

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, 2019.)
			Come into force on and from 1 <sup>st</sup> day of July, 2019
			NEW / inserted Omitted or deleted Substituted

2			Definition
	(13A)		<b>Auditor</b> - means a person appointed as an Auditor of Sindh Revenue Board under section 34;
	(19A)		<b>"Cab aggregator"</b> means a person who is an aggregator or operator or intermediary or online marketplace who canvasses or solicits or facilitates passengers for travel by motor vehicles like taxi, cab, car, van, motorcycle and rickshaw, and who connects the passenger or the intending passenger to a driver of any of the aforesaid motor vehicles through telephone, cellular phone, internet, web-based services or GPS or GPRS-based services, electronic or digital means, whether or not he charges or collects any fee, fare, commission, brokerage or other charges or consideration for providing or rendering such services;"
	(42A)		<b>"fashion designer"</b> means a person providing or rendering the services of fashion designing including the economic activities relating to conceptualizing, outlining and creating designs and preparing designs and patterns for <b>fabrics</b> costumes, apparels, garments, clothing, accessories, jewelry, foot wears or any other services incidental or ancillary to such fashion designing <b>like tailoring, stitching;</b>
	(51B)		<b>"Indore Sports and games "</b> , by whatever name called, includes a person who provides or renders the facility of indoor sports or games whether for amusement, recreation of otherwise, for a consideration in its premises;
	(53A)		<b>"insurance agent"</b> includes an agent as defined in clause (a) of sub-rule 2 of the Insurance Rules, 2017 and also includes an insurance broker as defined in clause (xxviii) of section 2 of the Insurance Ordinance, 2000 (Ordinance No. XXXIX of 2000);
	(60B)		<b>"online marketplace"</b> means an information technology platform run by e-commerce entity or organization over an electronic network that acts as a facilitator in transactions that occur between a buyer and a seller or between a service provider and service recipient::
	(72CC)		<b>"renting of machinery, equipment, appliances and other tangible goods"</b> means the services provided or rendered, to any person by another person, by renting of machinery, equipment, appliances and other tangible goods including bulldozers, excavators, road rollers and levelers, cranes, construction machinery and equipment, earthmoving machinery and equipment, scaffolding, generators, refrigerators or in relation to such renting.  Explanation. The commodity or equipment leasing and the hire purchase leasing, as classified under tariff heading 9813.3020 and 9813.3030 respectively, and also the rent a car and automobile rental service, as classified under tariff heading 9819.3000 shall be excluded from the purview of this clause;

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	(83A)		<b>"Sindh Sales Tax Officer"</b> means a person appointed as a Sindh Sales Tax Officer of the Sindh Revenue Board under section 34;
	(84A)		<b>"site preparation and clearance, excavation and earth moving and demolition services"</b> means any service provided or rendered to any person by another person, in relation to site preparation and clearance, excavation and earth moving and demolition and such other similar activities, including -
		(i)	Drilling, boring and core extraction services for construction, geophysical, geological and similar purposes but not including the services in relation to mining of minerals, oil or gas; or landfill, leveling, trench digging, rock removal, blasting and similar services; or
		(ii)	Soil stabilization; or
		(iii)	Horizontal drilling for passage of cables or drain pipes; or
		(iv)	Land reclamation work; or
		(v)	Contaminated top soil stripping work; or demolition or wracking of building, structure or road;;
	(98AA)		<b>"training services"</b> means the training service provided or rendered by any person, institute or establishment, by whatever name called for imparting skill or knowledge or lesson on any subject or field, with or without issuance of a certificate, and includes the services of vocational, professional, technical, commercial or specialized trainings, courses, seminars, workshops and lectures imparted for consideration but does not include the services of coaching or training of sports; and
	(100)		<b>"warehouses or depots for storage or cold storages"</b> means the facility or space provided or rendered or let out on rent or otherwise for the storage, cold storage or warehousing of goods including those in the form of liquids and gases, but not including the storage of food grains and fresh vegetables and fruits not subject to further processing and also not including the storage in public bonded warehouses as defined in clause (69); and
	(101)		<b>"wages collection, transportation, processing and management services"</b> means services provided in the matters of collection, processing, transportation, disposal, recycling and management of all kinds of wastes, waste materials and garbage and includes road and street cleaning services, whether manually, mechanically or otherwise,;
13			Special procedures and tax withholding provisions.--
	(3)		Where a person or class of persons is required to withhold or deduct full or part of the tax on the provision of any taxable service or class of taxable services and either fails to withhold or deduct the tax or, having withheld or deducted the tax, fails to deposit the tax the Government treasury, such person or class of persons shall be personally liable to pay the amount of tax and the default surcharge thereon in the prescribed manner.

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15A			In section 15A, in sub-section (1), in clause (j), after the words " specific rate", the word "or" shall be inserted;
26			<b>Records</b>
	(1)		A registered person providing taxable services shall maintain and keep at his business premises or registered office in English or Urdu or Sindhi the following records of taxable services provided (including exempt services) by him or by his agent acting on his behalf in such form and manner as would permit ready ascertainment of his tax liability during a tax period-
		(a)	records of taxable services provided indicating: (i) the description and type of service; (ii) the value of the service; (iii) the name and address of the person to whom the service was provided; and (iv) any other information as may be specified by the Board.
		(b)	records of exempt services; and
		(c)	<u>such other records as may be specified by the Board.</u> Records of tax invoices and debit and credit notes issued by the person;
		(d)	records of tax invoices and debit and credit notes received by the person;
		(e)	Records of customs documents (goods declaration under section 30 of the Customs Act, 1969 and its ancillary documents) ; and
		(f)	Such other records as may be specified by the Board;
27			<b>Retention and production of records and documents. --</b>
	(2)		A person who is required to maintain any record or documents under this Act or any other law shall, as and when required by an officer of the SRB, not below the rank of <u>Assistant Commissioner SRB Auditor SRB or Sindh Sales Tax Officer SRB</u> , produce records or documents which are in his possession or control or in the possession or control of his agent; and where such records or documents have been stored as electronic data, he shall allow access to such officer and use of any machine on which such data is kept.
28			<b>Audit Proceedings. --</b>
	(1)		An officer of the SRB, not below the rank of <u>Assistant Commissioner SRB Auditor SRB or Sindh Sales Tax Officer SRB</u> , may, on the basis of the return submitted by a registered person or the records obtained under sub-section (2) of section 27 conducts an audit of such person once in a year.  Provided that in case the Commissioner SRB has any information showing that such registered person is involved in tax fraud or evasion of tax, he may authorize an officer of the SRB, not below the rank of <u>Assistant Commissioner SRB Auditor SRB or Sindh Sales Tax Officer SRB</u> , to conduct an inquiry or investigation under section 48 which may or may not be in addition to any audit carried out for the same period.

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	(2)		Where the officer of the SRB decides to conduct an audit under subsection (1), he shall issue a notice of audit to the person informing him of the audit proceedings and direct him to produce any records or documents which such officer may require for conducting the audit.;
			Provided that the officer of the SRB may, with the permission of the Commissioner, conduct the audit in the place of business or the office of the registered person directing him to produce the records and documents in such premises as indicated in the notice.;
29			<b>Special Audit by Chartered Accountants or Cost Accountants.--</b>
	(d)		any other person as may be appointed by the Board for the purpose of this section, to conduct audit or special audit or forensic audit of registered person or persons, including audit of refund claims or input tax credit claims and the scope of such audit shall be determined by the Board or the Commissioner <u>on to case on case</u> to case basis. In addition, the Board may, where it considers appropriate, also get such audit or special audit or forensic audit conducted jointly with similar audits being conducted by FBR or other provincial administrations of sales tax on services.
34			<b>Appointment of Authorities.--</b>
	(1)		For the purposes of this Act, the Board may, <u>by notification in the official Gazette</u> , appoint in relation to any area, any case or class of cases <u>specified in the notification</u> , any person to be-
43			<b>Offences and penalties.--</b>

TABLE		
Offences	Penalties	Section of the Act to which offence has reference
2A. Where any person fails or refuses to issue a tax invoice as required in sub-rule (1) of rule 29 of the Sindh Sales Tax on Services Rules, 2011.	Such person shall be liable to pay a penalty of Rs. 20,000 on first default and Rs. 50,000 for each subsequent default. In case of three acts of such default, the business premises shall be liable to be sealed.	General
2B. Where any person either avoids defies, fails to comply with e-invoicing system or issues invoices outside the e-invoicing system.	Such person shall be liable to pay a penalty of up to Rs. 100,000 But not less than Rs 25,000. In case of three consecutive defaults, the place of business of such person may further be liable to sealing	54A

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52			<b>Obligation to produce documents and provide information.--</b>
	(1)		Notwithstanding anything contained in this Act or any other law for the time being in force, any person required to maintain any record under the Act, shall, on demand by an officer of the SRB, not below the rank of a <u>Assistant Commissioner SRB</u> Auditor SRB or Sindh Sales Tax Officer SRB by notice in writing, as and when specified in the notice-
54A			In sub-section (3) after the words "invoice" appearing at the end, the words "under the e-invoicing system" shall be added;
58			<b>Procedure in appeal</b>
	(4)		The Commissioner (Appeals) may stay the <u>recovery of any recovery of the whole or any part of the sales tax</u> due by virtue of the decision or order being appealed against and any such order made by the Commissioner (Appeals) shall remain operative for no more than fifteen days during which period a notice shall be issued to the respondent and after hearing the parties, the order staying recovery may be confirmed, varied or vacated as the Commissioner (Appeals) deems fit but the stay order so confirmed or varied shall remain operative for no more than <u>sixty one hundred twenty</u> days, including any period for which the recovery may have been stayed prior to the confirmation or variation of the stay order.
60			<b>Appointment of the Appellate Tribunal.--</b>
	(4)		A person may be appointed as an Technical member of the Appellate Tribunal if the person is an officer of the SRB/ FBR equivalent in rank to that of:
		(a)	a Commissioner (Appeals) SRB/ FBR having at least <u>three years' experience as Commissioner SRB</u> five years experience as Commissioner (Appeals) SRB ; or
		(b)	a Commissioner SRB/FBR having at least five years experience as Commissioner SRB <u>including atleast three years experience as Commissioner (Appeals) SRB</u> ; and
		(c)	is below the age of sixty-five <u>years</u> but not below the age of forty-five years;
	(14)		If there are an equal number of members on the Appellate Tribunal, the Government may <u>appoint</u> at the request of the Chairperson, nominate an Officer not below the rank of BS 20 to be an additional member for the purpose of deciding the case on which there is a difference of opinion.
65A			Government may appoint Ombudsmen or may assign duties and functions of ombudsmen to any officer retired or serving not below the rank of BS-21 officer to act as an ombudsmen with regard to the redressal of grievances of the tax payers or the registered persons for <u>inordinate</u> delays, maladministration within the field offices of Sindh revenue Board for delays, ineptitude or for misconduct, and may advise the Board to adopt corrective measures for implementation of such advice. Government may frame rules in consultation with the SRB for implementation of the provisions.

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66			<b>Recovery of arrears of tax.--</b>
	(1)	2 <sup>nd</sup> Proviso	Provided further that in cases where assessment of the tax has been made under section 23 or where determination of tax not levied or short levied has been adjudged under section 47, action for the recovery of the tax and the default surcharge and penalty relating thereto shall not be made under this section for a period of thirty days from the date of the order of such assessment or determination.;
84			<b>Validation</b>
	(2)		All notifications and orders issued and notified in exercise of the powers conferred upon Government or with the approval of Government under this act, before the commencement of the Sindh finance act, 2019, shall be deemed to have been validly issued and notified in exercise of those powers and with the approval of Government, as the case may be.;