

Government of Pakistan
Revenue Division
Federal Board of Revenue

Islamabad, the 25th April, 2019.

NOTIFICATION
(Sales Tax)

S.R.O. 488(I)/2019.— In exercise of the powers conferred by sub-section (13) of section 47A, sub-section (1) of section 4, section 40 and section 45A 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 (b) of sub-section (1) of section 8, clause (ii) of sub-section (2) of section 8B, sections 9, 10, 14, 21, 21A and 28, clause (c) of sub-section (1) of section 22, first proviso to sub-section (1) of section 23, section 26, section 33, section 40C, 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:—

In the aforesaid Rules,—

(1) for rules 63 to 69, the following shall be substituted, namely:—

“63. **Application.**— (1) This chapter shall apply to all cases of disputes brought or specified for resolution under section 47A of the Act.

64. **Definitions.**— In this chapter, unless there is anything repugnant in the subject or context,—

- (a) "applicant" means an aggrieved person or a class of persons who has brought a dispute for resolution under section 47A of the Act;
- (b) "Committee" means a Committee constituted under sub-section (2) of section 47A of the Act; and

- (c) "dispute" means any grievance of the applicant pertaining to matter specified in sub-section (1) of section 47A of the Act.

65. Application for alternative dispute resolution and appointment of Committee.— (1) Any person interested for resolution of any dispute under section 47A shall make a written application for alternative dispute resolution to the Board in the Form as set out in STR-27.

(2) The Board, after examination of contents of the application made under sub-rule (1) and facts stated therein and on satisfaction that the application may be referred to a Committee for the resolution of the hardship or dispute, shall appoint and notify a Committee, within a period of sixty days from receipt of the application consisting of persons as specified under sub-section (2) of section 47A of the Act.

(3) A retired judge not below the rank of District & Sessions Judge, appointed in a manner as aforesaid, shall be Chairperson of the Committee.

(4) After notification of the Committee under sub-rule (2), the applicant or the Commissioner or both, as the case may be, shall withdraw appeal pending before any court of law or an appellate authority relating to the hardship or dispute stated in the application filed under sub-rule (1).

(5) Subject to the proviso to sub-section (4) of section 47A of the Act, the Committee appointed and notified under sub-rule (2) shall commence proceedings after receipt of order of withdrawal of appeal from the Board.

66. Procedure to be followed.— The Chairperson of the Committee shall be responsible for deciding the procedure to be followed by the Committee which may, *inter-alia*, include the following, namely:-

- (a) to decide about the place of sitting of the Committee, in consultation with the Chief Commissioner having jurisdiction over the applicant;
- (b) to specify date and time for conducting proceedings by the Committee;
- (c) to supervise the proceedings of the Committee;

- (d) to issue notices by courier or registered post or electronic mail to the applicant;
- (e) to requisition and produce relevant records or witnesses from the Commissioner or other concerned quarters;
- (f) to ensure attendance of the applicant for hearing either in person or through an advocate, representative or a tax consultant;
- (g) to consolidate decision of the Committee and communicate it to the Board, the Commissioner and the applicant; and
- (h) for any other matter covered under these rules.

67. **Working of the Committee.**– (1) The Committee may conduct inquiry, seek expert opinion, direct any officer of Inland Revenue or any other person to conduct an audit and make recommendations to the Committee in respect of dispute or hardship.

(2) The Committee may determine the issue and may thereafter seek further information or data or expert opinion or make or cause to be made such inquiries or audit as it may deem fit, to decide the matter specified in sub-section (1) of section 47A of the Act.

68. **Decision of the Committee.**– (1) The Committee shall decide the dispute within one hundred and twenty days from the date of receipt of order of withdrawal from the Board mentioned in sub-rule (5) of rule 65. Decision of majority members of the Committee shall be construed decision of the Committee which shall be communicated by the Committee to the Board, the Commissioner having jurisdiction and the applicant.

(2) The decision of the Committee under sub-rule (1) shall be binding on the Commissioner and the aggrieved person.

(3) On receipt of the Committee's decision, the applicant shall make payment of sales tax and other taxes as specified by the Committee in its decision and the Commissioner shall modify order as per decision of the Committee.

69. **Remuneration.**— (1) The Chairperson of the Committee appointed under sub-rule (3) of rule 65 shall be paid a lump sum one-time remuneration of two hundred thousand rupees for his services.

(2) A member of the Committee appointed under clause (ii) of sub-section (2) of section 47A of the Act shall be paid a lump sum one time remuneration of one hundred thousand rupees for his services.

(3) The remuneration specified in sub-rules (1) and (2) shall be paid by the Board from its budget allocation within fifteen days of the receipt of the decision of the Committee under sub-rule (1) of rule 68.”; and

(2) After STR-26, the following Form shall be added, namely:—

“STR-27

[see sub-rule (1) of rule 65]

**Application for Alternative Dispute Resolution
under section 47A of the Sales Tax Act, 1990**

To,
The Chairman,
Federal Board of Revenue,
Islamabad

Dear Sir,

The undersigned being _____ (name and address of the applicant) duly authorized hereby apply for hardship and dispute resolution under section 47A of the Sales Tax Act, 1990.

2. Necessary details of the dispute or hardship are set out below and in the Annexure to this application.

3. A request is made to constitute a Committee as provided under sub-rule (2) of rule 65 of Sales Tax Rules, 2006.

4. As provided in clause (ii) of sub-section (2) of section 47A, I hereby nominate Mr/Ms_____ (name and address of the senior chartered accountant or senior advocate or reputable businessman from a panel notified by the Board) to be a member of the said Committee.

5. The following documents as are necessary for the resolution of the dispute or hardship are enclosed.

- (a) _____
- (b) _____
- (c) _____

Yours faithfully,

Signature _____

Name (in block letters) _____

NTN/STRN

Address _____

Date _____

Annexure

[see paragraph 2 of STR-27]

- (1) Name of the applicant (in block letters) _____
- (2) National tax number/STRN _____
- (3) CNIC (for individuals) _____
- (4) Address of the applicant _____
- (5) Telephone Number _____ e-mail address _____
Fax Number _____
- (6) Tax period to which the dispute or hardship relates _____
- (7) The Commissioner with whom a dispute has arisen _____
- (8) The following is the statement of the relevant facts and law with respect to dispute or hardship having bearing on the questions on which the resolution is required (Please annex extra sheet, if required):-

- (9) Statement containing the applicant's interpretation of law or facts, as the case may be, in respect of questions on which resolution is required is as follows (Please annex extra sheet, if required):-

- (10) The extent or the amount of tax which the applicant agrees to pay, if any.
Rs. _____

- (11) The undersigned, solemnly declares that-

- (a) full and true particulars of the dispute or hardship for the purposes of resolution have been disclosed and no material aspect affecting the determination of the application filed under section 47 of the Sales Tax Act, 1990, in this behalf has been withheld;
- (b) the above issues are pending before (name of the appellate forum, ATIR or Court)/ not pending before any forum, ATIR, High Court or Supreme Court of Pakistan for adjudication.

Yours faithfully,
Signature

Name (in block letters)

Designation

Date _____”.

[F.No. 5/10-STB/2018]

(Tauqeer Ahmed)
Secretary (ST&FE-Budget)