

Section	Subsection Clause/	Sub-clause	Amendment in The Sind Act XII , of 2011
			The Sindh Sales Tax on Service Act, 2011 (This Act may called the Sindh Finance Act, 2015.)
			Come into force on and from 1 st day of July, 2016
			NEW / inserted Omitted or deleted Substituted
2			Definitions
	14		“authorized service station” means a service station or service center, authorized by a motor vehicle manufacturer, whether local or foreign, to carry out any service or repair or reconditioning or restoration or decoration of motor vehicles, classified under (4) Chapter 87 of the First Schedule of the Customs Act, 1969 (Act No. IV of 1969), manufactured by such manufacturer;
	29A		“ Cosmetic and Plastic surgery ” includes the services provided or rendered by any person, in relation to aesthetic or cosmetic surgery or plastic surgery like abdominoplasty (tummy tuck), bletharoplasty (eyelid surgery), mammoplasty, buttock augmentation and lift, rhinoplasty (reshaping of nose), otoplasty (ear surgery), rhytidectomy (face lift) , liposuction (removal of fat from the body), brow lift, cheek augmentation, facial implants, lip augmentation, forehead lift, cosmetic dental surgery, orthodontics, aesthetic dentistry, laser skin surfacing, hair grafting, hair transplant and such other similar surgery;
	31A		“ debt collection services and other debt recovery services ” means the services provided by a person to a banking company or a financial institution including non-banking financial company or any other body corporate or a firm or a person, in relation to recovery of any sums due to such banking company or a financial institution including non-banking financial company or any other body corporate or a firm or a person, in any manner;
	60A		“ notification in the official Gazette ” means a notification issued under this Act shall be effective from the day specified therein, notwithstanding the fact that the issue of the official Gazette in which such notification appears is published at any time after that day; Applicable since 1 st day of July, 2011.
	Renumbered		Clause 69A-69B Clause 69B-69C Clause 69C-69D Clause 69D-69E and Clause 69E-69F
	69A		“ public relation services ” includes strategic counseling based on industry, media and perception research, corporate image management, media relations, media training, press release, press conference, financial public relations, brand support, brand launch, retail support and promotion, events and communications and crises communications;

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15			Adjustment
			The Board may, subject to such conditions and restrictions as it may prescribe and with the approval of the Government, allow registered persons to claim adjustments or deductions, including refunds arising as a result thereof, in respect of the sale tax paid on or in respect of any taxable services or class of taxable services provided by them.
			Provided that the refund arising as a result of a claim of adjustments or deductions, if any, shall be made on yearly basis in the month following the end of the financial year;
15A			Input tax credit not allowed
	1		Notwithstanding anything contained in this Act, a registered person shall not be entitled to claim, reclaim, adjust or deduct input tax in relation to-
		(a)	the goods or services used or to be used for any purpose other than for the taxable services provided or rendered or to be provided or rendered by him;
		(b)	the goods in respect of which sales tax has not been deposited in the Federal Government treasury by the respective suppliers of goods;
		(c)	the services in respect of which the Provincial sales tax has not been deposited in the treasury of the respective Provincial Government, and the services in respect of which the Islamabad Capital Territory sales tax has not been deposited in the treasury of the Federal Government;
		(d)	further tax, extra tax or value addition tax levied under the Sales Tax Act, 1990, and the rules or notifications issued thereunder;
		(e)	fake, false, forged, flying or fraudulent invoices or the invoices issued by persons black-listed or suspended by Board or FBR or any other Provincial Sales Tax Authority.
		(f)	capital goods and fixed assets not exclusively used in providing or rendering of taxable services;
		(g)	the following goods or services, excluding the ones directly used and consumed in the economic activity of a registered person in provision of the services paying sales tax at a rate not less than thirteen per cent ad valorem; <ul style="list-style-type: none"> (i) vehicles classified under Chapter 87 of the First Schedule to the Custom Act, 1969 (Act No. IV of 1969) and parts (including batteries and tyres and tubes) of such vehicles; (ii) calendars, diaries, gifts, souvenirs and giveaways; (iii) garments, uniforms, fabrics, footwear, handwear, headwear for the employees; (iv) food, beverages and consumptions on entertainments, meetings or

			<p>seminars or for the consumption of the registered person or his Directors, shareholders, partners, employees or guest;</p> <p>(v) electricity, gas and telecommunication services supplied at the residence of the employees or in the residential colonies of the employees;</p> <p>(vi) building materials including cement, bricks, mild steel products, paints, varnishes, distemper, glass products;</p> <p>(vii) office equipment and machines (excluding electronic fiscal cash registers), furnisher, fixtures or furnishing;</p> <p>(viii) electric and gas appliances, pipes and fittings;</p> <p>(ix) wires, cables, sanitary fittings, ordinary electric fittings, electric fans and electric bulbs and tubes; and</p> <p>(x) crockery, cutlery, utensils, kitchen appliances and equipment;</p>
		(h)	utility bills not in the name of the registered person unless evidence of consumption of such utilities is provided to the satisfaction of the officer of the SRB not below the rank of an Assistant Commissioner;
		(i)	goods or services procured or received by a registered person during a period exceeding six months prior to date of commencement of the provision of taxable services by him;
		(j)	goods or services used or consumed in a services liable to sales tax at ad valorem rate lesser than thirteen per cent or at specific rate at fixed rate or at such other rates not based on value;
		(k)	the amount of sales tax paid on the telecommunication services in excess of nineteen per cent ad valorem and the amount of sales tax paid on other taxable goods or services in excess of thirteen per cent ad valorem ; and
		(l)	such goods or services as are notified by the Board to be in-admissible for input tax claim or reclaim or credit or adjustment or deduction.
	(2)		In case where a registered person deals with taxable and non-taxable or exempt services, he shall be entitled to claim or reclaim, for input tax credit or adjustment or deduction, only such proportion of the input tax as is attributable to taxable or non-exempt services in such manner as may be prescribed by the Board.
	(3)		No person other than a person registered under sections 24, 24A or 24B of this Act shall claim or deduct or adjust any input tax in respect of sales tax paid on any goods or services received or procured by him for use or consumption in the provision of taxable services;
18			Joint and several liability of registered persons where tax unpaid.—
			Where a registered a person receiving a taxable service from another registered person is in the knowledge of or has reasonable grounds to suspect that some or all of the tax payable in respect of that taxable service or any previous or subsequent taxable service provided would go unpaid, such person as well as the person providing the taxable service shall be jointly and severally liable for payment of such unpaid amount of tax.

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19			Sales of taxable activity or transfer of ownership.—
			In the case of sale or transfer of ownership of a business which provides taxable services to another person as an ongoing concern, any sales tax chargeable on tax chargeable or assessed or determined in relation to the taxable services or part thereof shall be accounted for and paid by the person to whom such sale is made or ownership is transferred ; Provided that if the tax payable by person remains unpaid, the amount of the unpaid tax shall be the first charge on the assets of the business and the persons buying and selling the business shall be jointly and severally liable for payment of the tax;
23			Assessment of Tax.—
	2		No order under sub-section (1) shall be made by an officer of the SRB unless a notice to show cause is given to the person in default within five years eight years from the end of the tax period to which the order relates specifying the grounds on which it is intended to proceed against him and the said officer shall take into consideration the representation made by such person and provide him with an opportunity of being heard if the person so desires.
	8		Notwithstanding anything contained in this Act, Board may prescribe thresholds, parameters, standards and basis for assessment of supply value and the assessment of tax and the Board shall also have the powers to regulate the system of assessment including the powers for transfer of cases and extension of time in exceptional circumstances.
27			Retention and production of records and documents.—
	1		A person, who is required to maintain any record or documents under this Act, shall retain the record and documents for a period of five years ten years after the end of the tax period to which such record or documents relate or till the final decision in any proceedings including proceedings for assessment, appeal, revision, reference or petition, whichever is later.
30			Return-
	5		If there is a change in the rate of tax during a tax period, a separate return in respect of each portion of tax period showing the application of different rates of tax shall be furnished.

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34			Appointment of Authorities.—
	1		For the purposes of this Act, the Board may, by notification in the official Gazette, appoint in relation to any area, any case or class of cases specified in the notification, any person to be-
			(a) a Director of the Sindh Revenue Board; (b) a Commissioner of the Sindh Revenue Board; (c) a Commissioner (Appeals) of the Sindh Revenue Board; (d) a Deputy Commissioner of the Sindh Revenue Board; (e) an Assistant Commissioner of the Sindh Revenue Board; and (f) an officer of the Sindh Revenue Board with any other designation. a Senior Auditor and an Auditor of the Sindh Revenue Board; (g) a Sindh Sales Tax Officer of the Sindh Revenue Board; and (h) an officer of the Sindh Revenue Board with any other designation.
47			Recovery of tax not levied or short-levied.—
	1		Where by reason of some inadvertence, error or miscalculation any tax or charge has not been levied or has been short-levied, the person liable to pay any amount of tax or charge shall be served with a notice, within five years ten years of the relevant date, requiring him to show cause for payment of the amount specified in the notice.
	1A		Where by reason of some collusion, abetment, deliberate attempt, misstatement, fraud, forgery, false or fake documents- (a) Any tax or charge has not been paid or is, short paid, assessed or collected, the person liable to pay such tax shall be served with a notice within five years ten years of such tax period, requiring him to show cause for non-payment of such tax; (b) Any amount of tax is refunded which is not due, the person obtaining such refund shall be served with a notice within five years ten years of the receipt of such refund to show cause for such refund.
	1B		Where any person, required to withhold tax under provision of this Act or rules made thereunder, fails to withhold the tax or fails to deposit the withhold or deducted amount of the tax in the prescribed manner, an officer of the SRB shall determine the amount in default and order its recovery in the prescribed manner;
	2		The officer of the SRB empowered in this behalf shall, after considering the objections of the person served with a notice to show cause under sub-section (1) or (1A) or (1B) determine the amount of tax or charge payable by him and such person shall pay the amount so determined.

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	6		Notwithstanding anything contained in this Act, the Board shall have the powers to regulate the system of determination of liability under this section including the powers for transfer of cases and extension of time limit in exceptional circumstances;
60			Appointment of the Appellate Tribunal.—
	4		A person may be appointed as an as a Accountant Member of the Appellate Tribunal if the person is an officer of the SRB/ FBR equivalent in rank to that of:
	5		Notwithstanding anything contained in sub-section (4), the Government may, for three years from the day this Act comes into effect, appoint any person who has worked for a minimum of three years: <ul style="list-style-type: none"> (i) in the Federal Board of Revenue or Provincial Excise and Taxation Department in the rank not below the Bs.20 for 5 years 10 years in aggregate, or (ii) as Collector of Sales Tax (Appeals) under sub-section (b) of section 30 of the Sales Tax Act 1990,for 3years with service of at least 5 years 10 years in Bs. 20, as an as a Accountant Member of the Appellate Tribunal.
74			Removal of difficulties. —
			The Government may, for the purposes of removing any difficulty or for bringing the provisions of this Act into effective operation, by order, direct that provisions of this Act shall, during such period as may be specified in the order, have effect subject to such adaptations whether by way of modification or addition or omission as it may deem to be necessary or expedient: <p>Provided that the power under this section shall not be exercised after expiry of five years eight years from the commencement of this Act.</p>
75			Service of orders and decisions. —
	5		The validity of any notice issued under this Act or the validity any service of any service of a notice under this Act shall not be called into question after the notice has been complied with in any manner.