PART II

Statutory Notifications (S. R. O.)

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
(Federal Board of Revenue)

NOTIFICATIONS

Islamabad, the 29th June, 2019

(SALES TAX)

S.R.O. 690(I)/2019.—In exercise of the powers conferred by sub-section (8) of section 3, read with first proviso to clause (46) of section 2 of the Sales Tax Act, 1990, the Federal Board of Revenue is pleased to notify that the value of supply to the CNG consumers for the purpose of charging of sales tax from CNG stations by the gas transmission and distribution companies shall be as under, namely:—

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td></td>
<td>(2)</td>
</tr>
<tr>
<td>(i)</td>
<td>For Region-I</td>
<td>Rs. 69.57 per kg</td>
</tr>
<tr>
<td>(ii)</td>
<td>For Region-II</td>
<td>Rs. 74.04 per kg</td>
</tr>
</tbody>
</table>

(1223)

Price: Rs. 20.00

[957(2019)/Ex.Gaz.]
Region-I: Khyber Pakhtunkhwa, Balochistan and Potohar Region (Rawalpindi, Islamabad and Gujar Khan); and

Region-II: Sindh and Punjab excluding Potohar Region.

2. This Notification shall take effect on and from the 1st day of July, 2019.

[C. No. 1/2-STB/2019.]

TAUQEER AHMED,
Secretary (ST & FE – Budget).

MINISTRY OF FINANCE, ECONOMIC AFFAIRS,
STATISTICS AND REVENUE
(Revenue Division)

Islamabad, the 29th June, 2019

(SALES TAX)

S.R.O. 691(I)/2019.—In exercise of the powers conferred by clause (iii) of the first proviso to section 4 of the Sales Tax Act, 1990, the Federal Government is pleased to direct that the following further amendments shall be made in its Notification No. S.R.O. 190(I)/2002, dated the 2nd April, 2002, namely:—

In the aforesaid Notification,—

(1) in clause (a), for the word “manufactured”, the expression “items other than PVC and PMC materials (PCT Code 39.01 to 39.14) as are manufactured” shall be substituted; and

(2) in clause (d), sub-clause (iv) shall be omitted.

2. This Notification shall take effect on and from the 1st day of July, 2019.

[C. No. 1/2-STB/2019.]

S.R.O. 692(I)/2019.—In exercise of the powers conferred by the proviso to sub-section (1A) of section 3 of the Sales Tax Act, 1990, the Federal Government is pleased to direct that the following further amendments shall be
made with effect from the 1st July, 2019 in its Notification No. S.R.O. 648(I)/2013, dated the 9th July, 2013, namely:

In the aforesaid Notification, in the Table, in column (1), after S. No. 11 and entries relating thereto in column (2), the following new serial number and corresponding entries relating thereto in column (2) shall be added, namely:

| 13. Supply of white crystalline sugar (PCT heading 1701.9910 and 1701.9920).” |

[C. No. 1/2-STB/2019.]

**S.R.O. 693(I)/2019.**—In exercise of the powers conferred by sub-section (5) of section 3 of the Sales Tax Act, 1990, the Federal Government is pleased to direct that the following further amendments shall be made with effect from the 1st July, 2019 in its Notification No. S.R.O. 509(I)/2013, dated the 12th June, 2013, namely:

In the aforesaid Notification, in the proviso, after the word “stations”, the expression “and supply of electric power to Government, semi-government and statutory regulatory bodies” shall be inserted.

[C. No. 1/2-STB/2019.]

**S.R.O. 694(I)/2019.**—In exercise of the powers conferred by clauses (9) and (46) of section 2, sub-section (1), clause (b) of sub-section (2), sub-section (6) and sub-section (7) of section 3, clauses (c) and (d) of section 4, sub-section (2) of section 6, sub-sections (3) and (4) of section 7, section 7A, clauses (a) and (b) of sub-section (1) of section 8, clause (a) of sub-section (2), sub-section (3) of section 13, sub-sections (2A) and (3) of section 22, sections 23, 60, 64 and 71 of the Sales Tax Act, 1990, the Federal Government is pleased to rescind its Notifications No. SRO. 68(I)/2006, dated the 28th January, 2006, SRO. 480(I)/2007, dated the 9th June, 2007, SRO. 660(I)/2007, dated the 30th June, 2007, SRO. 769(I)/2009, dated the 4th September, 2009, SRO. 1125(I)/2011, dated the 31st December, 2011 and SRO. 398(I)/2015 dated the 8th May, 2015.

2. This Notification shall take effect on and from the 1st day of July, 2019.

[C. No. 1/2-STB/2019.]

DR. HAMID ATEEQ SARWAR,
Additional Secretary.
FEDERAL BOARD OF REVENUE
(Revenue Division)

Islamabad, the 29th June, 2019

(FEDERAL EXCISE)

S.R.O. 695(I)/2019.—In exercise of the powers conferred by clause (b) of sub-section (3) of section 3 of the Federal Excise Act, 2005, the Federal Board of Revenue is pleased to rescind its Notification No. S.R.O. 608(I)/2019, dated the 11th June, 2019.

2. This Notification shall take effect on and from the 1st day of July, 2019.

[C. No. 1/2-STB/2019.]

S.R.O. 696(I)/2019.—In exercise of the powers conferred by clause (b) of sub-section (3) of section 3 of the Federal Excise Act, 2005, the Federal Board of Revenue is pleased to rescind its Notifications No. S.R.O. 24(I)/2006, dated the 7th January, 2006, S.R.O. 507(I)/2013 and S.R.O. 508(I)/2013, both dated the 12th June, 2013.

2. This Notification shall take effect on and from the 1st day of July, 2019.

[C. No. 1/2-STB/2019.]

Islamabad, the 29th June, 2019

(SALES TAX)

S.R.O. 697(I)/2019.—In exercise of the powers conferred by the second proviso to clause (46) of section 2 of the Sales Tax Act, 1990 (VII of 1990), the Federal Board of Revenue is pleased to fix the following values of locally produced goods specified in the Table below, for the purpose of payment of sales tax on ad valorem basis, at the rate as applicable to specified in sub-section (1) of section 3 of the Act.

TABLE

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Goods</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>1.</td>
<td>Steel bars</td>
<td>Rs. 83,000 per metric ton</td>
</tr>
<tr>
<td>2.</td>
<td>Steel Billets</td>
<td>Rs. 74,000 per metric ton</td>
</tr>
</tbody>
</table>
In exercise of the powers conferred by sub-section (1) of section 4, section 40 and section 45A of the Federal Excise Act, 2005, section 219 of the Customs Act, 1969 (IV of 1969), section 50 and sub-section (1) of section 71 of the Sales Tax Act, 1990 (VII of 1990), read with sub-section (7) of section 3, sub-section (2) of section 8, clause (b) of sub-section (1) of section 8, clause (ii) of sub-section (2) of section 8B, sections 9, 10, 14, 21, 21A and 28, clause (c) of sub-section (1) of section 22, first proviso to sub-section (1) of section 23, section 26, section 33, section 40C, sub-section (6) of section 47 A, sections 48, 50A, 52, 52A and 66 thereof, the Federal Board of Revenue is pleased to make the following further amendments in Sales Tax Rules, 2006 namely:

In the aforesaid rules,—

(1) in the preamble,—

(a) after the expression “section 50”, the expression “and sub-section (1) of section 71” shall be inserted; and

(b) after the word “with”, the expression “sub-section (7) of section 3” shall be inserted;
(2) in rule 5, for sub-rules (2) to (9), the following shall be substituted, namely:—

“(2) The applicant having NTN or income tax registration shall, using his login credentials, upload following information and documents.—

(a) bank account certificate issued by the bank in the name of the business;

(b) registration or consumer number with the gas and electricity supplier;

(c) particulars of all branches in case of multiple branches at various locations;

(d) GPS-tagged photographs of the business premises; and

(e) in case of manufacturer, also the GPS-tagged photographs of machinery and industrial electricity or gas meter installed.

(3) On furnishing above documents, the system shall register the applicant for sales tax.

(4) After registration, the applicant or his authorized person shall visit e-Sahulat Centre of NADRA within a month for biometric verification. In case of failure to visit or failure of verification, the registered person’s name shall be taken off the sales tax Active Taxpayer List.

(5) In case of manufacturer, the Board may require post-verification through field offices or a third party authorized by the Board.

(6) In case, the field office, during scrutiny after the registration, finds that any document provided is non-genuine or fake or wrong, it may request through the system, to provide the missing document, in fifteen days, failing which the registered person shall be taken off from the sales Active Taxpayer List, subject to approval of the Member (IR-Operations), FBR.”;

(3) after rule 150ZZG, the following new chapter and rules thereunder shall be inserted, namely:—
CHAPTER XIV-D

WITHHOLDING OF SALES TAX BY THE RECIPIENT OF SUPPLY

150ZZH. Application.—(1) This chapter shall apply to taxable goods and services as are supplied to the withholding agents as specified in the Eleventh Schedule to the Act, for the purpose of deduction and deposit of sales tax persons registered as exporters.

(2) This chapter shall also apply to services on which federal excise duty is payable in sales tax mode, and the ones specified in the Schedule to the Islamabad Capital Territory (Tax on Services) Ordinance, 2001 (XLII of 2001).

(3) Withholding agent, in case of supplies to Federal or Provincial Government departments, includes the accounting office which is responsible for making payment against the purchases made by a government department.

150ZZI. Responsibility of a withholding agent.—(1) The withholding agent, intending to make purchases of taxable goods, shall indicate in an advertisement or notice for this purpose that the sales tax to the extent as provided in this Chapter shall be deducted from the payment to be made to the supplier.

(2) A withholding agent, other than a recipient of advertisement services, shall deduct an amount as specified in the Eleventh Schedule to the Act and make payment of the balance amount to him as per illustration given below,—

**ILLUSTRATION (in case 1/5th of sales tax amount is to be deducted)**

<table>
<thead>
<tr>
<th>Value of taxable supplies excluding sales tax</th>
<th>Rs. 1000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales tax chargeable @ 17%</td>
<td>Rs. 170</td>
</tr>
<tr>
<td>Sales tax to be deducted by the withholding Agent</td>
<td>Rs. 34 (=) Rs. 170 + 5</td>
</tr>
<tr>
<td>Sales tax payable by the withholding agent to the supplier</td>
<td>Rs. 136 (=) Rs. 170 - Rs. 34</td>
</tr>
<tr>
<td>Balance amount payable to the supplier by the withholding agent.</td>
<td>Rs. 1136 (=) Rs. 1000 + Rs.136</td>
</tr>
</tbody>
</table>

Provided that the withholding agent shall not be entitled to reclaim or deduct the amount of tax withheld from such persons as input tax.

(3) A person who receives advertisement services, in case the sales tax amount is not indicated on the invoice received, he shall deduct sales tax at the
applicable rate of the value of taxable services from the payment due to the service provider.

(4) Where the purchases are made by a government department, the following procedure shall be observed, namely:—

(a) the Drawing and Disbursing Officer (DDO) preparing the bill for the accounting office shall indicate the amount of sales tax withheld as illustrated above. The accounting office shall adopt the procedure as indicated below:

(i) in case of purchases made by a department under the Federal Government, the office of the Accountant General of Pakistan Revenue shall account for the amount deducted at source during a month under the Head of Account “B02341-Sales Tax” and send an intimation to the Chief Commissioner, Regional Tax Office, Islamabad, by the 15th of the following month;

(ii) in case of purchases by departments under provincial or district governments, the Accountant General of the province or the District Accounts Officer, as the case may be, shall credit the amount deducted at source during a month to the head of account “G12777-Sales Tax Deductions at Source under rule 40 & 40A of Chapter Miscellaneous of Sales Tax (Withholding) Rules, 2007”. Cheque for the amount will be prepared by the Accountant General or the District Accounts Officer, as the case may be, in the name of Commissioner having jurisdiction by debit to the aforesaid head of account and sent to the Commissioner by the 15th of the following month; and

(iii) where the purchases are made by the departments falling in purview of Military Accountant General, the MAG shall account for the amount deducted at source during a month under the Head of Account “B02341-Sales Tax” and send intimation to the Chief Commissioner, Regional Tax Office, Rawalpindi, by the 15th of the following month. The amount so deducted at source shall be reported by MAG office to AGPR through civil exchange accounts; and

(b) the concerned Drawing and Disbursement Officer shall prepare the return in the form as set out in STR-28 for each month and forward the same to the Commissioner having jurisdiction by the 15th of the following month.
(5) In case of purchases, not covered by sub-rule (4) or sub-rule (6), the sales tax deducted at source shall be deposited by the withholding agent in the designated branch of National Bank of Pakistan under relevant head of account on sales tax return-cum-payment challan by 15th of the month following the month during which the purchase has been made. The return-cum-payment challan shall be prepared and deposited with the bank in triplicate and the bank shall send the original to the Commissioner of Sales Tax having jurisdiction, return the duplicate to the depositor and retain the triplicate for its own record:

Provided that a single return-cum-challan can be filed in respect of all purchases for which the payment has been made in a month.

(6) In case the withholding agent is also registered under the Sales Tax Act, 1990, or the Federal Excise Act, 2005, he shall deposit the withheld amount of sales tax along-with return filed for the month in which the purchase was made in the manner as provided in Chapter II, along-with other tax liability:

Provided that in case the withholding agent is not registered for sales tax or federal excise duty but holds a national tax number assigned under the Income Tax Ordinance, 2001 (XLIX of 2001), he shall file the return, as set out in STR-28, electronically and deposit the amount deducted at source in the manner as provided for persons filing returns electronically under rule 18:

Provided further that any other withholding agent may also opt to file the prescribed return electronically and deposit the deducted amount in the manner as provided in this sub-rule.

(7) The withholding agent shall furnish to the Commissioner of Sales Tax having jurisdiction all such information or data as may be requested by him for carrying out the purposes of these rules.

(8) A certificate showing deduction of sales tax shall be issued to the supplier by the withholding agent duly specifying the name and registration number of supplier, description of goods and the amount of sales tax deducted.

150ZZJ. Responsibility of the registered supplier.—(1) The registered supplier shall issue sales tax invoice as stipulated in section 23 of the Sales Tax Act, 1990, in respect of every taxable supply made to a withholding agent.

(2) The registered supplier shall file monthly return as prescribed in Chapter II, taking due credit of the sales tax deducted by the withholding agent, in the manner as prescribed in the return.

150ZZK. Responsibility of the Commissioner.—(1) The Commissioner shall keep a list of all withholding agents falling in his jurisdiction and monitor
payment of tax deducted by withholding agents falling in his jurisdiction and shall also ensure that the return prescribed under these rules is filed.

(2) The Commissioner shall ensure that the return received from the bank is duly fed in the computerized system as referred to in clause (5AA) of section 2 of the Sales Tax Act, 1990.

(3) The Commissioner shall periodically ensure that the suppliers mentioned in the return filed by the withholding agents, as fall under his jurisdiction, are filing returns under Chapter II, and are duly declaring the supplies made to withholding agents.

150ZZL. Exclusions.—The provisions of this Chapter shall not apply to the supplies of the following goods and services if made by a registered person, namely:—

(i) electrical energy;

(ii) natural gas;

(iii) petroleum products as supplied by petroleum production and exploration companies, oil refineries, oil marketing companies and dealers of motor spirit and high speed diesel;[

(iv) telecommunication services;

(v) goods specified in the Third Schedule to the Sales Tax Act, 1990 (VII of 1990), and the goods on which federal excise duty is payable in sales tax mode on the basis of retail price;

(vi) supplies made by commercial importers who paid value addition tax on such goods at the time of import as prescribed under Twelfth Schedule to the Act, and

(vii) Supplies made by an active taxpayer as defined in the Sales Tax Act, 1990 to another registered person with the exception of advertisement services.”.

2. This Notification shall take effect on and from the 1st day of July, 2019.

[C. No. 1/2-STB/2019.]

S.R.O. 699(I)/2019.—In exercise of the powers conferred by clause (g) of sub-section (46) and first proviso to sub-section (46) of section 2, sub-section (3) of
section 6, section 7, clauses (a) and (b) of sub-section (1) of section 8, first and second proviso to sub-section (1) of section 10, sub-section (3) of section 22, sub-section (5) of section 26, clause (a) of section 27, sections 30, 30B, 30E, 31, 32A and section 61 of the Sales Tax Act, 1990 (VII of 1990) and sub-section (12) of section 2, sub-section (2) of section 5 and clauses (i) and (b) of sub-section (2) of section 29 of the Federal Excise Act, 2005 the Federal Board of Revenue is pleased to rescind its Notifications No. SRO. 697(I)/1996, dated 22nd August, 1996, SRO. 26(I)/2006, dated 09th January, 2006, SRO. 524(I)/2006, dated 5th June, 2006, SRO. 751(I)/2006, dated 21st July, 2006, SRO. 993(I)/2006, dated 21st September, 2006, SRO. 1211(I)/2006, dated 4th December, 2006, SRO. 1260(I)/2006, dated 16th December, 2006, SRO. 170(I)/2008, dated 22nd February, 2008 and SRO. 345(I)/2010, dated 24th May, 2010.

2. This Notification shall take effect on and from the 1st day of July, 2019.

[C. No. 1/2-STB/2019.]

TAUQeer Ahmed,
Secretary (ST & FE-Budget).