

Rule	Sub-Rule	Clause	Amendment in Sales Tax Rules 2006
			S.R.O. 589(I)/2012.– In exercise of the powers conferred by sub-section (1) of section 4 and section 40 of the Federal Excise Act, 2005, section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, read with sub-section (2) of section 8, clause (ii) of sub-section (2) of section 8B, sections 9, 10, 14, 21 and 28, clause (c) of sub-section (1) of section 22, section 26, sub-section (6) of section 47A, sections 48, 50A, 52, 52A and 66 thereof, the Federal Board of Revenue is pleased to direct that the following further amendments shall be made in the Sales Tax Rules, 2006, namely:-
5			Application for registration
	1	c	in case of a person not incorporated, having a single manufacturing unit, whose business premises and manufacturing unit are located in different areas, shall apply for registration in the Collectorate of the area in whose jurisdiction his manufacturing unit is located: Provided further that a corporate person shall have the option to apply for transfer of registration to the Collectorate having jurisdiction where the place of business is located.- Provided further that the Federal Board of Revenue may transfer the registration of any registered person or any business of a registered person to an area of jurisdiction where the place of business or registered office or manufacturing units is located.
7			Change in the particulars of registration. --
	4		The change of nature of business (e.g. from individual to AOP or corporate person) shall be allowed as under, namely:-
		(i)	in case of transfer of individual business from any person to his spouses or children, the change shall be made by LRO on receipt of verification of documents from RTO;
		(ii)	in case of change in nature of business from individual to AOP, the change shall be made by LRO on receipt of verification of documents from RTO;
		(iii)	in case of change of nature of business from AOP to corporate entity, the same shall only be allowed by LRO on receipt of verification from RTO or LTU, however, this change shall only be allowed in cases where the same persons who are members of AOP are nominated as directors in the corporate entity; and
		(iv)	in case of transfer of business or change in nature on any other account, a new Sales Tax Registration Number shall be issued to the entity.

12		Blacklisting and suspension of registration. --
	(1)	<p>Where the Collector has reasons to believe that a registered person is found to have committed tax fraud or evaded tax or has failed to deposit the tax due on his supplies despite having recovered it from the respective buyers or recipients of such supplies, he may suspend his registration through an order in writing and initiate such inquiry, as deemed appropriate.</p> <p>Where the Commissioner or Board has reasons to believe that the registered person is to be suspended or blacklisted, the procedure as prescribed by the Board shall be followed.</p>
	(2)	<p>After such inquiry and investigation to confirm the facts and veracity of the information and after giving an opportunity to such person to clarify his position, the Collector, if satisfied that such person has committed any of the offences as aforesaid, may blacklist such person through an order in writing, and such blacklisting shall be without prejudice to any other action that may be taken against such person under the Act and the rules made thereunder.</p>
	(3)	<p>The inquiry in such cases shall be completed within ninety days, and show cause notice for recovery of any evaded amount of tax and for contravention of the provisions of the Act may be issued within the period specified under section 36 of the Act.</p> <p>Provided that where the records required for completion of the inquiry are not produced by the blacklisted person or a person whose registration has been suspended or by the suppliers of such person, the period of ninety days for completion of the inquiry shall be deemed to have been extended by a further period of ninety days.</p>
	(4)	<p>The order for blacklisting or suspending the registration of a registered person shall be communicated to such person, the CRO and to the Central Sales Tax database provided for this purpose.</p>
	(5)	<p>During the period of suspension of registration, the invoices issued by such person shall not be entertained for the purposes of sales tax refund or input tax credit, and once such person is blacklisted, the refund or input tax credit claimed against the invoices issued by him, whether prior or after such blacklisting, shall be rejected through a self speaking appealable order and after affording an opportunity of being heard to such person.</p>

46		<p>CHAPTER VII ZERO-RATING OF SUPPLIES AGAINST INTERNATIONAL TENDER FOR AFGHAN REFUGEES Procedure and conditions for making zero-rated supplies.—</p>
		<p>In terms of clause (a) of section 4 read with Serial No.4 of the Fifth Schedule to the Act, supplies against international tender for Afghan refugees shall be charged to tax at the rate of zero per cent subject to the following procedure and conditions, namely:--</p>
50A		<p>Application. The provisions of this Chapter shall apply to supply of locally produced taxable goods by sales tax registered persons against international tender contracts awarded by the Federal and Provincial departments, local governments, autonomous and semi-autonomous bodies and public sector organizations.</p>
50B		<p>Procedure and conditions for making exempt supplies.-</p> <p>In terms of sub-section (1) of section 13 of the Act read with serial No. 12 of Table-II of the Sixth Schedule thereto, supplies of locally produced goods against international tender contracts shall be exempt from sales tax subject to the following procedure and conditions, namely:—</p> <ul style="list-style-type: none"> (a) the supply shall be made against international tender issued by the Federal and Provincial departments, local governments, autonomous and semi-autonomous bodies and public sector organizations (hereinafter referred to as “the contract awarding person”); (b) the exempt supply of goods against international tender shall be to the extent of foreign grant, aid or loan component of the tender. The foreign component of the international tender shall be received in foreign currency which shall be surrendered by the contract awarding person to the State Bank of Pakistan as per State Bank of Pakistan’s procedure and foreign exchange regulations; (c) the invitation of bids for international tender shall be published in reputed newspapers or journals of international circulation and on website of the contract awarding person for international competitive bidding; (d) the contract awarding person or the successful bidder shall apply to the Board to avail the benefit of exemption to supplies against the international tender alongwith the following documents, namely:- <ul style="list-style-type: none"> (i) application giving full particulars of the applicant viz name, address, telephone numbers, e-mail address, NTN, STRN, if applicable, and any other information that he wants to submit; (ii) a certificate from the contract awarding person that Public Procurement Regulatory Authority Rules, 2006 have been complied with during the process of international competitive bidding or international tender;

Comment [I1]:
(a) goods exported, or the goods specified in the Fifth Schedule;

Comment [I2]:
Supplies against international tenders.

			<p>(iii) a certificate from the respective bank or authorized dealer of foreign exchange in proof of deposit of foreign exchange with the State Bank of Pakistan;</p> <p>(iv) tender amount of foreign exchange and equivalence in Pak rupees;</p> <p>(v) tentative list of goods required for the execution of tender and particulars of the supplier in the following format:-</p>
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S.No	STRN Of supplier	Name and address of supplier	Description of goods to be supplied.	Value of goods to be supplied.	Applicable rate of sales tax.	Sales tax involved
(1)	(2)	(3)	(4)	(5)	(6)	(7)

			<p>(vi) the facility of exemption from sales tax shall only be available to the goods which actually become part of the project to be completed or goods to be supplied against international tender and shall not be available to consumables, POL used in vehicles, office furniture etc; and</p> <p>(vii) any other document that may be required by the Board;</p>
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			<p>(e) the contract awarding person or the bidder may submit revised list of goods as required under sub-clause (v) of clause (d) anytime during the currency of the execution of the project;</p> <p>(f) the Board, subject to satisfaction, shall issue a provisional authorization for exempt supply of goods and shall endorse one copy of such authorization to each supplier and to the respective RTOs or LTUs;</p> <p>(g) after having provisional authorization of the Board, the supplier shall issue exempt invoice for each supply, mentioning full particulars of the buyer and a contract number, besides particulars required in section 23 of the Act;</p> <p>(h) after conclusion of the contract, the contract awarding person or the bidder shall submit a complete and final list of goods in the format prescribed in sub-clause (v) of clause (d). Subject to satisfaction, the Board shall issue final authorization certificate for exempt supply of goods and shall endorse one copy to each supplier and to the respective RTO or LTU;</p> <p>(i) in case, the goods are found not to be supplied against international tender, the sales tax involved on such goods shall be recoverable from the supplier, besides legal or penal action under appropriate provisions of the Act.</p> <p>(j) each registered person shall keep the copy of final authorization certificate as a lawful authorization of supply of exempt goods to the extent given in the final certificate; and</p>
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50C			Miscellaneous.- Any future supply of locally produced goods against international tender shall be governed under the provisions of this Chapter and the contract awarding person or the successful bidder shall apply afresh for provisional authorization of exempt supply under this Chapter
58			CHAPTER IX TAXPAYER'S AUTHORIZED REPRESENTATIVES Application.--
			The provisions of this Chapter shall apply to persons authorized by a taxpayer to represent him or appear on his behalf before the Appellate Tribunal, Board or any other adjudicating authority.
62			Power to disqualify.-
			On receipt of a complaint against any authorized representative for misconduct from the Appellate Tribunal, any officer of the Board or, as the case may be, an adjudicating authority, the Board may, after affording such representative an opportunity of being heard, disqualify him from representing the taxpayer.
			This Notification shall take effect on and from the 2nd day of June, 2012.