

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, 2017.)
			Come into force on and from 1 st day of July, 2017
			NEW / inserted Omitted or deleted Substituted
2			Definitions
	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 blepharoplasty (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;
	46		"franchise" means an authority given by a franchiser, including an associate of the franchiser, under which the franchisee is contractually or otherwise granted any right to produce, manufacture, distribute sell or trade or otherwise deal in or do any other business activity in respect of goods or to provide services or to undertake any process identified with the franchiser against franchiser, whether or not agents a consideration or fee, including technical fee, management fee, or royalty or such other fee or charges, irrespective of the fact whether or not a trademark, service mark, trade name, logo, brand name or any such representation or symbol, as the case may be, is involved:
	67B		"programme" means any audio or visual matter, live or recorded or re-recorded or subjected to any post-production processes like dubbing, coloring, sub-titling or captioning, intended to be disseminated by transmission of electro-magnetic waves through space or through cables to be received by general public either directly or indirectly through the medium of cables, telecommunication or relay stations;
9			Person liable to pay tax.--
	1		Where a service is taxable by virtue of sub-section (1) of section 3, the liability to pay the tax shall be on the registered person providing the service. Provided that where a registered person receiving the taxable services fails to make payment of the amount of tax to a service provider within one hundred and eighty days from the date of the tax invoice, and such service provider has also not made the payment thereof within the prescribed due date, the person providing and the person receiving taxable services shall, jointly and severally, be liable for such payment of the amount of tax. Explanation -1 For the purpose of this proviso, the "amount of tax" shall include the total amount of tax and also the amount f tax as was liable to be withheld or deducted by service recipient in terms of the rules notified under sub-section (2) of section 13 of this Act.

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			Explanation II - For the purpose of this proviso, the "registered person" shall include a person covered by the terminology "withholding agent" in terms of the rules notified under sub-section (2) of section 13 of this Act,
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-
		(jj)	goods or services as are liable to sales tax, whether a federal sales tax or a provincial sales tax, at specific rate or at fixed rate or at such other rates not based on value or at a rate lesser than thirteen per cent ad valorem and are used or consumed as inputs in the provision of a taxable service under this Act: Provided that in case of telecommunication services paying sales tax at a rate not less than nineteen and a half per cent ad valorem, the amount of sales tax paid on goods and services at ad valorem rates not exceeding seventeen per cent, can be claimed by the person providing the taxable telecommunication services;
		(k)	the amount of sales tax paid on the telecommunication services in excess of nineteen nineteen and half 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
15B			Adjustment of input tax paid on certain goods and services:
			Notwithstanding anything contained in this Act and without prejudice to provisions of section 15A, the input tax paid on the acquisition of such of the capital goods, machinery and fixed assets as are classified under Chapter ¹ 84 and ² 85 of the first schedule to the Customs Act, 1969(Act No. IV of 1969), shall be adjustable against the output tax in twelve equal monthly installments;
23			Assessment of Tax.—
	3		Any order under sub-section (1) shall be made within one hundred and twenty eighty days of issuance of the show cause notice or within such extended period as the officer of the SRB may, for reasons to be recorded in writing, fix provided that such extended period shall in no case exceed sixty days.

¹Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof

² Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles

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43			Offences and penalties.--			
			TABLE			
	S.No	Offences	Penalties	Section of the Act to which offence has reference		
	7B	Any person who refuses or denies or obstructs the compliance of the provisions of section 54A	Such person shall be liable to a penalty of 100,000 rupees or an amount equal to amount of tax involved, whichever is higher. Such person shall further be liable, upon conviction by a Special Judge, to imprisonment which may extend to one year, or with fine which may extend to 100,000 rupees or with both.	³ 54A		
47			Recovery of tax not levied or short-levied.--			
	3		Any order under sub-section (2) shall be made within one hundred and twenty eighty days of issuance of the notice to show cause or within such extended period as the officer of the SRB may, for reasons to be recorded in writing, fix, provided that such extended period shall in no case exceed sixty days.			
47A			Short paid amounts recoverable without notice.- Notwithstanding any of the provisions of this Act, where a registered person pays the amount of tax less than the tax due as indicated in his return, the short-paid amount of tax along with default surcharge shall be recovered from such person by attaching his bank accounts, without giving him a show cause notice and without prejudice to any other action prescribed under section 66 of this Act or the rules made under this Act: Provided that no penalty under section 43 of this Act shall be imposed unless a show cause notice is given to such person.";			

³ Intellectual property right - Finance Act, 2015 NO.PAS/Legis-B-26/2015

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52			Obligation to produce documents and provide information.--
	4		Every person, department, company or organization shall furnish the information and data and documents requisitioned by the Board or the officer of the SRB under subsection (2) or (3) this section, within the time specified in the notice issued by the Board or, as the case may be, the officer of the SRB.
54A			Monitoring or tracking by electronic or other means. -
	1		Subject to such conditions, restrictions and procedure, as it may deem fit to impose or specify, the Board may, by notification in the official Gazette, specify any registered person or class of registered persons or any of the services or class of services in respect of which monitoring or tracking of provision of service or services may be implemented through electronic or other means as may be prescribed.
	2		The Board may, in the prescribed manner, devise and implement an electronic system for monitoring and capturing the transactions recorded or the invoices issued by a registered person or a class of registered persons or a service or services or class of services, and transferring the information, obtained by such monitoring or capturing of transactions or invoices, to the computer systems of the Board on real time basis or otherwise.
	3		From such date as may be prescribed by the Board, the persons providing or rendering taxable services shall compulsorily use such electronic means or systems, including fiscal cash registers, as may be specified or prescribed by the Board, for issuance of tax invoice.";
57			Appeals-
	1		Any person, other than the Board or any of its officers, aggrieved by any decision or order passed under sections 22, 23, 24B, ⁴ 25A, 43, 44, 47, 68 or 76 by an officer of the SRB may, within thirty days of the date of receipt of such decision or order, prefer an appeal to the Commissioner (Appeals) SRB.

⁴ De-registration

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66			Recovery of arrears of tax. --
	1		Subject to sub-section (2), where any amount of tax is due from any person, the officer of the SRB may:-
		f	recover such amount by attachment and sale of any moveable or immovable property of the guarantor, person, company, bank or financial institution where a guarantor or any other person, company, bank or financial institution fails to make payment under such guarantee, bond or instrument. "Provided that the officer of the SRB shall not issue notice under this section or the rules made thereunder for recovery of any tax due from a taxpayer if the said taxpayer has filed an appeal under section 57 in respect of the order under Which the tax sought to be recovered has become payable and the appeal has not been decided by the Commissioner (Appeals), subject to the condition that an amount equal to twenty-five per cent of the amount of tax due has been paid by the tax payer.";
72A			Power to require that licenses or permissions to persons providing or rendering taxable services be issued or renewed only after verifying that such persons are duly registered under sections 24, 24A or 24B. -
			The Board may, with the approval of Government, by notification in the official Gazette, require that any authority, including a regulatory authority, competent to issue or renew licenses or permissions for engaging into an economic activity which is a taxable service, shall not issue or renew such licenses or permissions unless the licensee or the permission-holder submits the evidence that he is duly registered under section 24 or 24A or 24B of this Act.";
75			Service of orders and decisions. --
	7		The Board may, by notification in the official Gazette, direct that all or specific communications, including notifications , notices, show cause notices, orders, assessments and requisitions from the Board, the Appellate Tribunal or any officer of the SRB to a specific registered person or class of registered person shall be made electronically.

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81			Condonation of time-limit.--
			Where any time or period has been specified under any of the provisions of the Act or rules made there-under within which any act or thing, including submission of an application, filing of a return or payment of tax, is to be done, the Board may, in any case or class of cases, permit such application to be made or such act or thing to be done within such time or period as it may consider appropriate:
			Provided that the Board may, by notification in the official Gazette, and subject to such limitations or conditions as may be specified therein, empower any Commissioner SRB to exercise the powers under this section in any case or class of cases.
			Explanation. - For the purpose of this section, the expression "act or thing to be done" includes any act or thing to be done by the registered person or by the authorities specified in section 3 .4 of this Act";
			STATEMENT OF OBJECTS AND REASONS
			In order to rationalize certain taxes and to amend certain laws in the Province of Sindh, it is expedient to enact a law in the subject matter.
			The Bill seeks to achieve the above object