by a steel-melter operating under these rules shall be a valid tax invoice for claiming input tax credit by a steel re-rolling unit, subject to the conditions, limitations and restrictions imposed under sections 7 and 8 of the Act and the rules or notifications issued there-under; and subject to fulfilment of the conditions laid down under section 73 of the Act.

**78. Records.—** A steel-melter shall be required to maintain records specified under section 22 of the Act.

**79. Responsibility of All Pakistan Steel-Melters' Association.—** The All Pakistan Steel-Melters' Association and All Pakistan Steel Re-rollers' Association shall be responsible to ensure that their respective members pay sales tax in the manner specified in these rules, and in case of non-compliance, the Association shall actively assist the concerned Collectorate for enforcement and recovery of sales tax due along with default surcharge calculated thereon, besides any other proceedings that may be initiated against the defaulting steel-melter or steel re-roller under the Act.



## CHAPTER XII

### SPECIAL PROCEDURE FOR THE SHIP-BREAKING INDUSTRY

**80. Application.**—The provisions of this Chapter shall apply to ship-breakers.

**81. Registration.**— A ship-breaker, if not already registered, shall obtain registration in the manner specified in Chapter I of the Sales Tax Rules, 2006.

**82. Issuance of tax invoice.**— A ship-breaker shall issue a serially numbered tax invoice at the time of supply, as required under section 23 of the Act:

Provided that the value for sales tax purposes indicated in the tax invoice shall not be less than the minimum value of supply fixed by the Board through a notification in the official Gazette under clause (46) of section 2 of the Act.

**83. Determination of input tax.**—(1) A person engaged in ship-breaking shall determine his input tax for a tax period in the following manner, namely:—

(a) Input tax = quantity of goods x input tax per metric tonne of ship.

(b) Input tax per metric tonne of ship =  $\frac{\text{sales tax paid at import stage}}{\text{weight of ship in metric tonnes}}$

(c) 1 LDT = 1.016 metric tonne.

(2) Sales tax paid at import stage shall be the amount of sales tax paid as per Goods Declaration duly cleared by the Customs Authorities under section 79 or 104 of the Customs Act, 1969 (IV of 1969):

Provided that the value of taxable supply of ship for scrapping or breaking shall not be less than US\$ 220 per LDT (in equivalent Pak rupees) for the purposes of assessment of sales tax chargeable at import stage.

(3) In case, the ship-breaker does not hold a Goods Declaration or holds a Goods Declaration that does not mention the amount of sales tax paid at import stage, the sales tax shall be the amount paid through treasury challan.

(4) Where any credit of input tax is claimed on domestic purchases, the ship-breaker shall submit the requisite documents as specified in Chapter V of the Sales Tax Rules, 2006, within a period of ten days of submission of the sales tax return.

(5) In case of deferment of payment of sales tax under the relevant rules, no refund or adjustment of input tax shall be allowed until the instalment has been paid and the refund or adjustment shall be restricted to the extent of the amount of instalment paid.

**84. Payment of output tax.—**(1) The ship-breaker shall deposit the output tax along with the Sales Tax return in the form set out in Annex-M, in the designated branch of National Bank of Pakistan, on or before the due date, after deduction through adjustment of input tax credit involved and paid on the quantities of ship-scrap supplied.

(2) Without prejudice to the other entries or requirement of filing of returns and deposit of sales tax payable every month by the due date, a ship-breaker shall not fill-in the columns relating to "SALES TAX PAID (Input Tax)" in respect of "Purchases" unless,—

- (a) the installment of import-related sales tax due is actually deposited;
- (b) the return relates to the tax period in which the aforesaid installment of import related sales tax due is deposited; and
- (c) the amount shown in the column "SALES TAX PAID (Input Tax)" is the same as is actually deposited in that tax period.

(3) The ship-breaker may deposit sales tax in advance, before the time of supply, which shall be treated as input tax for that tax period provided that all formalities i.e. issuance of sales tax invoices, maintenance of proper record, filing of monthly returns etc. are complied with.

**85. Wastage.—** (1) Subject to a maximum aggregated wastage of seven *per cent*, the following shall normally be the percentage or proportion of scrap and other products obtained from the breaking of oil tankers, bulkers, cargo ships, drilling ships, warships, passenger ships and cattle carriers:

- |   |      |
|---|------|
| (a) ship plate and profiles of ½ inch thickness and above.                    | 40%  |
| (b) ship plate and profiles of 3/8 inch thickness and above but below ½ inch. | 20%  |
| (c) second quality re-rollable scrap of short lengths.                        | 15%  |
| (d) small irregular pieces and re-meltable scrap.                             | 15%  |
| (e) cast iron, pipes or cast steel.   | 7.5% |
| (f) non-ferrous metals.   | 0.5% |
| (g) stores or machinery.  | 2.0% |

(2) In case of ships other than those specified in sub-rule (1), the percentage of scrap and products shall be determined by local sales tax office in consultation with Pakistan Ship-breaker's Association.

**86. Records.—** In addition to records specified under the Act, the ship-breakers shall maintain additional ship-wise records in the form set out in Annex-N.

**87. Time-limit for input adjustment.—**(1) The ship-breakers shall clear their sales tax liabilities in respect of ships weighing up to ten thousand LDT within four months, while in case of ships weighing more than ten thousand LDT, within eight months from the date of filing of Goods Declaration:

Provided that the sales tax liability shall have to be discharged by the ship-breaker either on completion of clearance of goods of vessel or within the maximum time period allowed as aforesaid, whichever is earlier:

Provided further that the sales tax liability on value addition on goods cleared during the month shall be paid along with the monthly return.

(2) In case a ship-breaker fails to clear his stocks within the time limit specified in sub-rule (1), he shall pay the remaining amount of output tax on whole of the remaining stocks by the 20<sup>th</sup> day of the following month after adjustment of balance input tax:

Provided that as and where applicable, and notwithstanding anything contained in any notification issued for the purpose of valuation under this Chapter, the liability of sales tax in respect of a ship, including a ship in respect of which goods declaration (GD) is filed in future, shall be deemed to have been discharged when the tax on local supply is paid on the basis of value addition of two thousand rupees per metric ton:

Provided further that the maximum aggregate wastage permissible under rule 85 shall not affect the minimum value addition of five *per cent* as aforesaid while discharging the total liabilities of sales tax in respect of a ship.

**88. Audit.—** The concerned Audit Division of the Collectorate shall commence audit of sales tax records of a ship breaker within two weeks of the expiry of the due date for filing of sales tax return and deposit of sales tax along-with payment of sales tax on balance stock as provided in sub-rule (2) of rule 87, or on the expiry of time limit specified in sub-rule (1) thereof, whichever is earlier. If the tax payment is found to have been made in accordance with the provisions of these rules, the Assistant Collector Incharge Audit Division shall issue a certificate, in such format as the concerned Collector may specify, to this effect.

## CHAPTER XIII

### SPECIAL PROCEDURE FOR ZERO-RATING OF HAND-KNOTTED CARPETS

**89. Application.—** The provisions of this Chapter shall apply to supplies of hand-knotted carpets by registered persons to foreign nationals against payment in

foreign exchange through a foreign credit card for subsequent export as personal baggage of the foreign nationals.

**90. Supply deemed to be export.—** Supply of carpets under this Chapter shall be deemed to be an export for the purposes of section 4 of the Act, provided the procedure prescribed in this Chapter is observed and foreign currency against the supply is received in the manner prescribed under rules 91 and 93.

**91. Issuance of zero-rated tax invoice.—**(1) Any foreign national desirous of taking a zero-rated supply of carpets from a registered supplier shall make payment in foreign currency through a foreign credit card and present his foreign passport or any other valid identification such as an identity card, a driving license or service card, etc., for noting the particulars in the invoice by the supplier.

(2) The supplier shall issue a zero-rated tax invoice, mentioning therein the name, address and passport number of the foreign buyer, price of each carpet in foreign currency, the number of the foreign credit card and name of its issuing authority besides the particulars required under section 23 of the Act.

(3) The foreign national shall sign a receipt-*cum*-undertaking in the form as set out at Annexure-O to these rules.

**92. Export of carpets as personal baggage.—**(1) The export of carpets as personal baggage by foreign nationals shall be allowed by the customs authorities on production of a zero-rated invoice and subject to the conditions of the Trade Policy in force.

(2) If a foreign national is unable to produce a zero-rated invoice but fulfills the conditions of the Trade Policy export shall be allowed by the customs authorities after obtaining the name and address of the supplier, which shall be communicated to the concerned sales tax authorities for appropriate action under the Act.

**93. Remittance of payment.—** (1) The export of carpets shall not be deemed to have been completed unless payment thereof is received in foreign currency and goods are actually taken out of Pakistan.

(2) The foreign currency shall be surrendered to the State Bank of Pakistan and the supplier shall receive the payment in Pak. rupees as per the prevailing State Bank of Pakistan's procedures and foreign exchange regulations.

(3) In case goods supplied under this Chapter are not exported or remittance is not made in the prescribed manner within thirty days, sales tax involved on such goods shall be recovered from the supplier along with default surcharge, besides legal or penal action that may be taken under the relevant provisions of the Act.

**94. Maintenance of records and audit.—**(1) The supplier shall maintain separate records showing supply of zero-rated carpets and receipt and encashment of

foreign currency received under this Chapter, besides the records prescribed under section 22 of the Act.

(2) At the time of audit, the auditors shall also confirm that the records prescribed under this Chapter have been maintained and that foreign currency has been remitted in accordance with the prescribed procedure.

## CHAPTER XIV

### SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX BY THE ADVERTISING AGENCIES

**95. Application.—** The provisions of this Chapter shall apply to every registered advertising agency, which is a member of Pakistan Advertising Association and supplies or supervises the supply of printed material to its clients as well as to every registered printer who supplies printed material through an advertising agency.

**96. Registration.—** Every advertising agency engaged in the advertising business including making arrangement or doing supervision of the supply of printed material on commission basis shall, if not already registered, obtain registration in the manner specified in Chapter I of the Sales Tax Rules, 2006.

**97. Levy and collection of sales tax.—** Every advertising agency shall charge, collect and pay sales tax at the rate specified in sub-section (1) of section 3 of the Act on the total value of printed and promotional material inclusive of its commission:

Provided that in case of an advertising agency getting the printing job done through a registered vendor or printer, sales tax shall be charged, collected and paid to the extent of the commission charges only.

**98. Determination of tax liability.—** (1) While determining its tax liability, an advertising agency shall be entitled to claim input tax credit for the tax paid on account of taxable purchases or imports made and utilities like telephone (excluding mobile telephone), gas and electricity consumed in furtherance of taxable activity, against its output tax liability, subject to the conditions, limitations and restrictions prescribed under section 7 and 8 of the Act and the rules or notifications issued there-under; and subject to fulfillment of the conditions laid down under section 73 of the Act:

Provided that no input tax adjustment shall be allowed against the purchase invoice or the GD or utility bill, which is not in the name of advertising agency or does not contain its registration number.

(2) The advertising agency which is providing or rendering taxable as well as non-taxable supplies, can claim only such proportion of input tax as is attributable to the

taxable supplies, in accordance with sub-section (2) of section 8 of the Act read with Chapter IV of the Sales Tax Rules, 2006.

**99. Invoicing and filing of monthly return.—** (1) The advertising agency while making supply of printed material to its clients in the manner as aforesaid, shall issue a sales tax invoice in accordance with the provisions of section 23 of the Act and each such invoice shall, *inter alia*, indicate the amount of charges agreed to be received from client on account of agency's commission and the sales tax chargeable thereon.

(2) Every registered advertising agency using computerized accounting system may issue a computer generated sales tax invoice and keep record on the computer in the prescribed format.

(3) The advertising agency shall file monthly return under section 26 of the Act within the due date and declare its total purchases related to the supplies made in the manner as aforesaid and make corresponding adjustments as provided under section 7 read with section 8 of the Act.

**100. Liability of the printer.—** In case the advertising agency does not opt for registration under this Chapter, the payment of sales tax chargeable on its commission shall be made by the registered printer who supplies printed (promotional) material through that advertising agency and the printer shall issue a sales tax invoice for entire transaction value including the commission component of advertising agency and shall also indicate such commissions separately on the invoice.

**101. Record keeping.—** Every advertising agency for the purpose of this Chapter shall maintain records as prescribed under section 22 of the Act.

**102. Responsibility of the Association.—** The concerned Association of advertising agents shall be responsible to ensure that all advertisers engaged in the aforesaid business are registered and paying sales tax in the manner specified in these rules, and in case of non-compliance by any advertising agency, the Association shall actively assist the concerned Collectorate for enforcement and recovery of sales tax due under the Act along with default surcharge thereon.

## CHAPTER XV

### SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX FROM THE OIL MARKETING COMPANIES (SHARING OF PRODUCT)

**103. Application.—**The provisions of this Chapter shall apply for the collection and payment of sales tax from the oil marketing companies (OMC) against sharing of product at the joint installation (JIMCO), located at Mehmood Kot, District Gujrat.

**104. Sharing of Product.—** (1) The OMCs shall be entitled to share their products without payment of sales tax at JIMCO.

(2) No sales tax invoice shall be issued for the product shared between OMCs, provided that the OMCs shall not be barred from adhering to an internal invoicing system for the purpose of stock sharing.

(3) The OMC which has borrowed the product from another OMC shall return the product of the same description within the time agreed between them.

**105. Register for stock sharing.—** (1) Each OMC, benefiting from stock sharing facility under these rules, shall maintain, or cause to be maintained, a separate register for recording movements of stocks under sharing arrangements between OMCs.

(2) The stock sharing register, maintained under sub-rule (1), shall contain such information about credit and debit of the shared or returned stocks as is necessary to identify the movement of such stocks between the concerned OMCs.

(3) The Terminal Operator shall certify the bona fides of all the credit and debit entries made in the stock sharing register by 10<sup>th</sup> of the each month following the month to which the entries relate.

(4) The stock sharing register, duly certified by the Terminal Operator as aforesaid, shall be produced to the Sales Tax Department, as and when required for inspection, audit or any other authorized purpose.

**106. Tax liability.—** (1) The OMC which has given a product to another OMC on stock sharing basis, shall be entitled to avail input tax adjustment, as provided under the Act and the rules made thereunder.

(2) The OMC, which has taken a product from another OMC, shall pay sales tax on its subsequent supply or sale to the consumers, without claiming any input tax adjustment thereon.

(3) The OMC, to whom a product taken on stock sharing basis is returned, shall pay sales tax on its supply or sale to the buyer or consumer and input tax adjustment thereon shall be admissible, if not already availed.

**107. Miscellaneous.—** (1) The stock of a product moved for exchange under these rules shall not be required to be declared on the sales tax return unless finally supplied or sold on payment of sales tax.

(2) The OMC, which has taken any stock of a product on sharing basis under these rules, shall not normally charge the price, over and above the price which would have been fetched by such stock had it been supplied or sold by the lending OMC.

(3) No adjustment, refund or remission of sales tax shall be allowed under any circumstances on account of variation or difference of the sales price of the exchanged stocks.

## CHAPTER XVI

### SPECIAL PROCEDURE FOR ISSUANCE OF ELECTRONIC SALES TAX INVOICES BETWEEN BUYERS AND SELLERS

**108. Application.—** The provisions of this Chapter shall apply for electronic transmission of sales tax invoices by the registered persons who opt to do so in the manner specified hereunder.

**109. Eligibility to use electronic invoicing system.—** Every registered person who is engaged in making supply of taxable goods or providing or rendering taxable services and wishes to use electronic invoicing system shall seek prior authorization, in writing, from the concerned Collector before issuing electronic invoices.

**110. Issuance of electronic invoice and record.—** (1) The registered person shall issue an electronic sales tax invoice for every taxable supply made by him, containing such information as required under section 23 of the Act. The registered person shall also retain the record and documents for a period of three years on electronic media as provided under section 24 of the Act.

(2) A sales tax invoice may be generated and transmitted electronically where the authenticity of the origin and integrity of the invoice data are guaranteed by means of either an advanced electronic signature or electronic data interchange (EDI) or by any other means as approved by the Collector.

**111. Transmission of electronic invoice to the Collector.—** The registered supplier making supplies under this Chapter shall simultaneously transmit a copy of all such electronically issued invoices to the Collector of Sales Tax having jurisdiction.

**112. Use of formats and controls over transmission of electronic invoices.—** (1) The registered person may use any electronic invoice message format provided it contains all the information specified under section 23 of the Act.

(2) The invoice shall be transmitted in a secure environment, using industry-accepted security technologies in respect of messages as well as communication links and networks over which the invoice is transferred.

(3) During the transfer of invoice data between the supplier and the buyer, the registered person shall ensure,—

- (a) completeness and accuracy of the invoice data;
- (b) timeliness of processing;
- (c) usage of necessary security measures for authenticity and integrity of data; and
- (d) prevention of duplication of processing by the recipient.



(4) The registered person shall invariably maintain a back-up data to overcome any possible system failure or loss or corruption of data.

**113. Conditions for electronic storage.—** (1) The registered person shall ensure the authenticity and integrity of the data during and after application processing and use all electronic or procedural means to prevent loss and corruption of data during the storage.

(2) The invoice data shall be stored in such a manner that information at the time of original transmission of invoice is recreated at the time of departmental audit.

**114. Audit.—** (1) The registered person shall allow access to the record and documents maintained in electronic form as and when required by an officer of Sales Tax as provided under section 25 of the Act.

(2) The officer of Sales Tax shall have access to,—

- (a) the operation of any computer system which generates or receives sales tax invoices;
- (b) supporting documentation including file structures, etc., operational and technical manuals, audit trail, controls, safe keeping and information on how the accounting system of the registered person is organized; and
- (c) business intelligence tools to scrutinize the information available on the system.

(3) The officer of Sales Tax shall be allowed to obtain any information from the system in any format, and for this purpose the registered person shall provide,—

- (a) physical access to system at his premises; and
- (b) indirect access providing information on electronic media, or possibly *via* remote access.

**115. Same conditions to apply in respect of buyer for receiving electronic invoices.—** (1) The registered buyer who receives electronic invoices from the registered supplier shall fulfil the same criterion and conditions for storing them, as are specified for the supplier in this Chapter.

(2) In case the buyer wishes to store the electronic invoices received from the supplier in a paper-based system, he can do so after obtaining necessary approval from the Collector of Sales Tax having jurisdiction.

**116. Failure to meet the conditions for electronic invoicing system.—** If the registered person has issued and stored invoices electronically but has failed to meet the conditions relating to the prescribed procedure, besides other legal actions

which may be taken for such failure, he shall be required to issue paper invoices till such time the Collector is satisfied that the electronic system of the registered person is capable of doing the job.

**117. Provisions of Electronic Transactions Ordinance, 2002, to apply.—** All the provisions of Electronic Transactions Ordinance, 2002 (LI of 2002), relating to the recognition of documents, records, information, communication and transaction in electronic form, accreditation of certification service providers and for matters ancillary thereto, shall apply.

## CHAPTER XVII

### SPECIAL PROCEDURE FOR PAYMENT OF SALES TAX BY MANUFACTURERS OF BISCUITS AND CONFECTIONERY

**118. Application.—** The provisions of this Chapter shall apply to the manufacturers of biscuits and confectionery who are required to pay sales tax on printed retail price in terms of clause (a) of sub-section (2) of section 3 of the Act, read with the Third Schedule thereto.

**119. Mode and manner of payment of tax.—** All the registered manufacturers of biscuits and confectionery shall, in addition to the sales tax payable at the rate of fifteen percent of the value at which the goods are cleared or supplied from the factory (ex-factory price), pay sales tax on a value addition of twelve per cent in lieu of sales tax payable on the basis of printed retail price, as illustrated below:—

#### ILLUSTRATION:

- (a) Value of supplies prior to value addition = Rs. 100/-
- (b) Sales tax @ 15% = Rs. 15/-
- (c) Ex-factory price = (a) + (b) = Rs. 115/-
- (d) Value of supplies with value addition of 12% =  $[c + (c \times 12 / 100)]$  or  $115 + (115 \times 12 / 100) =$  Rs. 128.80/-
- (e) Value addition on which sales tax is payable =  $[(d) - (c)]$  or  $128.8 - 115 =$  Rs. 13.80/-
- (f) Amount of sales tax on value addition =  $[e \times 15 / 100]$  or  $13.80 \times 15 / 100 =$  Rs. 2.07/-
- (g) Total sales tax payable by a manufacturer =  $[(b) + (f)]$  or  $[15 + 2.07] =$  Rs. 17.07/-

**120. Determination of tax liability.—** While determining his tax liability, a manufacturer shall be entitled to claim input tax credit for the tax paid on account of

taxable purchases or imports made by him and utilities like gas or electricity consumed for furtherance of taxable activity, against his output tax liability, subject to the conditions, limitations, and restrictions prescribed under section 7 and 8 of the Act and the rules or notifications issued thereunder and subject to fulfillment of the conditions laid down under section 73 of the Act.

**121. Printing of retail price.—** The retail price inclusive of sales tax shall be legibly, prominently and indelibly printed or embossed by a manufacturer on each article, packet, container, package, cover or label, as the case may be. The manufacturer, who for any reason cannot have the retail price printed, shall declare to the Collector of Sales Tax having jurisdiction the retail price, at which the item would be sold to the general body of consumers, along with the reasons or justification for not printing the retail price.

**122. Records.—** Every manufacturer shall maintain the records prescribed under section 22 of the Act.

## CHAPTER XVIII

### SPECIAL PROCEDURE FOR COLLECTION AND PAYMENT OF SALES TAX ON VEHICLES

**123. Application. –** (1) The provisions of this Chapter shall apply to the—

- (a) manufacturers who are engaged in the assembly or manufacture of vehicles for the purpose of supply;
- (b) importers who import vehicles in CBU condition for further supply thereof; and
- (c) dealers who are engaged or otherwise deal in the sale of new locally manufactured vehicles and all types of imported vehicles, whether new or old or used, on the basis of commission or otherwise, whether or not such dealer is appointed or authorized by the manufacturer or importer of vehicles.

**124. Registration.—** (1) Each manufacturer, importer and dealer of vehicles, if not already registered, shall obtain registration in the manner specified in Chapter I of the Sales Tax Rules, 2006.

(2) Every manufacturer or importer of vehicles shall within seven days of coming into force of this Chapter declare to the Collector of Sales Tax having jurisdiction, full particulars of his dealers and the Collector shall ensure that no such dealer of vehicles falling in his jurisdiction remains unregistered.

(3) From such date as may be specified by the Central Board of Revenue, no manufacturer of vehicles shall supply any vehicle to any person unless vehicle identification number (VIN) chip has been affixed to the vehicle in the form, style and manner as specified by the National Database and Registration Authority.

**125. Booking of vehicles.—**(1) No vehicle shall be booked by the concerned manufacturer or importer through a dealer unless the particulars of such dealer and the concerned buyer are clearly mentioned in the relevant booking documents:

(2) The aforesaid condition shall not apply in case of vehicles imported under Personal Baggage, Transfer of Residence or Gift Scheme.

**126. Invoicing.—** (1) Each manufacturer or an importer who sells any vehicle through a dealer shall issue sales tax invoice in the name of the dealer mentioning full particulars of such dealer and the dealer shall issue sales tax invoice in the name of the consumer:

Provided that nothing shall bar any manufacturer or importer to issue consolidated sales tax invoice in the name of his dealer for more than one vehicles supplied to such dealer.

(2) Where a manufacturer or an importer sells a vehicle directly to a consumer, sales tax invoice shall be issued in the name of the consumer and sub-rule (1) shall not apply in such cases.

(3) Notwithstanding sub-rule (1), in case where the vehicle is invoiced directly to customer through a dealer, the dealer shall issue a delivery advice-cum-invoice as specified in the form set out at Annex-P indicating, *inter alia*, the amount and the sales tax, if any, charged thereon by the dealer over and above the price indicated in the invoice issued by the assembler, or as the case may be, the importer, directly in the name of the consumer. Such delivery advice-cum-invoice shall be handed over to the buyer at the time of delivery of the vehicle along with the invoice issued by the manufacturer or importer.

**127. Declaration of commission.—** (1) Each manufacturer or as the case may be, importer shall declare to the Collector of Sales Tax having jurisdiction, the rates of commission payable to his dealers in case of each category, make and model of vehicle. Any change or alteration made therein shall be communicated to the Collector within seven days.

(2) Nothing shall prohibit the Collector to ascertain or verify the accuracy of the declared rates or amounts of commissions and other information supplied under any of the provisions of this chapter.

**128. Input tax adjustment.—** Subject to such conditions, limitations and restrictions, as are imposed by sections 7 and 8 of the Act and the rules or notifications issued thereunder and subject to fulfilment of the conditions laid down under section 73

of the Act, the manufacturers shall be entitled to input tax adjustment against their output tax liability:

Provided that no input tax adjustment shall be admissible to the manufacturer in respect of a vehicle supplied by him after such date as may be specified by the Board, without affixing VIN chip as required under sub-rule (3) of rule 124.

**129. Determination of tax liability.—** (1) A manufacturer or importer of vehicles shall pay sales tax due on the supply of their vehicles as per relevant law.

(2) A dealer shall not be required to pay sales tax on such amounts of commission on which tax has been paid by the manufacturer or importer on whose behalf vehicles is sold by such dealer provided that in case any amount is received over and above such commission, the obligation to pay tax shall be of the dealer.

(3) In case of vehicles exchanged without involvement of any cash payment between the dealers exclusively for subsequent sale at their respective ends, tax shall be paid only at the time of their actual sale to the public.

**130. Filing of return and payment of tax.—** (1) Each manufacturer or, as the case may be, importer shall file monthly sales tax return by the 15<sup>th</sup> day of the following month in the manner prescribed under Chapter II of the Sales Tax Rules, 2006 and make payment of sales tax accordingly.

(2) Each dealer shall file monthly sales tax return by the 15<sup>th</sup> day of the following month in the form set out at Annex-Q and make payment of sales tax accordingly.

**131. Statements to be furnished by the manufacturers or importers.—** (1) Each manufacturer or, as the case may be, importer of vehicles shall furnish to the Collector a dealer-wise consolidated statement by 20<sup>th</sup> of each month in the form set out at Annex-R.

(2) In addition to the statement prescribed under sub-rule (1), the manufacturers and importers shall furnish to the Collector of Sales Tax having jurisdiction, a monthly consolidated statement indicating the number and value of vehicles, if any, sold directly to the consumers and the amount of sales tax paid thereon.

**132. Records to be maintained.—** Each manufacturer, importer and dealer shall keep proper record of all purchases, sales and tax invoices including import documents and such other records as required to be maintained under section 22 of the Act.

**133. Miscellaneous.—** Where so requested by the Collector, the authority competent to register the vehicles shall furnish information about the vehicles on which sales tax has been paid under these rules.

## CHAPTER XIX

### SPECIAL PROCEDURE FOR PROCESSING OF REFUND CLAIMS FILED BY THE PERSONS ENGAGED IN MAKING ZERO-RATED SUPPLY OF GINNED COTTON

**134. Application.**—These rules shall apply for processing of refund claims filed by the registered cotton ginners engaged in separating cottonseeds from cotton and pressing of ginned cotton and making zero-rated supply of the cotton so ginned.

**135. Procedure for payment of refund.**— (1) For the purposes of processing of refund claims filed by the cotton ginners on account of electricity and other tax paid inputs, the following benchmarks shall be adhered to for determining admissibility of the claim, namely:-

- (a) for the ginning units, a maximum of eighteen units of electricity, three yards of hessian cloth and 2.25 kgs of bailing hoops per bale of ginned cotton pressed;
- (b) for the composite ginning units, i.e. engaged in cotton ginning as well as crushing of cottonseed to extract oil therefrom, a maximum of eighteen units of electricity, three yards of hessian cloth and 2.25 kgs of bailing hoops per bale of ginned cotton pressed and three units for extraction of oil from one *maund* of cottonseed; and
- (c) in case of ginning units consuming high speed diesel (HSD) for self-generation of electric power, a maximum of six litres of HSD per bale of ginned cotton.

(2) The refund claims filed by the cotton ginners on account of utilities and other tax paid inputs, shall be processed and sanctioned subject to verification of corresponding production of cottonseed and cottonseed oil, as illustrated in the EXAMPLE below:

#### EXAMPLE:

- (a) Total units of electricity consumed: 1800 units
- (b) Total bales of ginned cotton to be produced: 100 bales
- (c) Standard weight per bale of ginned cotton: 170 kgs

- (d) Estimated weight of ginned cotton to be produced on consuming 1800 units of electricity: 17000 kgs
- (e) Estimated weight of Hessian cloth to be consumed for packing 17000 kgs of ginned cotton 300 yards
- (f) Estimated weight of bailing hoops to be consumed for packing 17000 kgs of ginned cotton 225 kgs
- (g) Approx. raw cotton (*phutti*) required for producing 16500 kgs of ginned cotton: 51500 kgs
- (h) Average yield of cottonseed from raw cotton @ 58%: 29900 kgs
- (i) Average yield of oil from cottonseed @ 10%: 2990 kgs

**136. Monthly statement.—** (1) Each ginning unit including a composite ginning unit, shall submit to the Collector of Sales Tax having jurisdiction, monthly statement of production and supply of ginned cotton, cottonseed and cottonseed oil in the format set out below, by the 5<sup>th</sup> day of the month following the tax period:

(weight in kilograms)

S. No.	Description of goods	Opening balance at the start of month	Total Qty produced during the month	Total Qty. supplied during the month	Closing balance at the end of the month
(1)	(2)	(3)	(4)	(5)	(6)

(2) For in-house consumption of cottonseeds, the composite ginning unit shall, in addition to the statement prescribed in sub-rule (1), furnish the following statement on a monthly basis, namely:-

(Weight in kgs)

Qty of cottonseed received in the oil mill section	Qty of cottonseed used for extraction of oil	Qty of Oil produced from cottonseed
(1)	(2)	(3)

**137. Notice to be given by the ginning unit.—** A ginning unit, or as the case may be, a composite ginning unit, shall, at the time of commencement of ginning activity and at the time of closure thereof, inform the Collector of Sales Tax having jurisdiction on the day earlier than the commencement of ginning activity, or as the case may be, on the day following the cessation of ginning activity.

**138. Final statement to be furnished by the ginning unit.—** Each ginning unit including a composite ginning unit shall, within fifteen days of the cessation of the ginning activity, furnish to the Collector of Sales Tax having jurisdiction, a statement regarding production and supply of ginned cotton, cottonseed, cottonseed oil, oil cake and oil dirt, in the format set out below:

Raw cotton (phutti) purchased (in maunds)	Ginned cotton produced		Ginned cotton supplied		Cottonseed produced (in kgs)	Cottonseed supplied (in kgs)	
	No. of bales	Weight (in kgs)	No. of bales	weight (in kgs)		In-house consumption	Supplied to others
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

Oil cake produced (in kgs)	Oil dirt produced (in kgs)	Oil extracted (in kgs)	Oil supplied (in kgs)	Sales tax paid on supply of oil (Rs in '000)
(9)	(10)	(11)	(12)	(13)

## CHAPTER XX

### SPECIAL PROCEDURE FOR ACCESSING THE COMPUTERIZED SYSTEM

**139. Application.—** The provisions of this Chapter shall apply to persons authorized as users of the computerized system under section 50A of the Act.

**140. Authorization.—** (1) A person desirous to be authorized as user of computerized system under this Chapter may apply to the Board, at such time and in such manner, as may be prescribed.

(2) Upon scrutiny of the information provided by the applicant, the Board may grant authorization to the applicant or refuse the application after giving the applicant a reasonable opportunity of being heard.

(3) No person shall access the computerized system for transmission to or receipt of information there-from, unless authorized as aforesaid.

**141. Unique User Identifier.—** Every person authorized as user of computerized system shall be allotted a 'Unique User Identifier' for his identification in relation to accessing the computerized system for transmission to or receipt of information there-from.

**142. Access to computerized system.—** Subject to the conditions, restrictions and limitations, as may be prescribed by the Board, the authorized user shall access the computerized system for transmission to or receipt of information there-from:

Provided that the Board may impose any additional conditions upon any authorized user or class of authorized users for accessing the computerized system or to maintain confidentiality or security thereof.

Provided further that the Board may require an authorized user or class of authorized users including their accredited agents to use any additional electronic



security including digital certification for electronic filing of return or any other declarations.

**143. Responsibility of the user.—** The authorized user shall be responsible for security and confidentiality of the 'Unique User Identifier' allotted to him and where any information is transmitted to the computerized system using a 'Unique User Identifier', the transmission of that information shall be sufficient evidence that the authorized user to whom such 'Unique User Identifier' has been issued has transmitted that information.

**144. Cancellation of registration.—** (1) Where the Board is satisfied that any user authorized to use the computerized system 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 this Chapter; or
- c) failed to take adequate measures for security and confidentiality of the 'Unique User Identifier'; or
- d) been convicted in an offence under this Act or any other law for the time being in force;

may cancel the authorization of that user after affording him an opportunity of being heard.

(2) Pending consideration whether an authorization be cancelled under sub-rule (1), the Board may suspend the authorization.

**145. Recording of transmissions.—** The Board shall keep record of each transmission sent to or received from an authorized user, for a period of three years from the date of such transmission or receipt.

**146. Scrutiny of records.—** An officer or officers of Sales Tax, authorized by the Collector in this behalf, may examine records maintained by an authorized user, whether electronically or otherwise, in relation to a specific transaction or to verify adequacy or integrity of the system or media on which such records are created and stored.

**147. Repeal.—** The Sales Tax Special Procedure Rules, 2005 and the Payment of Sales Tax by Retailers of Specified Goods (Special Procedure) Rules, 2005, are hereby repealed.

**Quarterly Sales Tax Return-cum-Payment  
Challan for Commercial Importers**

1. Type of Return  
(Please mark ✓ in the relevant box)

Original	Revised
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2. Tax Period

Month		Year							
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3. NTN

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4. Sales Tax Reg. No.

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5. Status

Please mark ✓ in the relevant box

	Ind	AOP	Coy	
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6. Taxpayers Name

7. Taxpayers Address

(As per Sales Tax Registration Certificate)	
---	--

**8. Supplies made**

	Value excluding Sales Tax	Rate	Output Sales Tax
(a) Taxable - Supplies - Local Goods			
(b) Supplies - Imported - 3rd schedule items			
(c) Supplies - Imported - Other than 3rd schedule items			
(d) Zero-rated - Supplies - Local			
(e) Supplies - DTRE			
(f) Supplies - Export			
(g) Exempt - Supplies - Local			
(h) Others - If any, specify _____			
Total [Add 8(a) to 8(h)]			

**9. Supplies obtained**

	Value excluding Sales Tax	Rate	Input Sales Tax
(a) Taxable - Supplies - Local Goods			
(b) Supplies - Imported - 3rd schedule items			
(c) Supplies - Imported - Other than 3rd schedule items			
(d) Utilities - Supplies - Telephone			
(e) Supplies - Gas			
(f) Supplies - Electricity			
(g) Exempt - Supplies - Local			
(h) Supplies - Imports			
(i) Others - If any, specify _____			
Total [Add 9(a) to 9(i)]			

10. Sales tax on value addition already paid on goods declaration \_\_\_\_\_

**11. Stock Position for Imported Goods for the Quarter**

(a) Opening Balance	Rs.	
(b) Addition during the quarter	Rs.	
(c) Closing Balance	Rs.	

12. Actual Value Addition [8(b) + 8(c) - (11a+11b-11c)] \_\_\_\_\_

13. Sales tax payable on actual value addition [12 x 0.15] \_\_\_\_\_

14. Differential amount payable [13 - 10] \_\_\_\_\_

**15. Stock Position for Local Goods for the Quarter**

(a) Opening Balance	Rs.	
(b) Addition during the quarter	Rs.	
(c) Closing Balance	Rs.	

16. Cost of Local Goods sold [15(a) + 15(b) - 15(c)] \_\_\_\_\_

17. Tax on 5% value addition [16 x 0.05 x 0.15] \_\_\_\_\_

**18. Sales Tax due:**

(a) For the month [(14 + 17)]	
(b) Arrears/recoveries as a result of audit/penalties imposed (give details in the space provided below)	
(i) Principal Amount	_____
(ii) Default surcharge	_____
(iii) Penalty	_____
(c) Total Sales Tax Payable [Add 18(a) to 18(b)(iii)]	_____ (Head of Account B02341 - Sales Tax)

**DECLARATION**

I, \_\_\_\_\_, holder of CNIC No. \_\_\_\_\_, in my capacity as Self/Member or Partner of Association of persons/Principal Officer/Trustee/Representative\* of the Taxpayer named above, do solemnly declare that to the best of my knowledge and belief the information given in this Return and the attached Statement(s), is/are correct, complete and in accordance with the provisions of the Sales Tax Act, 1990, and Rules and Notifications issued thereunder.

\*(The alternative in the declaration, which is not applicable, should be scored out)

Date (dd/mm/yyyy) \_\_\_\_\_ Stamp \_\_\_\_\_ Signature \_\_\_\_\_

**FOR BANK USE**

Amount received in words _____	Bank Officer's signature _____	
Amount received in figures _____	Stamp and date _____	dd/mm/yyyy _____

Sales Tax Registration No. \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

For the quarter from \_\_\_\_\_ (month, year) to \_\_\_\_\_ (month, year)

**DETAILS REGARDING IMPORTS MADE DURING THE QUARTER**

(Amount in '000' rupees)

S. No.	Goods Declaration No. and date	Description of goods imported	Value inclusive of customs duty	Sales tax paid @ 15%	Applicable value addition (i.e. 10% or 15%)	Sales tax paid on value addition	Total sales tax paid [5 + 7]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		i.	i.	i.	i.	i.	i.
		ii.	ii.	ii.	ii.	ii.	ii.
		iii.	iii.	iii.	iii.	iii.	iii.
		iv.	iv.	iv.	iv.	iv.	iv.
		-----	-----	-----	-----	-----	-----
		<b>TOTAL OF GOODS DECLARATION</b>	-- Rs.-----	--- Rs.-----	--	-- Rs.-----	--- Rs.-----
						-	-

**DETAILS REGARDING SUPPLIES MADE TO THE REGISTERED PERSONS DURING THE QUARTER**

(Amount in '000' rupees)

S. No.	Name & registration No. of the buyer	Description of goods supplied	Value	Total amount of sales tax as per the invoice (s) issued	Value addition at which goods supplied
(1)	(2)	(3)	(4)	(5)	(6)
		i.	i.	i.	i.
		ii.	ii.	ii.	ii.
		iii.	iii.	iii.	iii.
		iv.	iv.	iv.	iv.
		-----	-----	-----	-----
		<b>TOTAL IN RESPECT OF THE REGISTERED PERSON</b>	--- Rs.-----	---- Rs.-----	---

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

NIC No.: \_\_\_\_\_

**ANNUAL STATEMENT REGARDING IMPORTS AND SUPPLIES**  
**MADE DURING 1<sup>ST</sup> JULY, ----- to 30<sup>TH</sup> JUNE, -----**

**1. OPENING STOCKS AS ON 1<sup>ST</sup> JULY:**

(Amount in '000' rupees)

S. No.	Imported goods			Locally manufactured goods		
	Description	Stocks in balance	Value	Description	Stocks in balance	Value
(1)	(2)	(3)	(4)	(5)	(6)	(7)

**2. TOTAL PURCHASES (IMPORTED & LOCAL) MADE DURING THE YEAR:**

**A. IMPORTED GOODS**

(Amount in '000' rupees)

S. No.	Description of goods	Quantity	Value	Sales Tax paid @ 15%	Sales Tax on value addition paid at import stage	Total Sales Tax paid [ 5 + 6 ]
(1)	(2)	(3)	(4)	(5)	(6)	(7)

**B. LOCALLY MANUFACTURED GOODS**

(Amount in '000' rupees)

S. No.	Description of goods	Quantity	Value	Sales Tax paid
(1)	(2)	(3)	(4)	(5)

**3. SUPPLIES MADE DURING THE YEAR:**

**A. IMPORTED GOODS**

(Amount in '000' rupees)

S. No.	Description of goods	Quantity	Value	Sales tax charged on supplies	ST paid at import stage i.e. 15% plus tax on value addition	Value addition at which goods were supplied	Differential sales tax payable (if any)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

**B. LOCALLY MANUFACTURED GOODS**

(Amount in '000' rupees)

S. No.	Description of goods	Quantity	Value	Sales Tax charged as per the invoices issued
(1)	(2)	(3)	(4)	(5)

**4. CLOSING STOCKS AS ON 30<sup>TH</sup> JUNE:**

(Amount in '000' rupees)

S. No.	Imported goods			Locally manufactured goods		
	Description	Stocks in balance	Value	Description	Stocks in balance	Value
(1)	(2)	(3)	(4)	(5)	(6)	(7)

**Monthly Sales Tax Return-cum-Payment Challan for Retailers**

1. **Type of Return**  
(Please mark ✓ in the relevant box) 

Original	Revised
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2. Tax Period 

Month				Year															
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3. NTN 

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4. Sales Tax Reg. No. 

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5. Status Please mark ✓ in the relevant box

Ind	ACP	Coy
-----	-----	-----

6. Taxpayers Name 

(As per Sales Tax Registration Certificate)	
---	--

7. Taxpayers Address 

--	--

	Value excluding Sales Tax	Rate	Output Sales Tax
(a) Supplies for the tax period	_____	_____	_____
<b>9. Sales Tax due:</b> Head of Account			
(a) Sales Tax @2% B02341	_____		_____
(b) Income Tax @1% B01100	_____		_____
(c) Total			_____
<b>10. (a) Arrears/recoveries as a result of audit/penalties imposed (give details in the space provided below)</b>			
(i) Principal Amount _____			_____
(ii) Default surcharge/ Penalty B02341 _____			_____
(iii) Additional Tax B01100 _____			_____
(iv) Total _____			_____
(b) Tax Payable [Add 9(c) plus 10(a)(iv)] _____			_____

**DECLARATION**

I, \_\_\_\_\_, holder of CNIC No. \_\_\_\_\_ in my capacity as Self/Member or Partner of Association of persons/Principal Officer/Trustee/Representative\* of the Taxpayer named above, do solemnly declare that to the best of my knowledge and belief the information given in this Return and the attached Statement(s), is/are correct, complete and in accordance with the provisions of the Sales Tax Act, 1990, and Rules and Notifications issued thereunder.

\*The alternative in the declaration, which is not applicable, should be scored out)

**SALES TAX INVOICE**

S. No. \_\_\_\_\_

Date: \_\_\_\_\_

**( Jeweller's Name )**  
( ....Address ....)  
( ....Tel. No. / Fax No. ....)

Sales Tax Registration No.: \_\_\_\_\_

Buyer's name and address: \_\_\_\_\_

S. No.	Description	Quantity / Weight	Price (per gm)	Price
(1)	(2)	(3)	(4)	(5)
		Grams Milligrams		
	Total			
	Less: Exempt Gold/Silver used			
	Value for sales tax purposes			
	Sales Tax @ 15%			
	<b>Total sale price</b>			

*Signature of authorised person*

**Monthly Sales Tax Return-cum-Payment  
Challan for Jewelers**

1. **Type of Return** Original Revised  
(Please mark ✓ in the relevant box)

2. Tax Period	Month			Year						3. NTN									
4. Sales Tax Reg. No.																			
5. Status	Please mark ✓ in the relevant box										Ind	AOP	Coy						
6. Taxpayers Name	(As per Sales Tax Registration Certificate)																		
7. Taxpayers Address																			

	Value excluding Sales Tax	Rate	Output SalesTax
8. <b>Supplies made</b>			
(a) Taxable - Total value of supplies	_____	_____	_____
(b) Value of exempt Gold	_____	_____	_____
(c) Total taxable value [8(a) minus 8(b)]	_____	_____	_____

	Value excluding Sales Tax	Rate	Input SalesTax
9. <b>Supplies obtained</b>			
(a) Taxable - Supplies - Local	_____	_____	_____
Supplies - Imports	_____	_____	_____
(b) Exempt - Supplies - Imports/ local	_____	_____	_____
(c) Total [Add 9(a) to 9(b)]	_____	_____	_____

10. **Sales Tax due:**

(a) For the month 8(c) \_\_\_\_\_

(b) Arrears/recoveries as a result of audit/penalties imposed (give details in the space provided below)

(i) Principal Amount \_\_\_\_\_

(ii) Default surcharge \_\_\_\_\_

(iii) Penalty \_\_\_\_\_

(c) Total Sales Tax Payable [Add 10(a) to 10(b)(iii)] (Head of Account B02341 - Sales Tax) \_\_\_\_\_

**DECLARATION**

I, \_\_\_\_\_, holder of CNIC No. \_\_\_\_\_, in my capacity as Self/Member or Partner of Association of persons/Principal Officer/Trustee/Representative\* of the Taxpayer named above, do solemnly declare that to the best of my knowledge and belief the information given in this Return and the attached Statement(s), is/are correct, complete and in accordance with the provisions of the Sales Tax Act, 1990, and Rules and Notifications issued thereunder.

\*(The alternative in the declaration, which is not applicable, should be scored out)

Date (dd/mm/yyyy) \_\_\_\_\_ Stamp \_\_\_\_\_ Signature \_\_\_\_\_

**FOR BANK USE**

Amount received in words \_\_\_\_\_ Bank Officer's signature \_\_\_\_\_

Amount received in figures \_\_\_\_\_ Stamp and date \_\_\_\_\_ dd/mm/yyyy

**FORM OF REGISTER  
TO BE MAINTAINED BY A REGISTERED JEWELLER**

**GOODS DISPATCHED/SOLD**

S. No.	Date.	Tax invoice No.	Brief particulars of goods sold.	Name of buyer.
(1)	(2)	(3)	(4)	(5)

Weight.	Total sale price.	Value of exempt gold/silver.	Value for sales tax purpose.	Amount of sales tax @15%.
(6)	(7)	(8)	(9)	(10)



Monthly Statement by  
**Trading Corporation of Pakistan**

S. T. Registration no. \_\_\_\_\_

S. No.	Name of sugar mill	Total Qty purchased (Kgs.)	Total value (excluding sales tax) (Rs.)	Sugar exported	
				Qty (Kgs.)	Value (Rs.)
(1)	(2)	(3)	(4)	(5)	(6)

Sugar supplied in local market		Sales tax involved (Rs)	Date of payment of	
Qty (Kgs.)	Value (Rs.)		Price/Value (Rs.)	Sales tax (Rs.)
(7)	(8)	(9)	(10)	(11)



**NAME OF THE COMPANY**

Address: \_\_\_\_\_  
Phone No.: \_\_\_\_\_ Fax: No.: \_\_\_\_\_  
Sales Tax Registration No. \_\_\_\_\_

Invoice No.: \_\_\_\_\_  
Date of Issue: \_\_\_\_\_

M/s. \_\_\_\_\_  
\_\_\_\_\_  
(Name & address of client)

Through M/s. \_\_\_\_\_  
\_\_\_\_\_  
(Name & address of advertising agency)

Agency Code: \_\_\_\_\_  
[TV Channel]

Advertiser: M/s. \_\_\_\_\_  
(Name of client)

Client's Sales Tax Reg. No. \_\_\_\_\_  
Consumer Product \_\_\_\_\_

CENTRE	POSITION	QTY	DURATION	RATE	AMOUNT
--------	----------	-----	----------	------	--------

GROSS AMOUNT: Rs. \_\_\_\_\_

ADD 15% Sales Tax Rs. \_\_\_\_\_ Total: Rs. \_\_\_\_\_

LESS 15% Agency Commission (Rs. \_\_\_\_\_)

Net Payable Rs. \_\_\_\_\_

1. Kindly make payment of this invoice by crossed cheque [Payee's Account only] in favour of M/s. \_\_\_\_\_
2. \_\_\_% late payment surcharge will be levied if the invoice is not paid by \_\_\_\_\_

FOR M/s \_\_\_\_\_  
(Name of telecasting company)

**Government of Pakistan**  
**Sales Tax Return-cum-payment Challan**  
**(For persons registered as stevedores)**

Please tick the relevant box  
Regular  Revised

01 Sales tax Registration No. 

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 Tax Period 

--	--

02 National Tax No. 

								-			
--	--	--	--	--	--	--	--	---	--	--	--

03 Name 

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04 Address 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

05	Services Provided	No. of Moves or Tonnage	Rate	Sales Tax Due
(a)				Rs.
(b)				Rs.
(c)				Rs.
(d)				Rs.
<b>Total Tax Due</b>				<b>Rs.</b>

06. Arrears being paid

i) Principal Amount	Rs.	<table border="1"><tr><td></td></tr></table>	
ii) Default Surcharge	Rs.	<table border="1"><tr><td></td></tr></table>	
iii) Penalty	Rs.	<table border="1"><tr><td></td></tr></table>	

07. Total Sales Tax Payable (including arrears) 5+6 (I to iii) 

Rs.
-----

  
(Head of account B02366 sales tax on services collected on behalf of Provincial Government)

**Declaration: I declare that entries in this return are true and correct to the best of my knowledge and belief.**

Name : \_\_\_\_\_  
NIC : \_\_\_\_\_  
Designation: \_\_\_\_\_

Signature with stamp  
Date: \_\_\_\_\_

**For Bank Use:** Serial No. \_\_\_\_\_ Amount Received 

Rs.
-----

Amount in words \_\_\_\_\_  
Bank Officer's Signature \_\_\_\_\_ Bank Stamp \_\_\_\_\_

Name of Steel Melter/Re-roller: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Sales Tax Registration No.: \_\_\_\_\_  
 Month: \_\_\_\_\_

**DETAILS OF PRODUCTION**

S. No.	Details	Amount (in Rs.)	
1.	Electricity units consumed for production of ingots or billets		
2.	Production of ingots or billets in metric tons [Total electricity units / 600]		
3.	Tax payable on production of ingots or billets ( = Rs. 3200 x 15% = Rs. 480 PMT and / or Rs 2200 x 15% = Rs. 330 PMT ) Total Tax		
4.	Purchase of Scrap (in metric tons): Imported scrap Scrap purchased from Pakistan Steel Scrap purchased locally (no invoice) Total	Purchased	Used
5.	Electricity units consumed for production of MS products and Production (Units/90 = Production)	Units	Production
6.	Tax payable on production of MS Products [ =Production X 1535 x 15% = Rs. 230 PMT]		
7.	Purchase & Consumption of Ingots or Billets (in MT)	Purchase	Used

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Designation: \_\_\_\_\_  
 NIC No.: \_\_\_\_\_

**Monthly Sales Tax Return-cum-Payment  
Challan for Ship Breakers**

1. **Type of Return**  
(Please mark ✓ in the relevant box)

Original	Revised
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2. Tax Period

Month			Year				
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4. Sales Tax Reg. No.

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5. Status

Please mark ✓ in the relevant box

Ind	AOP	Coy
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3. NTN

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6. Taxpayers Name

7. Taxpayers Address

(As per Sales Tax Registration Certificate)	
---	--

8. **Supplies made**

	Value excluding Sales Tax	Rate	Output Sales Tax
(a) Taxable - Supplies - Local			
(b) Zero-rated - Supplies - Local			
Supplies - DTRE			
Supplies - Export			
(c) Exempt - Supplies - Local			
(d) Others - If any, specify _____			
(e) Total [Add 8(a) to 8(d)]			

9. **Supplies obtained**

	Value excluding Sales Tax	Rate	Input Sales Tax
(a) Taxable - Supplies - Local			
Supplies - Imports			
(b) Utilities			
Supplies - Telephone			
Supplies - Gas			
Supplies - Electricity			
(c) Exempt - Supplies - Local			
Supplies - Imports			
(d) Others - If any, specify _____			
(e) Total [Add 9(a) to 9(d)]			

10. Input tax involved on quantities supplied during the tax period (for method of calculation, see Chapter XII of the Sales Tax Special Procedures Rules, 2006).

11. **Sales Tax due:**

(a) For the month [(8(e) minus 10)] \_\_\_\_\_

(b) Arrears/recoveries as a result of audit/penalties imposed (give details in the space provided below)

(i) Principal Amount \_\_\_\_\_

(ii) Default surcharge \_\_\_\_\_

(iii) Penalty \_\_\_\_\_

(c) Total Sales Tax Payable [Add 11(a) to 11(b)(iii)] (Head of Account B02341 - Sales Tax) \_\_\_\_\_

12. **Net Sales Tax refundable** \_\_\_\_\_

**DECLARATION**

I, \_\_\_\_\_, holder of CNIC No. \_\_\_\_\_ in my capacity as Self/Member or Partner of Association of persons/Principal Officer/Trustee/Representative\* of the Taxpayer named above, do solemnly declare that to the best of my knowledge and belief the information given in this Return and the attached Statement(s), is/are correct, complete and in accordance with the provisions of the Sales Tax Act, 1990, and Rules and Notifications issued thereunder.

\*The alternative in the declaration, which is not applicable, should be scored out)

Date (dd/mm/yyyy) \_\_\_\_\_ Stamp \_\_\_\_\_ Signature \_\_\_\_\_

**FOR BANK USE**

Amount received in words \_\_\_\_\_ Bank Officer's signature \_\_\_\_\_

ANNEX-N  
[See rule 86]

**FORM OF REGISTER OF PURCHASE / INPUT TAX  
FOR SHIP-BREAKERS**

S. No.	Date	BE/GD/ sales tax invoice No. and date	Description of raw material	Quantity (MT)	Value (Rs.)
(1)	(2)	(3)	(4)	(5)	(6)

Sales tax paid (Rs.)	Quantity of taxable supplies (MT)	Sales tax (input tax) on quantity in column 8 (Rs.)	Sales tax adjusted (Rs.)	Closing balance of input tax (columns 7 – 10) (Rs.)
(6)	(7)	(8)	(9)	(10)

**RECEIPT-CUM-UNDERTAKING  
FOR ZERO-RATED SUPPLY OF HAND-KNOTTED CARPETS  
TO FOREIGN NATIONALS**

1. NAME: \_\_\_\_\_
2. ADDRESS: \_\_\_\_\_
3. TELEPHONE No.: \_\_\_\_\_
4. NATIONALITY: \_\_\_\_\_
5. PASSPORT No. OR OTHER IDENTIFICATION No.: \_\_\_\_\_
6. CREDIT CARD No: \_\_\_\_\_
7. APPROX. DATE OF DEPARTURE FROM PAKISTAN: \_\_\_\_\_

I hereby confirm receipt of \_\_\_\_\_ hand-knotted carpet(s) from M/s. \_\_\_\_\_ against zero-rated invoice No. \_\_\_\_\_ dated \_\_\_\_\_, against payment in foreign currency through my credit card and undertake to take it/them out of Pakistan on my departure.

SIGNATURE \_\_\_\_\_

Date: \_\_\_\_\_



## DELIVERY ADVICE-CUM-INVOICE

S.No. \_\_\_\_\_ S.Tax Reg.# 

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NAME OF THE DEALER \_\_\_\_\_ NTN 

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Collector \_\_\_\_\_

**PART 'A'**

(Customer's Particulars)	
Sales Order No.	Manufacturer Invoice Number.
Customer Name.	Manufacturer Invoice Date.
Address.	NTN No.
Customer Phone #	NIC No.
PART 'B'	Customer S.Tax Reg.#
(Vehicle Particulars)	
ENGINE NO:	DESCRIPTION
COLOUR	CHASIS NO
	Registration No. (if applicable) (Number Plate)

**PART 'C'**

(Invoicing Portion)

- i) Manufacturer's or importer's Invoice price Rs. \_\_\_\_\_
- ii) Amount, if any, charged over and above the manufacturer or importer's invoice Rs. \_\_\_\_\_
- iii) Sales tax charged on the amount mentioned in (ii) above Rs. \_\_\_\_\_

We this day have taken the delivery of the above vehicle (through name of the dealer) detail of which is specified above together with the following items in perfect running condition to our satisfaction.

A) Spare Wheel       B) Tool Kit       C) Warranty Book

\_\_\_\_\_  
Authorized Signature (Dealer)  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

\_\_\_\_\_  
Authorized Receiver Signature  
Name \_\_\_\_\_  
Date \_\_\_\_\_  
NIC \_\_\_\_\_

Monthly Sales Tax Return-cum-Payment Challan for Car Dealers 1.

**1. Type of Return**  
(Please mark ✓ in the relevant box)

Original	Revised
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2. Tax Period

Month			Year					3. NTN					
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4. Sales Tax Reg. No.

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5. Status

Please mark ✓ in the relevant box

	Ind	AOP	Coy
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6. Taxpayers Name

(As per Sales Tax Registration Certificate)	

7. Taxpayers Address

8. Supplies made

	Value excluding Sales Tax	Rate	Output Sales Tax
(a) Supplies of vehicles sold on behalf of assemblers/ importers on commission			
(b) Supplies of vehicles purchased by the dealer			
(c) Others - Supplies, if any, specify			
(d) Exempt - Supplies - Local			
(e) Total [Add 8(a) to 8(d)]			

9. Supplies obtained

	Value excluding Sales Tax	Rate	Input Sales Tax
(a) Taxable - Supplies - Local			
Supplies - Imports			
(b) Utilities - Supplies - Telephone			
Supplies - Gas			
Supplies - Electricity			
(c) Exempt - Supplies - Local			
Supplies - Imports			
(d) Others - If any, specify			
(e) Total [Add 9(a) to 9(d)]			

10. Sales Tax due:

(a) For the month		
(b) Arrears/recoveries as a result of audit/penalties imposed (give details in the space provided below)		
(i) Principal Amount		
(ii) Default surcharge		
(iii) Penalty		
(c) Total Sales Tax Payable [Add 10(a) to 10(b)(iii)] (Head of Account B02341 - Sales Tax)		

**DECLARATION**

I, \_\_\_\_\_, holder of CNIC No. \_\_\_\_\_ in my capacity as Self/Member or Partner of Association of persons/Principal Officer/Trustee/Representative\* of the Taxpayer named above, do solemnly declare that to the best of my knowledge and belief the information given in this Return and the attached Statement(s), is/are correct, complete and in accordance with the provisions of the Sales Tax Act, 1990, and Rules and Notofications issued thereunder.

\*(The alternative in the declaration, which is not applicable, should be scored out)

Date (dd/mm/yyyy) \_\_\_\_\_ Stamp \_\_\_\_\_ Signature \_\_\_\_\_

MONTHLY STATEMENT TO BE FURNISHED BY MANUFACTURERS / IMPORTERS  
OF VEHICLES ( FOR THE MONTH OF \_\_\_\_\_ )

Name & address of the Importer / Manufacturer \_\_\_\_\_  
Sales Tax Registration No. \_\_\_\_\_

Dealer's Name & Address \_\_\_\_\_  
Sales Tax Registration No. \_\_\_\_\_

S #	Vehicles imported (CKD)		Vehicles Imported (CBU)		Vehicles Sold		Sales Tax Paid	Commissions paid	Sales Tax paid on Commission	Remarks
	No	Value	No	Value	No	Value				

Name and Signature of Authorized Representative

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[C. No. 3(1)ST-L&P/2006]

Shahid Ahmad  
Additional Secretary