SECOND SCHEDULE

PART-I

List of Services subject to a rate higher than standard rate)

[See proviso to section 8(1)]

S.No.	CPC code	Description	Rate
(1)	(2)	(3)	(4)
1	83159	Other hosting and IT infrastructure provisioning services provided in respect of collocation services	19.50%
2	841	Telephony and other telecommunications services	19.50%
3	842	Internet telecommunications services	19.50%
4	85230	Security systems services including vehicle tracking services and other tracking	19.50%
5	87340	Installation services of radio, television and communications equipment and apparatus provided by telephony, internet and security system service providers	19.50%

PART-II

(List of Services liable to tax at a rate lower than standard rate)

[See proviso to section 8(1)]

General Conditions:

(1) The input tax deduction shall not be admissible against the output tax paid on the services or class of services specified in this Part except where option to opt for reduced rate, as provided in condition (2) below, is not exercised.

(2) For the services specified against S. Nos. 1, 7, 9, 19, 20 and 32 in the Table below, to avail the reduced rate, the service provider shall e-file an option to charge, collect and pay sales tax at the rates specified herein in the manner as prescribed.

TABLE

S. No.	CPC Code	Description	Rate	Conditions and Restrictions
(1)	(2)	(3)	(4)	(5)
1	54	Construction services	8%	Nil
2	54	Construction services	5%	The rate shall apply to construction services in relation to Government Civil Works for which the expenditure is paid out of the expenditure budget of the Federal Government, Government or the Local Government or the Cantonment Board
3	612	Wholesale trade services on a fee or contract basis	(a) 8%	(a) The rate shall apply to the services provided or rendered by – (1) Auctioneer; and (2) Car or automobile dealer
	62	Retail trade service	(b) 3%	(b) The rate shall apply to the services provided or rendered by an Indenter from a place of business in Sindh for which the registered person receives the value of the services from a place outside Pakistan in foreign exchange through banking channels in the business bank account of the registered person in the manner prescribed by the State Bank of Pakistan.
4	633	Food serving services	8%	The rate shall apply to the services provided or rendered by restaurants including the restaurants located in hotels, motels, guest houses or farmhouses, where payment against tax invoices for restaurant services is received through debit or credit cards, mobile wallets or QR scanning.
	634	Beverage serving services		
5	64115	Taxi services	5%	The rate shall apply to the services provided or rendered by the owners or drivers of the vehicles using the cab aggregator services.
6	64116	Rental services of passenger cars with operator	8%	The rate shall apply to the services provided or rendered by rent-a-car and vehicle rental service.
	64118	Local bus and coach charter services		
	660	Rental services of transport vehicles with operators		
7	6511	Road transport services of freight	8%	Nil
8	6511	Road transport services of freight	3%	The rate shall apply to the services provided or rendered by truck *addas* or through bus or wagon stands excluding transportation or carriage of – (a) petroleum oils through oil tankers; (b) automotive vehicles, classified under tariff headings of Chapter 87 of the First Schedule to the Customs Act, 1969 as are transported or carried through specialized vehicle carriers; and

				(c) goods and cargo through vehicles operated by Fleet Logistic Companies having not less than 25 vehicles in its fleet.
9	6513	Transport services via pipeline	8%	Nil
10	67410	Bus station services	5%	Nil
11	6742	Highway, bridge and tunnel operation services	5%	Nil
12	67430	Parking lot services	5%	Nil
	67440	Towing services for commercial and private vehicles		
13	67910	Freight transport agency services and other freight transport services	Rs.1,000 (Rupees one thousand) per bill	The rate shall apply to the services provided or rendered by freight forwarding agents in respect of issuance of bill of lading, house bill of lading, airway bill and house airway bill.
14	71331	Motor vehicle insurance services	5%	This rate shall apply to motor vehicle third-party insurance as required under the Provincial Motor Vehicle Ordinance, 1965 (West Pakistan Ordinance No. XIX of 1965).
15	71592	Foreign exchange services	3%	The rate shall apply to the services involving consideration of "spread" charges as permitted by the State Bank of Pakistan in relation to the buying and selling of foreign currencies.
16	71610	Insurance brokerage and agency services	5%	Nil
17	7211	Real estate services involving own or leased property including rental or leasing services involving own or leased property	3%	The rate shall apply to the rental or leasing services including renting, letting, sub-letting, leasing, sub-leasing, licensing or similar other arrangements of immovable property for use in the course or furtherance of business or commerce.
18	722	Real estate services on a fee or contract basis	8%	The rate shall not apply to services falling under CPC code 7224.
19	733	Licensing services for the right to use intellectual property and similar products	8%	The rate shall not apply to services falling under CPC code 7331 and 7335.
	83960	Trademarks and franchises		
20	7331	Licensing services for the right to use computer software and databases	3%	The rate shall not apply to the services falling under CPC Code 83159
	83131	IT consulting services		
	83132	*IT support services*		
	8314	Information technology (IT) design and development services		
	8315	Hosting and information		

		technology (IT) infrastructure provisioning services		
	8316	IT infrastructure and network management services		
	843	On-line content		
21	81	Research and development services	8%	Nil
22	82	Legal and accounting services	8%	Nil
23	83117	Business process management services including distribution services	5%	The rate shall apply to the supply chain management and distribution services provided or rendered by a registered person in relation to the drugs registered under the Drugs Act, 1976 (Act No. XXXI of 1976).
24	83214	Historical restoration architectural services	8%	Nil
25	838	Photography services and photographic processing services	8%	Nil
26	83919	Other specialty design services	5%	The rate shall apply to the services provided or rendered by Fashion Designers.
	83920	Design originals		
27	8461	Radio and television broadcast originals	8%	Nil
	8462	Radio and television channel programmes		
	9612	Motion picture, videotape, television and radio programme production services		
	96139	Other post-production services		
28	8463	Broadcasting services and multi-channel programme distribution services except PCP code 84631	8%	Nil
			2%	The rate shall apply to the services provided or rendered by "Stand-alone Cable TV Operators", for this purpose "Stand-alone Cable TV Operator" means a person whose principal activity is the provision of services of "Cable TV Operators" and whose other service-related business activity, if any, is restricted to the provision of the taxable services of "advertisement on cable TV network".
29	85240	Armoured car services	8%	Nil
	85250	Guard services		
	85290	Other security services		
30	853	Cleaning services	8%	Nil
31	855	Travel arrangement, tour operator and related services	5%	Nil
32	85931	Telephone call centre services	3%	The rate shall apply to the services provided or rendered by call centres.
	85991	Other information services		
33	85999	Other support services n.e.c.	8%	The rate shall apply to the services provided or rendered by an auctioneer.

34	871	Maintenance and repair services of fabricated metal products, machinery and equipment	8%	Nil
	872	Repair services of other goods		
35	88	Manufacturing services on physical inputs owned by others	8%	The rate shall apply to the services provided or rendered to non-industrial consumers.
36	891	Publishing, printing and reproduction services	5%	Nil
37	892	Moulding, pressing, stamping, extruding and similar plastic manufacturing services	8%	The rate shall apply to the services provided or rendered to non-industrial consumers.
	893	Casting, forging, stamping and similar metal manufacturing services		
38	92	Education services	3%	The rate shall apply to- (1) the services where the amount of fee/charges for such services exceeds rupees five hundred thousand per annum per student; and (2) the training services.
39	931	Human health services	3%	The rate shall apply to- (1) the services provided or rendered by medical practitioners and consultants, other than the services in relation to cosmetic and plastic surgery, where consultation fee or charges exceed rupees three thousand per session or visit; and (2) the bed/room services of hospitals where per day charges for such rooms/beds, including all fixed charges, exceed rupees twenty five thousand per bed/ room.
40	961	Audio-visual and related services	8%	Nil
41	965	Sports and recreational sports services	Rs. 200 per person	The rate shall apply to the services of entry in race club for witnessing race event.
42	965	Sports and recreational sports services	8%	Nil
43	969	Other amusement and recreational services	8%	Nil
44	971	Washing, cleaning and dyeing services	5%	Nil
45	972	Beauty and physical well-being services	8%	Nil
			5%	The rate shall apply to the services provided or rendered subject to the condition that-

				(1) the registered person integrates his POS with SRB's Computerized System for real-time reporting of each sale; and (2) no such service is provided without getting SRB's invoice number and printing the same along with SRB QR code.
46	97990	Other miscellaneous services n.e.c.	5%	Nil