

# **KARACHI TAX BAR ASSOCIATION** **(PDP 2018 – Class 9)**

Course Facilitator:  
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(Manager – Business Tax Services)  
09 January 2019 (2:00 PM to 5:00 PM)



## **Course Outline**

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- ▶ **Fundamental/General Principles of Sales Tax;**
- ▶ **An Overview of Sales Tax in Pakistan;**
- ▶ **Sales Tax Registration / Deregistration;**
- ▶ **Filing of Sales Tax (Goods / Services) Return, and;**
- ▶ **Withholding of Sales Tax (Goods / Services) Statements**

## Abbreviations

FBR	The Federal Board of Revenue
SRB	The Sindh Revenue Board
PRA	The Punjab Revenue Authority
KPRA	Khyber Pakhtunkhwa Revenue Authority
ST Act	The Sales Tax Act, 1990
ST Rules	The Sales Tax Rules, 2006
FE Act	The Federal Excise Act, 2005
FE Rules	The Federal Excise Rules 2005
PST Ordinances	The Provincial Sales Tax Ordinances, 2000
Sindh Act	The Sindh Sales Tax on Services Act, 2011
Sindh Rules	The Sindh Sales Tax on Services Rules, 2011
Punjab Act	The Punjab Sales Tax on Services Act, 2012
Punjab Rules	The Punjab Sales Tax on Services Rules, 2012
KPK Act	The Khyber Pakhtunkhwa Finance Act, 2013
BST Act	The Baluchistan Sales Tax on Services Act, 2015
FED	Federal Excise Duty
GST	Sales Tax on Goods Under ST Act
Services ST	Sales Tax on Services

## Fundamental Principles

### VAT is:

- ▶ An indirect tax
- ▶ A consumption tax
- ▶ General Sales tax (Extra Tax, Further Tax)
- ▶ Tax on Value Addition

### Duty is:

- ▶ Customs Duty
- ▶ Regulatory Duty
- ▶ Federal Excise Duty

## General principles – VAT system

### Company A Ltd

Sales	100,00		
VAT 19%	19,00	Output VAT	• Indirect tax
		\$19,00	
	<u>119,00</u>		

### Company B Ltd

Sales	120,00		
VAT 19%	22,80		• Consumption tax
	<u>142,80</u>		
Output VAT	22,80		
Input VAT	<u>(19,00)</u>		• Credited at each stage
	3,80	Output VAT	
		\$3,80	

### Consumer

Purchase from B Ltd	120,00		
VAT 19%	22,80		• Non-adjustable tax
Total	<u>142,80</u>		

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## An Overview of Sales Tax in Pakistan

- Under the Constitution of Pakistan **sales tax on goods is a Federal** subject and **sales tax on services is a Provincial** subject.
- Sales tax on **goods is governed by the Sales Tax Act 1990 (ST Act)** which is applicable for the whole of Pakistan.
- **Certain services are taxable under the Federal Excise Act, 2005 (FE Act).**
- **Sales tax on services** was previously applicable under the **Provincial Sales Tax Ordinances 2000 (PST Ordinances)** of each Province i.e.-
  1. **Sindh**    2. **Punjab**    3. **Khyber Pakhtunkhwa (KPK)**
  4. **Baluchistan**    5. **Islamabad Capital Territory (ICT).**
- The **Federal Board of Revenue (FBR)** is authorized for administration and collection of Federal taxes and duties including sales tax under ST Act and FE under the FE Act.
- Provinces had also authorized FBR for sales tax on services under the PST Ordinances.

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## An Overview

### *Sales Tax On Services In Pakistan – Cont'd*

The Provinces of Sindh, Punjab, KPK and Balochistan have also established their own administration and collection authorities namely-

- Sindh Revenue Board (SRB)
- Punjab Revenue Authority (PRA)
- Khyber Pakhtunkhwa Revenue Authority (KPRA)
- Balochistan Revenue Authority (BRA)
- Federal Board Revenue (FBR)

## An Overview

### *Sales Tax On Services In Pakistan*

The Provinces of Sindh, Punjab, KPK, Balochistan have issued their own full-fledged sales tax on services Acts by repealing respective PST Ordinances whilst services are subject to sales tax under the Islamabad Capital Territory Ordinance -

The Sindh Sales Tax on Services Act 2011 (**Sindh Act**), from 01 July 2011

The Punjab Sales Tax on Services Act 2012 (**Punjab Act**) from 01 July 2012

The Khyber Pakhtunkhwa Finance Act 2013 (**KPK Act**) from 01 July 2013

The Balochistan Sales Tax on Services Act, 2015 (**BSTS Act**) from 1 July 2015

The Islamabad Capital Territory Ordinance, 2001 (**ICT Ordinance**) from 18 August 2001 (extended in 2015)

## An Overview

### *Sales Tax on Goods and Services in Pakistan*

## Goods

All goods are taxable unless **specifically** mentioned as **exempt**.

## Services

On the contrary, only services **specifically** mentioned as **taxable** services are taxable.

## General – Rate of Sales Tax on Services

### *Under Federal & Provincial Sales Tax Laws*

Tax Jurisdiction	Standard Rate	Higher Rate	Lower Rate
Sindh	13%	19.5%	3%
Punjab	16%	19.5%	5%
KPK	15%	19.5%	5%
Baluchistan	15%	19.5%	Nil
ICT (STS/FED)	16%	19.5%	5%

## Input Tax Adjustment- General Provisions

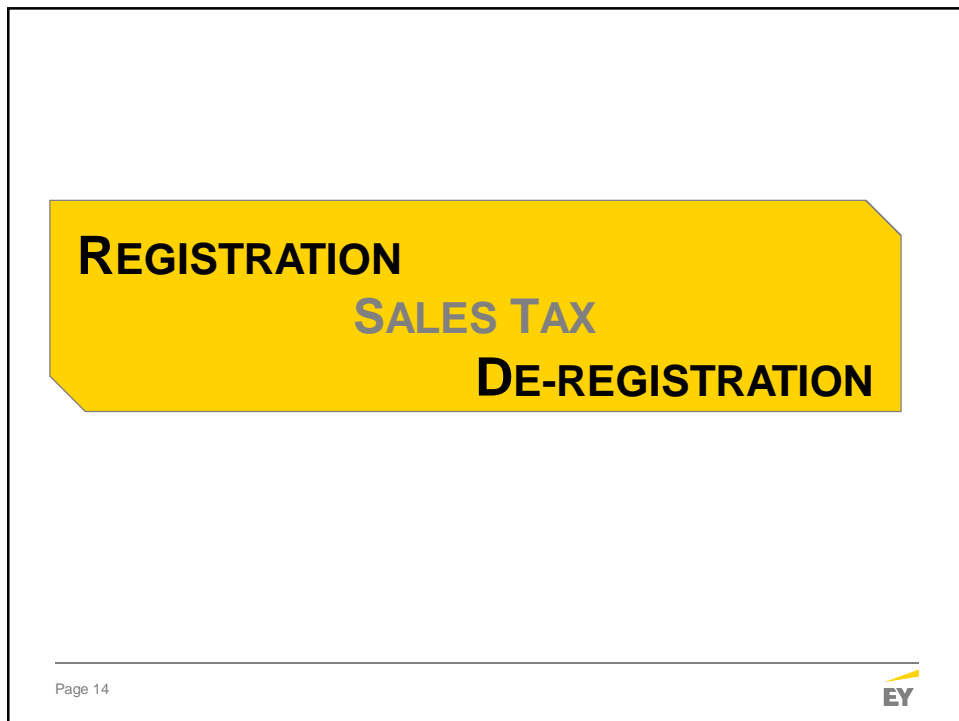
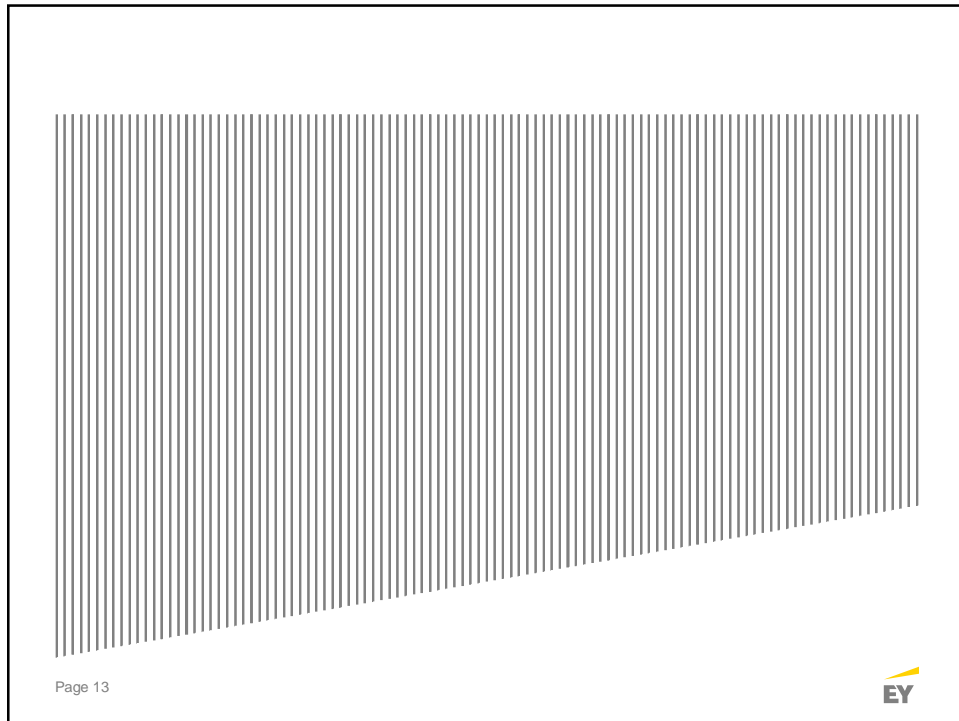
*Under the Federal Law – Section 7 of the ST Act*

- ▶ A registered person shall be entitled to deduct input tax paid or payable during a tax period:
  - ▶ For the purposes of taxable supplies or services made or to be made
  - ▶ Input tax shall be adjusted from the output tax due in respect of taxable goods supplied or taxable services rendered during that tax period.
  - ▶ Subject to provisions of Section 73, 8, 8B of ST Act.
  - ▶ “Input tax not claimed in the relevant tax period may be adjusted in the return for any of the six succeeding tax periods”

## Determination of Tax Liability Rules for Adjustment under the Sindh, Punjab and KPK Acts

A registered person shall be entitled to deduct/ adjust input tax paid during the relevant tax period –

- for the purchase of goods or services used or consumed in providing or rendering of taxable services
- holds a tax invoice in his name,
- bearing his sales tax registration /NTN,
- “Input tax not claimed in the relevant tax period may be adjusted in the return for any of the six succeeding tax periods”
- All input tax adjustments are subject to the restrictions/limitations provided under Section 15A of Sindh Act and 16B of Punjab Act and allied rules.



## REGISTRATION (FBR) – SECTION 14

### Compulsory Registration

- ▶ A person liable to be registered but not obtained registration
- ▶ CIR will register the person by providing opportunity and passed Order in this regard

### Voluntary Registration

- ▶ A person liable to be registered obtained registration by filing voluntary application.
- ▶ The person has fulfilled all the requirements of documentation/verification at the time of registration.

## REGISTRATION (FBR) – SECTION 14

The following persons, engaged in making taxable supplies in Pakistan, are liable to obtain registration:

- A manufacturer who is not running a cottage industry
- A retailer who is liable to pay sales tax excluding retailer who is required to pay sales tax through electricity bill under Section 3(9)
- An importer
- An exporter
- A wholesaler, dealer, or distributor

## REGISTRATION REQUIREMENTS – RULE 5

- ❑ A person is required to apply for sales tax registration online on IRIS portal through owner, authorized member or partner or authorized director at relevant jurisdiction.
- ❑ Jurisdiction:

Listed Companies	Registered Office
Company engaged in manufacturing	Factory
Company / Person (not incorporated) engaged in other business activity	Main business activities carried on
Person (not incorporated) engaged in manufacturing and other business activity	Factory

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## REGISTRATION REQUIREMENTS – RULE 5

CNIC of resident owners, partners, or directors	Distribution Certificate
Passport of non-resident owners, partners, or directors	Financial Statements
Incorporation Certificate along with Form III for company	Particulars of all branches
Certificate for registered partnership	Biometric Verification
Partnership Deed	Physical Verification of Premises
Bank Account Certificate	Demarcation of manufacturing premises (shared premises)
Rent Agreement / Ownership Document	Installation of sub-meter (shared premises)
Latest Utilities Bills	List of Machineries (for Manufacturer)

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## TEMPORARY REGISTRATION – RULE 5A

- ☐ Filing of application for temporary registration [TR] as manufacturer without machinery for the purpose of importing machinery
- ☐ Permission of TR for 60 days subject to submission of list of machineries alongwith BL or GD
- ☐ Completion of TR process within 72 Hours after filing of complete registration application
- ☐ After permission of TR, imports will be allowed subject to submission of post dated cheque equal to the difference in duties and taxes paid as manufacturer
- ☐ Required to file return
- ☐ Not allowed to issue sales tax invoice. If issued, then no input tax will be allowed against such invoices.
- ☐ No refund will be allowed but carry forward of input tax will be allowed.

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## DE-REGISTRATION – RULE 11

### Filing of De-registration Application by RP

- ☐ Registered person, who ceases to carry on his business or whose supplies become exempt from tax, apply with Commissioner on application in Form STR-3 through computerized system
- ☐ Upon completion of any audit proceedings, Commissioner may direct the applicant to discharge any outstanding liability
- ☐ Commissioner is required to pass order within 90 days of such application

### Non Filing of return for Six Consecutive Months

- ☐ Commissioner, after issuing for providing opportunity of being heard, may pass order for de-registration

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## REGISTRATION - SECTIONS 24, 24A, & 24B

### ☐ Registration as per law

#### ▪ Person is required to be registered who is:

- Resident
- Providing any services listed in the Second Schedule
- Fulfilling any other criteria mentioned by SRB.

#### ▪ Deemed Registered Person

A person who receives a service, which is a taxable service by virtue of Section 3(2) and is not registered for the tax period in which such person:

- Receive the service
- An invoice is issued
- Consideration is paid, whichever is earlier

#### ▪ SRB will publish a list of registered person on web site

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## REGISTRATION - SECTIONS 24, 24A, & 24B

### ☐ Voluntary Registration

A person who carries on an economic activity but is not required to be registered can apply for voluntary registration at any time.

### ☐ Compulsory Registration

SRB officer can register the person through order in writing after providing an opportunity of being heard by issuing a notice.

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## DE-REGISTRATION - SECTION 25A

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- ☐ Any registered person or officer of SRB may apply for deregistration by through an application for the cancellation of the registration on the prescribed Form i.e. SST-2
- ☐ After receiving application for de-registration, SRB may conduct audit and de-register the registered person within three months from the date of receipt of the application.



## FILING OF SALES TAX RETURNS

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## PRE-REQUISITE FOR ST RETURN PREPARATION

### Information

Purchases Invoices [Registered / Unregistered] [Goods / Services]
Import & Export Good Declarations
Details of Fixed Assets
Details Withholding Sales Tax Liability / Credit
Ledger of Input Tax
Sales Invoices
Debit Notes / Credit Notes
Quantitative Data for specified supplies
Computation of Sales Tax Liability
Cheques Details for preparation

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## STEPS OF FILING ST RETURN – USER ID & PASSWORD

**FBR PAKISTAN** Federal Board of Revenue  
Revenue Division – Government of Pakistan

Home e-Payments Search Taxpayers Verification

**e-file**  
Sales Tax & FED Returns

Login to your account

Login

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## SELECTION OF FINANCIAL YEAR

**FBR PAKISTAN** Taxpayer Facilitation Portal  
(e.fbr.gov.pk)

Home Administration Registration Declaration Requests e-Payments e-Folder CREST AD/IBAN Logout

Income Tax  
Sales Tax  
Manual Data Entry  
Data Entry Dashboard  
Manual Data Entry for  
Data Entry Dashboard

Sales Tax Return (FY 2016-17)  
Sales Tax Return (FY 2015-16)  
Sales Tax Return (FY 2014-15)  
Sales Tax Return (FY 2013-14)  
Sales Tax Return (FY 2012-13)  
Sales Tax Return (FY 2011-12)  
Special Sales Tax Return  
Sales Tax Return  
Return for Production & Supplies  
Invoice Summary Statement  
Sales Tax Return for Withholding Agents  
Annual Sales Tax Return

Return FY 2016-17,  
Return FY 2016-17,  
Return FY 2016-17.

were directly downloaded in pdf, are now offered as  
nce downloading speed. You need to un-zip these files by  
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## SELECTION OF TAX PERIOD

The screenshot shows the FBR Taxpayer Facilitation Portal (e.fbr.gov.pk) for the 'Sales Tax & Federal Excise Return (2016-2017)'. The 'Tax Period' dropdown menu is open, showing options: Monthly (selected), Quarterly, and MIS Report. The 'Monthly' option is circled in black. The page also displays a table for 'Sales Tax' with columns for NTN, Name, Tax Period, Normal, Revised, and Submission Date. The table is currently empty.

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## MODES OF ST RETURN



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## ST RETURN

Print this Page

### Sales Tax & Federal Excise Return (2016-2017)

Current N<sup>o</sup> IM-61755327

☒ Preparing

NTN: \_\_\_\_\_ Name: \_\_\_\_\_ Tax Period: \_\_\_\_\_ Normal: ☐ Revised: ☐ Submission Date: \_\_\_\_\_

CRIC in case of Individual: \_\_\_\_\_ COY/AOP/IND: \_\_\_\_\_ Business Nature: \_\_\_\_\_ Tax Office: \_\_\_\_\_ Revised N<sup>o</sup>: \_\_\_\_\_

COMPANY IMPORTERS/EXPORTER/SERVICE PROVIDER Corporate RTO Karachi

Description	Gross Value	Taxable Value	Sales Tax
1. Domestic Purchases from Registered Persons (excluding fixed assets)	0	0	0
2. Domestic Purchases from Un-registered Persons	0	0	0
3. Imports excluding fixed assets (includes value addition tax on commercial imports)	0	0	0
4. Capital Goods / Fixed Assets (Domestic Purchases & Imports)	0	0	0
5. Input for the month = (1 + 3 + 4)	0	0	0
6. Credit brought forward from previous tax period	0	0	0
7. Non creditable inputs (relating to exempt, non-taxed supplies of goods or services etc.)	0	0	0
7a. Inadmissible input tax credit in terms of section 7(2)(i) read with section 8(1)(1) of the Sales Tax Act, 1990 and disallowance of reduction in output tax in respect of withholding of sales tax/Credit Notes.	Report	0	0
7b. Allowance of input tax credit and reduction of output tax out of previous return column 7c	Report	0	0
7c. Balance of earlier disallowed input tax credit and disallowed reduction of output tax through column of 7(a).	Report	0	0
8. Accumulated Credit = (5 + 6 - 7 - 7a + 7b)	0	0	0

Print Sales Tax Return  
Print Sales Tax Return with Annexes  
**SALES TAX 2016-17**  
**GUIDELINES**  
General Instructions for ST & FE

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## ST RETURN

9. Total Goods or Services supplied locally (Including Reduced Rate Sales)	Annex-C B.1	0	0	0
10. Goods or services supplied locally (at Reduced Rates)	Annex-C B.1	0	0	0
11. Exports	Annex-B	0	0	0
12. Extra Tax under Chapter XIII of ST Special Procedure Rules, 2007	Annex-C	0	0	0
12a. Electricity supplied to marble/granite industry (non Adjustable)	KWH	0	Annex-C B.1	0
13. Electricity Supplied to steel sector	KWH	0	Annex-C B.1	0
13a. Sales Tax portion of Sr. 13 collected at normal rate (adjustable against input)				0
13b. Adjustment given to Steel Melters under SRO 421 (I) / 2014	Annex-I			0
13c. Remaining Sales Tax portion of Sr. 13 (non-adjustable against input) = 13 - (13a+13b)				0
14. Gas supplied to CNG sector on notified Value	Annex-C B.1	0	0	0
14a. Sales Tax portion of Sr. 14 collected at 17% of value as in section 2(46)(a) (adjustable against input tax)				0
14b. Remaining Sales Tax portion of Sr. 14 (non-adjustable against input) = (14 - 14a)				0
15. Output Tax = (9 + 13a + 14a)				0
16. Sales Tax deducted by withholding agent(s)	Annex-C B.1			0
17. Accumulated Debit = (15 - 16)				0
18. Sales Tax u/s 3(9) on electricity supplied to Retailers (non Adjustable)		0	0	0
18a. Turnover Tax payable by retailers @2%	Turnover	0	0	0
19. Re-rollable scrap sold by ship breakers	M Tons	0	Annex-C B.1	0
20. Re-meltable scrap @ Rs 5600/MT	M Tons	0	Annex-C B.1	0
21. Sales Tax payable by steel sector under special procedure whose liability was not discharged through electricity bills or self-generation				0
22. Sales Tax withheld as withholding agent	Annex-A B.1			0
23. Sales Tax Arrears including Principal, Default Surcharge & Penalty	Annex-G			0
23a. Further Tax charged on supplies made to Un-Registered Person	Annex-C			0
23b. Extra Tax collected under SRO 509(I)/2013 on sale of Electricity & Gas	Annex-C B.1			0

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## ST RETURN

24. Whether exclude from Section 8B(1), under SRO 647(I)/2007 <input checked="" type="radio"/> No <input type="radio"/> Yes (Select reason =>) <span>Select</span>	
25. Admissible Credit [If 24 = Yes then 8; If 24 = No, then (least of (8-4) or "90% of 15" or 17) + (If (8-4) < "90% of 15" then 4; otherwise zero)]	0
26. Excess Unadjusted Credit [If 24 = Yes and 25 > 17 then (25 - 17); otherwise zero; if 24 = No then (8 - 25)]	0
27. Credit Carried forward on account of Value Addition Tax <span>Annex-F</span>	0
28. Unadjusted Credit Available for the purpose of refund = (26 - 27)	0
29. Refund Claimed (Provide Stock Statement as Annex-H now, or file it later as per rules)	0
30. Credit to be carried forward [If 28 > 29, then [(28 - 29) + 27]; otherwise 27]	0
31. Federal Excise Duty (FED) Drawback <span>Annex-E</span>	0
32. Sales Tax Payable [If 17 > 25 then (17 - 25); otherwise zero] + [12 + 12a + 13c + 14b + 18 + 18a + 19 + 20 + 21 + 22 + 23 + 23a + 23b]	0
33. Federal Excise Duty (FED) Payable (Incl. FED @ Rs.1KG on Locally Produced Oil, from Annex-A) <span>Annex-E &amp; A</span>	0
34. Petroleum Levy (PL) Payable	0
35. Total amount to be paid = (32 + 33 + 34)	0
36. Tax paid on normal/previous return (applicable in case of revised return)	0
37. Balance Tax Payable/ (Refundable) (35 - 36)	0
38. Select bank account for receipt of refund	6001010000000053-INDUSTRIAL AND COMMERCIAL BANK OF CHINA -KARACHI

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## ST RETURN

Head of Account	Amount	Province Wise Breakup of Sales Tax/FED in ST Mode on Services (Annex-P)	
		Province/Area	Amount
B02341 - Sales Tax on Goods	0	BXXXXX - Baluchistan	0
B02366 - Sales Tax on Services	0	B02386 - Khyber Pakhtunkhwa	0
B02367 - FED in VAT Mode	0	B02392 - Punjab	0
B02485 - FED Excluding Natural Gas	0	B02384 - Sindh	0
B02501 - FED on Natural Gas	0	BXXXXX - Capital Territory & Others	0
C03901 - Petroleum Levy	0	Total	0
Total Amount Payable	0		
Total Amount Paid (in figures)	0	in words No Rupees And No Paisas Only	
CPR Nos.			
<div> Print Acknowledgement Feed CPR e-Payment Print Chalan Null Return Delete Save Verify Process and Submit Forward to Officer for Approval </div>			
<div> Print Request for Revision Print with Annexes </div>			

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## DECLARATION OF LOCAL PURCHASES – ANNEXURE A

**Purchase Data**

**Advance Search:**

**Description**

(i) Enter search criteria for purchase invoice and press search button to view all invoices.

NTN:  From Date:  To Date:

ST Amount:  Invoice Number:

Upload NTN file:  [Download Sample File](#)

**Rejected Invoices**

Particulars of Supplier				Document		Sales Tax/ST		Total Value		ST Value		SRO / Schedule		Item No.		Sales Return		Invoice Usage									
Sr.	NTN	CNIC	Name	Type of Supplier	Type	Number	Date	HS Code	Sale Type	Rate	Description	Quantity	UOM	Value of Sales	Exc. ST	Mode	Extra Tax	Further Tax	Value of Sales	Source	ST	Withheld at	Schedule	Item No.	Sales Return Status	Invoice Usage Status	
1				NDH	Purchase Invoice	1607016	15/07/2016		Goods at standard rate (default)	17.00	28-a-Miscellaneous Chemical Products	0	MT	112,000	19,040		0	0	0	0	0					Submitted	Mr. Used
2					Purchase Invoice	90073143	02/07/2016		2nd Schedule Goods	17.00	25-b-Cement Clinkers	0		95,726	16,274		0	0	0	0	0					Submitted	Mr. Reject
3					Purchase Invoice	90073146	02/07/2016		2nd Schedule Goods	17.00	25-b-Cement Clinkers	0		95,726	16,274		0	0	0	0	0					Submitted	Mr. Used
4					Purchase Invoice	90073147	02/07/2016		2nd Schedule Goods	17.00	25-b-Cement Clinkers	0		95,726	16,274		0	0	0	0	0					Submitted	Mr. Used

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Particulars of Supplier				Document		Sales Tax/ST		Total Value		ST Value		SRO / Schedule		Item No.		Sales Return		Invoice Usage									
Sr.	NTN	CNIC	Name	Type of Supplier	Type	Number	Date	HS Code	Sale Type	Rate	Description	Quantity	UOM	Value of Sales	Exc. ST	Mode	Extra Tax	Further Tax	Value of Sales	Source	ST	Withheld at	Schedule	Item No.	Sales Return Status	Invoice Usage Status	
1				NDH	Purchase Invoice	1607016	15/07/2016		Goods at standard rate (default)	17.00	28-a-Miscellaneous Chemical Products	0	MT	112,000	19,040		0	0	0	0	0					Submitted	Mr. Used
2					Purchase Invoice	90073143	02/07/2016		2nd Schedule Goods	17.00	25-b-Cement Clinkers	0		95,726	16,274		0	0	0	0	0					Submitted	Mr. Reject
3					Purchase Invoice	90073146	02/07/2016		2nd Schedule Goods	17.00	25-b-Cement Clinkers	0		95,726	16,274		0	0	0	0	0					Submitted	Mr. Used
4					Purchase Invoice	90073147	02/07/2016		2nd Schedule Goods	17.00	25-b-Cement Clinkers	0		95,726	16,274		0	0	0	0	0					Submitted	Mr. Used

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## DECLARATION OF LOCAL PURCHASES – ANNEXURE A

**Advance Search:**

Description

(i) Enter search criteria for purchase invoice and press search button to view all invoices.

NTN:  From Date:  To Date:

ST Amount:  Invoice Number:

Upload NTN File:  [Download Sample File](#)

**Rejected Invoices**

Particulars of Supplier				Document		Sales Tax/ST		Total Value of Sales		ST at Source		SRO / Schedule		Item No.		Sales Return Status		Invoice Usage Status						
Sr.	NTN	CNIC	Name	Type	Supplier	Type	Number	Date	HS Code	Sale Type	Rate	Description	Quantity	UCM	Value of Sales	FED in ST Mode	Extra Tax	Further Tax	Total Value of Sales	ST at Source	SRO / Schedule	Item No.	Sales Return Status	Invoice Usage Status
1				Purchase Invoice	SINOH	1607016	15/07/2016		17.00	Goods at standard rate (default)	17.00	Miscellaneous Chemical Products	0	MT	112,000	19,040	0	0	0	0	0		Submitted	Un-Used
2				Purchase Invoice		90075145	02/07/2016		17.00	25-b-Cement Clinker; Cement	17.00	25-b-Cement Clinker; Cement	0		95,726	16,274	0	0	0	0	0		Submitted	Un-Used
3				Purchase Invoice		90075147	02/07/2016		17.00	25-b-Cement Clinker; Cement	17.00	25-b-Cement Clinker; Cement	0		95,726	16,274	0	0	0	0	0		Submitted	Un-Used
4				Purchase Invoice		90075148	02/07/2016		17.00	25-b-Cement Clinker; Cement	17.00	25-b-Cement Clinker; Cement	0		47,863	8,137	0	0	0	0	0		Submitted	Un-Used

**Invoice un-rejected successfully.**

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## DECLARATION OF LOCAL PURCHASES – ANNEXURE A

**Advance Search:**

Description

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NTN:  From Date:  To Date:

ST Amount:  Invoice Number:

Upload NTN File:  [Download Sample File](#)

**Rejected Invoices**

Particulars of Supplier				Document		Sales Tax/ST		Total Value of Sales		ST at Source		SRO / Schedule		Item No.		Sales Return Status		Invoice Usage Status						
Sr.	NTN	CNIC	Name	Type	Supplier	Type	Number	Date	HS Code	Sale Type	Rate	Description	Quantity	UCM	Value of Sales	FED in ST Mode	Extra Tax	Further Tax	Total Value of Sales	ST at Source	SRO / Schedule	Item No.	Sales Return Status	Invoice Usage Status
1				Purchase Invoice	SINOH	1607016	15/07/2016		17.00	Goods at standard rate (default)	17.00	Miscellaneous Chemical Products	0	MT	112,000	19,040	0	0	0	0	0		Submitted	Un-Used
2				Purchase Invoice		90075145	02/07/2016		17.00	25-b-Cement Clinker; Cement	17.00	25-b-Cement Clinker; Cement	0		95,726	16,274	0	0	0	0	0		Submitted	Un-Used
3				Purchase Invoice		90075147	02/07/2016		17.00	25-b-Cement Clinker; Cement	17.00	25-b-Cement Clinker; Cement	0		95,726	16,274	0	0	0	0	0		Submitted	Un-Used
4				Purchase Invoice		90075148	02/07/2016		17.00	25-b-Cement Clinker; Cement	17.00	25-b-Cement Clinker; Cement	0		47,863	8,137	0	0	0	0	0		Submitted	Un-Used

**Imported Successfully**

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## DECLARATION OF LOCAL PURCHASES – ANNEXURE A

Advance search:

Description

(i) Enter search criteria for purchase invoice and press search button to view all invoices.

NTN:  From Date:  To Date:

ST Amount:  Invoice Number:

Upload NTN file:  [Download Sample File](#)

Rejected Invoices

Particulars of Supplier		Document		Sales Tax/FEED in		Total Value Withheld at Source		ST		SRD / Schedule		Item No.		Sales Return Status		Invoice Usage								
Sr.	NTN	CNIC	Name	Type	Supplier	Type	Number	Date	HS Code	Sale Type	Rate	Description	Quantity	UOM	Value of Sales Excl. ST	ST	Extra Tax	Further Tax	Total Value	ST	SRD / Schedule	Item No.	Sales Return Status	Invoice Usage
1				Purchase Invoice	SINCH		1607016	15/07/2016	25-b-Cement	Goods at standard rate (default)	17.00	Miscellaneous Chemical Products	0	MT	112,000	19,040	0	0	0	0	0	0	Submitted	Un-Used
2				Purchase Invoice			90075145	02/07/2016	25-b-Cement	3rd Schedule Goods	17.00	Clinker: Cement	0		93,726	16,274	0	0	0	0	0	Submitted	Misc. Rejected	
3				Purchase Invoice			90075147	02/07/2016	25-b-Cement	3rd Schedule Goods	17.00	Clinker: Cement	0		93,726	16,274	0	0	0	0	Submitted	Un-Used		
4				Purchase Invoice			90075148	02/07/2016	25-b-Cement	3rd Schedule Goods	17.00	Clinker: Cement	0		47,863	8,137	0	0	0	0	Submitted	Un-Used		

**Imported Successfully**

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## DECLARATION OF LOCAL PURCHASES – ANNEXURE A

Sales Tax & Federal Excise Return (2016-2017) Current N° M-61755327

☒ Preparing

NTN:  Name:  Tax Period:  Normal:  Revised:  Submission Date:

CNIC in case of Individual:  COY/AOP/IND:  Business Nature:  Tax Office:  Revised N°:

COMPANY  IMPORTERS/EXPORTER/SERVICE PROVIDER  Corporate RTO Karachi  Assessed N°:

Description	Gross Value	Taxable Value	Sales Tax
1. Domestic Purchases from Registered Persons (excluding fixed assets) <span style="float: right;">Annex-A &amp; I</span>	143,589	143,589	24,411
2. Domestic Purchases from Un-registered Persons <span style="float: right;">Annex-A &amp; I</span>	0		
3. Imports excluding fixed assets (includes value addition tax on commercial imports) <span style="float: right;">Annex-B</span>	0	0	0
4. Capital Goods / Fixed Assets (Domestic Purchases & Imports) <span style="float: right;">Annex-A, I &amp; B</span>	0	0	0
5. Input for the month = (1 + 3 + 4)			24,411
6. Credit brought forward from previous tax period			0
7. Non creditable inputs (relating to exempt, non-taxed supplies of goods or services etc.)			0
7a. Inadmissible input tax credit in terms of section 7(2)(i) read with section 8(1)(1) of the Sales Tax Act, 1990 and disallowance of reduction in output tax in respect of withholding of sales tax/Credit Notes. <span style="float: right;">Report</span>			0
7b. Allowance of input tax credit and reduction of output tax out of previous return column 7c <span style="float: right;">Report</span>			0
7c. Balance of earlier disallowed input tax credit and disallowed reduction of output tax through column of 7(a). <span style="float: right;">Report</span>			0
8. Accumulated Credit = (5 + 6 - 7 - 7a + 7b)			24,411

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## STWH BY BUYER - ANNEXURE A

9.	Total Goods or Services supplied locally (Including Reduced Rate Sales)	Annex-C & I	0	0	0
10.	Goods or services supplied locally (at Reduced Rates)	Annex-C & I	0	0	0
11.	Exports	Annex-D	0		
12.	Extra Tax under Chapter XIII of ST Special Procedure Rules, 2007	Annex-C			0
12a.	Electricity supplied to marble/granite industry (non Adjustable)	KWH	0	Annex-C & I	0
13.	Electricity Supplied to steel sector	KWH	0	Annex-C & I	0
13a.	Sales Tax portion of Sr. 13 collected at normal rate (adjustable against input)				0
13b.	Adjustment given to Steel Melters under SRO 421 (I) / 2014	Annex-I			0
13c.	Remaining Sales Tax portion of Sr. 13 (non-adjustable against input) = 13 - (13a+13b)				0
14.	Gas supplied to CNG sector on notified Value	Annex-C & I	0	0	0
14a.	Sales Tax portion of Sr. 14 collected at 17% of value as in section 2(46)(a) (adjustable against input tax)				0
14b.	Remaining Sales Tax portion of Sr. 14 (non-adjustable against input) = (14 - 14a)				0
15.	Output Tax = (9 + 13a + 14a)				0
16.	Sales Tax deducted by withholding agent(s)	Annex-C & I			0
17.	Accumulated Debit = (15 - 16)				0
18.	Sales Tax u/s 3(9) on electricity supplied to Retailers (non Adjustable)		0	0	0
18a.	Turnover Tax payable by retailers @2%	Turnover	0		0
19.	Re-rollable scrap sold by ship breakers	M Tons	0	Annex-C & I	0
20.	Re-meltable scrap @ Rs 5600/MT	M Tons	0	Annex-C & I	0
21.	Sales Tax payable by steel sector under special procedure whose liability was not discharged through electricity bills or self-generation				0
22.	Sales Tax withheld as withholding agent	Annex-A & I			2,636
23.	Sales Tax Arrears including Principal, Default Surcharge & Penalty	Annex-G			0
23a.	Further Tax charged on supplies made to Un-Registered Person	Annex-C			0
23b.	Extra Tax collected under SRO 509(I)/2013 on sale of Electricity & Gas	Annex-C & I			0

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EY

## STWH BY BUYER - ANNEXURE A

24.	Whether exclude from Section 8B(1), under SRO 647(I)/2007 <input checked="" type="radio"/> No <input type="radio"/> Yes (Select reason =>) <span>Select</span>	
25.	Admissible Credit [if 24 = Yes then 8; if 24 = No, then (least of (8-4) or "90% of 15" or 17) + (if (8-4) < "90% of 15" then 4; otherwise zero)]	0
26.	Excess Unadjusted Credit [if 24 = Yes and 25 > 17 then (25 - 17); otherwise zero; if 24 = No then (8 - 25)]	24,411
27.	Credit Carried forward on account of Value Addition Tax	Annex-F
28.	Unadjusted Credit Available for the purpose of refund = (26 - 27)	24,411
29.	Refund Claimed (Provide Stock Statement as Annex-H now, or file it later as per rules)	0
30.	Credit to be carried forward [if 28 > 29, then ((28 - 29) + 27); otherwise 27]	24,411
31.	Federal Excise Duty (FED) Drawback	Annex-E
32.	Sales Tax Payable [if 17 > 25 then (17 - 25); otherwise zero] + [12 + 12a + 13c + 14b + 18 + 18a + 19 + 20 + 21 + 22 + 23 + 23a + 23b]	2,636
33.	Federal Excise Duty (FED) Payable (Incl. FED @ Rs.1KG on Locally Produced Oil, from Annex-A)	Annex-E & A
34.	Petroleum Levy (PL) Payable	0
35.	Total amount to be paid = (32 + 33 + 34)	2,636
36.	Tax paid on normal/previous return (applicable in case of revised return)	0
37.	Balance Tax Payable/ (Refundable) (35 - 36)	2,636
38.	Select bank account for receipt of refund	

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EY

## STWH BY BUYER – ANNEXURE A

Head of Account	Amount
802341 - Sales Tax on Goods	2,636
802366 - Sales Tax on Services	0
802367 - FED in VAT Mode	0
802485 - FED Excluding Natural Gas	0
802501 - FED on Natural Gas	0
003001 - Petroleum Levy	0
<b>Total Amount Payable</b>	<b>2,636</b>

Province/Area	Amount
XXXXXX - Baluchistan	0
802386 - Khyber Pakhtunkhwa	0
802382 - Punjab	0
802384 - Sindh	0
XXXXXX - Capital Territory & Others	0
<b>Total</b>	<b>0</b>

Total Amount Paid (in figures) 0 in words No Rupees And No Paisas Only

CPIR Nos.

Print Acknowledgment    Feed CPIR    e-Payment    Print Chalan    Null Return    Delete    Save    Verify    Process and Submit    Forward to Office for Approval    Print

Request for Revision    Print with Annexes

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## APPORTIONMENT OF INPUT TAX – SECTION 8(2) / RULE 24

Circumstances	Input Tax Allowance
Input tax paid on goods wholly relating to taxable supplies	Yes
Input tax paid on goods wholly relating to exempt supplies	No
Input tax paid on goods relating to both exempt supplies as well as taxable supplies	Apportionment

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## DECLARATION OF INADMISSIBLE INPUT TAX

Print this Page

**Sales Tax & Federal Excise Return (2016-2017)** Current N° IM-61755327

**Sales Tax (Control Center)**

Tax Period: ☐ Monthly ☐ Quarterly

Quarterly: Select

MIS Report

Annex - C

Sales Tax Return

Annex - H

Annex - P

Annex - I

Annex - J

Print Sales Tax Return

Print Sales Tax Return with Annexes

**SALES TAX 2016-17**

**GUIDELINES**

General Instructions for ST & FE

NTN: 4 Name: Tax Period: Oct. 2016 Normal Revised Submission Date: N

REGISTRY: CNIC in case of Individual COY/AOP/IND Business Nature Tax Office Corporate RTO Karachi Revised N° Assessed N°

Description	Gross Value	Taxable Value	Sales Tax
1. Domestic Purchases from Registered Persons (excluding fixed assets)	0	0	0
2. Domestic Purchases from Un-registered Persons	0	0	0
3. Imports excluding fixed assets (includes value addition tax on commercial imports)	0	0	0
4. Capital Goods / Fixed Assets (Domestic Purchases & Imports)	0	0	0
5. Input for the month = (1 + 3 + 4)	0	0	0
6. Credit brought forward from previous tax period	0	0	0
7. Non creditable inputs (relating to exempt, non-taxed supplies of goods or services etc.)	0	0	0
7 a. Available input tax credit in terms of section 7(2)(i) read with section 8(1)(1) of the Sales Tax Act, 1990 and disallowance of reduction in output tax in respect of withholding of sales tax/Credit Notes.	0	0	0
7 b. Allowance of input tax credit and reduction of output tax out of previous return column 7c	0	0	0
7 c. Balance of earlier disallowed input tax credit and disallowed reduction of output tax through column of 7(a).	0	0	0
8. Accumulated Credit = (5 + 6 - 7 - 7a + 7b)	0	0	0

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## APPORTIONMENT OF INPUT TAX – SECTION 8(2) / RULE 24

$$\text{Residual input tax credit on taxable supplies} = \frac{\text{Value of taxable supplies}}{(\text{Value of taxable} + \text{exempt supplies})} \times \text{Residual input tax}$$

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$$\text{Admissible input tax credit on taxable supplies is ?} = \frac{1000}{(1000 + 1500) = 2500} \times 100$$

## DECLARATION OF IMPORTS – ANNEXURE B

Annex-B, GOODS DECLARATION - IMPORTS (GDI)

Delete

Delete All

Print

Back To Return

Save

Load Import GDs

Particulars of GD Imports (Found in Customs Data)							Sales Taxable	Sales Tax	Value Addition	FED
Sr	GD	GD	GD	HS			Value of	Paid at	Tax on	Paid at
No	Collectorate	Type	Number	Date	Code	Type	Quantity	Imports	Import Stage	Commercial Imports
		Smart Cellular Mobile					0	0	0	0
		Medium Price Mobile					0	0	0	0
		Low Price Mobile					0	0	0	0
		Total					0	0	0	0

## DECLARATION OF IMPORTS – ANNEXURE B

Annex-B, GOODS DECLARATION - IMPORTS (GDH)

Data successfully loaded.

The import type may be changed from "Others" to Fixed Assets, Ship for Breaking, Edible Oil, Others, Remelt Iron/ Steel Scrap u/ SRO 1486 (I)/2012, Low priced Mobile/Satellite Phone, Medium priced Mobile/Satellite Phone, Smart Cellular/Satellite Phone, Palm Oil, Manufacture of Goods other than Edible Oil, Cooking Oil and Ghee, or Non Manufactures allowed by FBR, if required.

Load Import GDs

Delete Delete All Print Back To Return Save

Sr	No	Collectorate	GD Type	GD Number	GD Date	HS Code	Type	Quantity	Imports	Sales Taxable Value	Tax Paid at Import	Value Addition Tax on Commercial Imports	FED Paid at R
1	KPAF	HC	18729	25/10/2018		Others	243,138	41,680	0	0	0	0	
						Fixed Assets				0			
						Ship for Breaking				0			
						Edible Oil				0			
						Others				0			
						Remelt Iron/ Steel Scrap u/ SRO 1486 (I)/2012				0			
						Low priced Mobile/Satellite Phone				0			
						Medium priced Mobile/Satellite Phone				0			
						Smart Cellular/Satellite Phone				0			
						Manufacture of Goods other than Edible Oil, Cooking Oil and Ghee				0			
						Non Manufactures allowed by FBR				0			

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## DECLARATION OF IMPORTS – ANNEXURE B

SALES TAX CREDITS	Description		Gross Value	Taxable Value	Sales Tax	
	1.	Domestic Purchases from Registered Persons (excluding fixed assets)	Annex-A & I	143,589	143,589	24,411
	2.	Domestic Purchases from Un-registered Persons	Annex-A & I	0		
	3.	Imports excluding fixed assets (includes value addition tax on commercial imports)	Annex-B	243,138	243,138	41,680
	4.	Capital Goods / Fixed Assets (Domestic Purchases & Imports)	Annex-A, I & B	0	0	0
	5.	Input for the month = (1 + 3 + 4)				66,091
	6.	Credit brought forward from previous tax period				0
	7.	Non creditable inputs (relating to exempt, non-taxed supplies of goods or services etc.)				0
	7 a.	Inadmissible input tax credit in terms of section 7(2)(i) read with section 8(1)(1) of the Sales Tax Act, 1990 and disallowance of reduction in output tax in respect of withholding of sales tax/Credit Notes.	Report			0
	7 b.	Allowance of input tax credit and reduction of output tax out of previous return column 7c	Report			0
7 c.	Balance of earlier disallowed input tax credit and disallowed reduction of output tax through column of 7(a).	Report			0	
8.	Accumulated Credit = (5 + 6 - 7 - 7a + 7b)				66,091	

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## DECLARATION OF LOCAL SALES- ANNEXURE C

Annex-C (Domestic Sales Invoices) Preparing

Record is saved successfully.

(i) Please select PCT chapter number and appropriate description where more than one descriptions are given against a chapter number  
(ii) 'nesol' means 'not elsewhere specified or included'  
(iii) Please include spare parts against appropriate related machinery / if not separately provided

**Particulars of Buyer**

NTN  CNIC  Name   
Type

**Particulars of Document**

Sale Origination Province of Supplier  Type  Number   
Date  HS Code

**Invoice Details**

Sale Type  Rate  Quantity   
UOM  Value of Sales Excl. ST  Description   
Sales Tax/ FED in ST Mode  Extra Tax  ST Withheld at Source   
Further Tax  Total Value of Sales

**Exemption, Zero & Reduce Rated Reference**

SRO / Schedule No.  Item Sr. No.

Add / Save  Update  Delete  Clear  Delete All  Attach File  Submit Invoices  Submit Annexure  Print

Back to Return  STWH Data  Grid List

Sr.	NTN	CNIC	Name	Type	Sale Origination Province of Supplier	Type	Number	Date	HS Code	Sale Type	Rate	Description	Quantity	UOM	Value of Sales Excl. ST	Sales Tax/ FED in ST Mode	Extra Tax	ST Withheld at Source	Exemption, Zero & Reduce Rated Reference	
1								30/10/2016				89-b-Ships, Boats, & Floating Structures	0	--	352,941	60,000	0	0	0	
Total Sales													0	--	352,941	60,000	0	0	0	0

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## DECLARATION OF LOCAL SALES- ANNEXURE C

Annex-C (Domestic Sales Invoices) Preparing

Record is saved successfully.

(i) Please select PCT chapter number and appropriate description where more than one descriptions are given against a chapter number  
(ii) 'nesol' means 'not elsewhere specified or included'  
(iii) Please include spare parts against appropriate related machinery / if not separately provided

**Particulars of Buyer**

NTN  CNIC  Name   
Type

**Particulars of Document**

Sale Origination Province of Supplier  Type  Number   
Date  HS Code

**Invoice Details**

Sale Type  Rate  Quantity   
UOM  Value of Sales Excl. ST  Description   
Sales Tax/ FED in ST Mode  Extra Tax  ST Withheld at Source   
Further Tax  Total Value of Sales

**Exemption, Zero & Reduce Rated Reference**

SRO / Schedule No.  Item Sr. No.

Add / Save  Update  Delete  Clear  Delete All  Attach File  Submit Invoices  Submit Annexure  Print

Back to Return  STWH Data

Type	Sale Origination Province of Supplier	Type	Number	Date	HS Code	Sale Type	Rate	Description	Quantity	UOM	Value of Sales Excl. ST	Sales Tax/ FED in ST Mode	Extra Tax	Further Tax	Total Value of Sales	ST Withheld at Source	SRO / Schedule No.
Registered	SINDH	Sale Invoice	1	30/10/2016			17%	89-b-Ships, Boats, & Floating Structures	0	--	352,941	60,000	0	0	0	0	0
Registered	SINDH	STWH	1	30/10/2016			17%	89-b-Ships, Boats, & Floating Structures	0	--	352,941	60,000	0	0	0	12,000	--
Total Sales										0	--	352,941	60,000	0	0	0	12,000

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## TIME LIMIT FOR CLAIMING SALES TAX WITHHOLDING ?

### INPUT TAX VS TAX CREDIT

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## STEPS OF FILING ST RETURN – RETURN

SALES TAX CREDITS	Description	Gross Value	Taxable Value	Sales Tax
	1. Domestic Purchases from Registered Persons (excluding fixed assets) <a href="#">Annex-A &amp; I</a>	143,589	143,589	24,411
	2. Domestic Purchases from Un-registered Persons <a href="#">Annex-A &amp; I</a>	0		
	3. Imports excluding fixed assets (includes value addition tax on commercial imports) <a href="#">Annex-B</a>	243,138	243,138	41,680
	4. Capital Goods / Fixed Assets (Domestic Purchases & Imports) <a href="#">Annex-A, I &amp; B</a>	0	0	0
	5. Input for the month = (1 + 3 + 4)			66,091
	6. Credit brought forward from previous tax period			0
	7. Non creditable inputs (relating to exempt, non-taxed supplies of goods or services etc.)			0
	7 a. Inadmissible input tax credit in terms of section 7(2)(i) read with section 8(1)(1) of the Sales Tax Act, 1990 and disallowance of reduction in output tax in respect of withholding of sales tax/Credit Notes. <a href="#">Report</a>			0
	7 b. Allowance of input tax credit and reduction of output tax out of previous return column 7c <a href="#">Report</a>			0
	7 c. Balance of earlier disallowed input tax credit and disallowed reduction of output tax through column of 7(a). <a href="#">Report</a>			0
	8. Accumulated Credit = (5 + 6 - 7 - 7a + 7b)			66,091

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## STEPS OF FILING ST RETURN – RETURN

SALES TAX DEBITS	9.	Total Goods or Services supplied locally (Including Reduced Rate Sales)	Annex-C & I	352,941	352,941	60,000
	10.	Goods or services supplied locally (at Reduced Rates)	Annex-C & I	0	0	0
	11.	Exports	Annex-D	0		
	12.	Extra Tax under Chapter XIII of ST Special Procedure Rules, 2007	Annex-C			0
	12a.	Electricity supplied to marble/granite industry (non Adjustable)	KWH	0	Annex-C & I	0
	13.	Electricity Supplied to steel sector	KWH	0	Annex-C & I	0
	13a.	Sales Tax portion of Sr. 13 collected at normal rate (adjustable against input)				0
	13b.	Adjustment given to Steel Melters under SRO 421 (I) / 2014	Annex-I			0
	13c.	Remaining Sales Tax portion of Sr. 13 (non-adjustable against input) = 13 - (13a+13b)				0
	14.	Gas supplied to CNG sector on notified Value	Annex-C & I	0		0
	14a.	Sales Tax portion of Sr. 14 collected at 17% of value as in section 2(46)(a) (adjustable against input tax)				0
	14b.	Remaining Sales Tax portion of Sr. 14 (non-adjustable against input) = (14 - 14a)				0
	15.	Output Tax = (9 + 13a + 14a)				60,000
	16.	Sales Tax deducted by withholding agent(s)	Annex-C & I			0
	17.	Accumulated Debit = (15 - 16)				60,000
	18.	Sales Tax u/s 3(9) on electricity supplied to Retailers (non Adjustable)		0		0
	18a.	Turnover Tax payable by retailers @2%	Turnover			0
	19.	Re-rollable scrap sold by ship breakers	M Tons	0	Annex-C & I	0
	20.	Re-meltable scrap @ Rs 5600/MT	M Tons	0	Annex-C & I	0
	21.	Sales Tax payable by steel sector under special procedure whose liability was not discharged through electricity bills or self-generation				0
	22.	Sales Tax withheld as withholding agent	Annex-A & I			2,636
	23.	Sales Tax Arrears including Principal, Default Surcharge & Penalty	Annex-G			0
	23a.	Further Tax charged on supplies made to Un-Registered Person	Annex-G			0
	23b.	Extra Tax collected under SRO 509(I)/2013 on sale of Electricity & Gas	Annex-C & I			0

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EY

## RESTRICTION OF 90% INPUT TAX- SECTION 8B

PAYABLE / REFUNDABLE	24.	Whether exclude from Section 8B(1), under SRO 647(I)/2007 <input checked="" type="radio"/> No <input type="radio"/> Yes (select reason =>)	Distributors	
	25.	Admissible Credit [if 24 = Yes then 8; if 24 = No, then (least of (8-4) < "90% of 15" or 17) + ((if (8-4) < "90% of 15" then 4; otherwise zero)]		66,091
	26.	Excess Unadjusted Credit [if 24 = Yes and 25 > 17 then (25 - 17); otherwise zero; if 24 = No then (8 - 25)]		6,091
	27.	Credit Carried forward on account of Value Addition Tax	Annex-F	0
	28.	Unadjusted Credit Available for the purpose of refund = (26 - 27)		6,091
	29.	Refund Claimed (Provide Stock Statement as Annex-H now, or file it later as per rules)		0
	30.	Credit to be carried forward [if 28 > 29, then [(28 - 29) + 27]; otherwise 27]		6,091
	31.	Federal Excise Duty (FED) Drawback	Annex-E	0
	32.	Sales Tax Payable [if 17 > 25 then (17 - 25); otherwise zero] + [12 + 12a + 13c + 14b + 18 + 18a + 19 + 20 + 21 + 22 + 23 + 23a + 23b]		2,636
	33.	Federal Excise Duty (FED) Payable (Incl. FED @ Rs.1KG on Locally Produced Oil, from Annex-A)	Annex-E & A	0
	34.	Petroleum Levy (PL) Payable		0
	35.	Total amount to be paid = (32 + 33 + 34)		2,636
	36.	Tax paid on normal/previous return (applicable in case of revised return)		0
	37.	Balance Tax Payable/ (Refundable) (35 - 36)		2,636
	38.	Select bank account for receipt of refund	600101000000053-INDUSTRIAL AND COMMERCIAL BANK OF CHINA -KARACHI	

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## STEP-WISE TOUR OF RETURN – SECTION 8B

24. Whether exclude from Section 8B(1), under SRO 647(I)/2009		<input checked="" type="radio"/> No <input type="radio"/> Yes (Select reason =>) <span>Select</span>	
25. Admissible Credit [if 24 = Yes then 8; if 24 = No, then (least of (8-4) or 90% of 15" or 17) (if (8-4) < 90% of 15" then 4; otherwise zero)]			54,000
26. Excess Unadjusted Credit [if 24 = Yes and 25 > 17 then (25 - 17); otherwise zero; if 24 = No then (8 - 25)]			12,091
27. Credit Carried forward on account of Value Addition Tax	Annex-F		0
28. Unadjusted Credit Available for the purpose of refund = (26 - 27)			12,091
29. Refund Claimed (Provide Stock Statement as Annex-H now, or file it later as per rules)			0
30. Credit to be carried forward [if 28 > 29, then [(28 - 29) + 27]; otherwise 27]			12,091
31. Federal Excise Duty (FED) Drawback	Annex-E		0
32. Sales Tax Payable [if 17 > 25 then (17 - 25); otherwise zero] + [12 + 12a + 13c + 14b + 18 + 18a + 19 + 20 + 21 + 22 + 23 + 23a + 23b]			8,636
33. Federal Excise Duty (FED) Payable (Incl. FED @ Rs.1KG on Locally Produced Oil, from Annex-A)	Annex-E & A		0
34. Petroleum Levy (PL) Payable			0
35. Total amount to be paid = (32 + 33 + 34)			8,636
36. Tax paid on normal/previous return (applicable in case of revised return)			0
37. Balance Tax Payable/ (Refundable) (35 - 36)			8,636
38. Select bank account for receipt of refund	600101000000053-INDUSTRIAL AND COMMERCIAL BANK OF CHINA -KARACHI		

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## SECTION 8B – RESTRICTION ON INPUT TAX ADJUSTMENT

- Registered Person is not allowed to adjust input tax in excess of 90 per cent of the output tax for that tax period.
- Such restriction on the adjustment of input tax is not apply in case of fixed assets or capital goods.
- Refund such un-adjustment input tax can be filed on yearly basis in the second month following the end of the financial year of the registered person.

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## SECTION 8B / SRO 647 – EXCLUSION FROM RESTRICTION OF INPUT TAX

Person registered in electrical energy sector
Oil marketing companies and petroleum refineries
Fertilizer manufacturers
Wholesalers-cum-retailer operating in Chapter XII of the Sales Tax Special Procedure Rules, 2007
Commercial Importers, import exceeds 50% of value of all taxable purchases in a tax period.
Person making zero-rated supplies or reduced rate supplies covered under SRO 1125; such supplies exceeds 50% of value of all taxable supplies in a tax period.
Distributors
Gas Distribution companies
Solvent extracting units of edible oils

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## SECTION 8B – RESTRICTION ON INPUT TAX ADJUSTMENT

Input Tax	100,000
Output Tax	80,000
Sales Tax Liability	?

**SITUATION**

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## STEPS OF FILING ST RETURN- ANNEXURE F

Annex-F, CARRY FORWARD SUMMARY **Data Saved**

	Description	Domestic Purchases	Imports	Total
1. Value	a. Opening Balance	0	0	0
	b. Purchased/Imported during the Period	143,589	243,138	386,727
	c. Consumed/ Sold during the Period	72,465	243,138	315,603
	d. Closing Balance	71,124	0	71,124
2. Sales Tax Excluding VAT	a. Opening Balance	0	0	0
	b. Purchased/Imported during the Period	24,411	41,680	66,091
	c. Consumed/ Sold during the Period	12,320	41,680	54,000
	d. Closing Balance	12,091	0	12,091
3. Value Addition Tax	a. Opening Balance	0	0	0
	b. Purchased/Imported during the Period	0	0	0
	c. Consumed/ Sold during the Period	0	0	0
	d. Closing Balance	0	0	0

Save Print Back To Return

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## STEPS OF FILING ST RETURN- ANNEXURE G

Annex-G (Sales Tax Arrears)

Type  Details

Tax Period  Amount

Add / Save Update Delete Clear Print Back To Return

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## PENALTY & DEFUALT SURCHARGE

Penalty for late filing of return	Section 33(1)
Penalty for late depositing sales tax	Section 33(5)
Penalty for non filing of Annexure	Section 33(19)
Default Surcharge	Section 34

## STEPS OF FILING ST RETURN- ANNEUXRE D

Annex- D, GOODS DECLARATION EXPORTS (GDE)

No Data found

Sr No.	Collectorate	Particulars of GD Exports				Value of Exports in Pak Rupees	Value of Goods Actually Shipped	Value of Short Shipment	MR / Consignment Shipping No.	MR / Consignment Shipping Date
		GD Type	GD Number	GD Date	HS Code					
<b>Total:</b>						0	0	0		

## STEPS OF FILING ST RETURN – ANNEXURE I

Annex-1, DEBIT & CREDIT NOTES (DCN) Preparing

**Particulars of Supplier/Buyer**

NTN  CNIC  Name   
 Type

**Debit / Credit Note**

Number  Date  Type   
 Reason  Specify if Others:

**Particulars of Original Invoice**

Invoice Type  Number  Date   
 Sale/Purchase Type  Quantity  Value Excl Sales Tax   
 Sales Tax/FED in ST Mode  ST Withheld  Extra Tax   
 Further Tax

**Particulars of Revised Invoice**

Quantity  Value Excl. Sales Tax  Sales Tax/FED in ST Mode   
 ST Withheld  Extra Tax  Further Tax

**Difference Adjustable (Original - Revised)**

Quantity  Value Excl. Sales Tax  Sales Tax/FED in ST Mode   
 ST Withheld  Extra Tax  Further Tax

Add / Save  Update  Delete  Clear  Attach File  Print  Back To Return

**Debit or Credit Data**

Particulars of Supplier / Buyer		Debit / Credit Note		Original Invoice										Revised Invoice									
Sr.	NTN/CNIC	Name	Type	Number	Date	Type	Reason	Invoice Type	Number	Date	Sale/Purchase Type	Quantity	Value Excl Sales Tax	Sales Tax/FED in ST Mode	ST Withheld	Extra Tax	Further Tax	Quantity	Value Excl. Sales Tax	Sales Tax/FED in ST Mode	ST Withheld	Extra Tax	Further Tax
Adjustable purchases from																							
Purchases from un.																							
Adjustable sales from																							
Adjustable sales from un.																							
Adjustment given to Steel Melters under																							

## DEBIT / CREDIT NOTES – SECTION 9

Cancellation of Supply

Returns of Goods

Change in the nature of goods

Change in the value of supply

Some such events

**Condition:** Amount shown in the tax invoice or the returns needs to be modified within **180 days**

## DEBIT / CREDIT NOTES – RULES 19 - 22

Cancellation of Supply	Debit Note	Corresponding Credit Note
Returns of Goods	Debit Note	Corresponding Credit Note

## PARTICULARS OF DEBIT / CREDIT NOTES

Cancellation of Supply & Returns of Goods
Name and registration number of the supplier
Name and registration number of the recipient
Number and Date of invoice
Reason
Signature

## DEBIT / CREDIT NOTES – RULES 19 - 22

Change in the value of supply	Debit Note issued by supplier	Credit Note issued by supplier
Change in the amount of tax		

**Condition:** Corresponding Credit or Debit Note is required to be obtained

## STEPS OF FILING ST RETURN – ANNEXURE J

Annex - J

The list of items given below is as per your selection of the products  
For making changes in this list, Click 'Manage Product List' button.

Manage Product List Save Print BackToReturn

Total value (Rs.) 0

1	Cup	10	10
2	Tea	10	10
3	Coffee	10	10
4	Chocolate	10	10
5	Cake	10	10
6	Biscuit	10	10
7	Ice cream	10	10
8	Soft drink	10	10
9	Alcoholic beverage	10	10
10	Non-alcoholic beverage	10	10
11	Meat	10	10
12	Fish	10	10
13	Poultry	10	10
14	Egg	10	10
15	Dairy product	10	10
16	Grain	10	10
17	Oil	10	10
18	Salt	10	10
19	Sugar	10	10
20	Spice	10	10
21	Herb	10	10
22	Flower	10	10
23	Vegetable	10	10
24	Fruit	10	10
25	Seed	10	10
26	Plant	10	10
27	Animal	10	10
28	Mineral	10	10
29	Chemical	10	10
30	Medicine	10	10
31	Instrument	10	10
32	Machine	10	10
33	Vehicle	10	10
34	Building	10	10
35	Land	10	10
36	Water	10	10
37	Electricity	10	10
38	Gas	10	10
39	Steam	10	10
40	Heat	10	10
41	Light	10	10
42	Sound	10	10
43	Smell	10	10
44	Taste	10	10
45	Touch	10	10
46	Feeling	10	10
47	Thought	10	10
48	Knowledge	10	10
49	Power	10	10
50	Force	10	10
51	Energy	10	10
52	Life	10	10
53	Death	10	10
54	Birth	10	10
55	Marriage	10	10
56	Divorce	10	10
57	Adoption	10	10
58	Abandonment	10	10
59	Gift	10	10
60	Loan	10	10
61	Debt	10	10
62	Interest	10	10
63	Principal	10	10
64	Collateral	10	10
65	Mortgage	10	10
66	Lease	10	10
67	Rent	10	10
68	License	10	10
69	Permit	10	10
70	Certificate	10	10
71	Diploma	10	10
72	Degree	10	10
73	PhD	10	10
74	Postgraduate	10	10
75	Research	10	10
76	Development	10	10
77	Innovation	10	10
78	Discovery	10	10
79	Patent	10	10
80	Trademark	10	10
81	Copyright	10	10
82	Design	10	10
83	Model	10	10
84	Prototype	10	10
85	Sample	10	10
86	Reference	10	10
87	Source	10	10
88	Origin	10	10
89	Provenance	10	10
90	Lineage	10	10
91	Genealogy	10	10
92	Heritage	10	10
93	Legacy	10	10
94	Tradition	10	10
95	Custom	10	10
96	Practice	10	10
97	Convention	10	10
98	Agreement	10	10
99	Treaty	10	10
100	Contract	10	10

Handout

## TIMELINES FOR DECLARATION/SUBMISSION

Supplier is required to make following declarations:

Annexure / Return	Explanation	Time & Manner
Annexure C	Declaration of sales tax invoices	10th of the following tax period
Annexure I	Declaration of debit / credit notes issued by Suppliers	10th of the following tax period
ST Payment	Create payment challan through e-payments	By 15th of the following tax period
Return	Submission of complete return	By 18th of the following tax period

## TIMELINES FOR DECLARATION/SUBMISSION

Buyer is required to make following declarations:

Annexure / Return	Explanation	Time & Manner
Annexure A [for input tax adjustment]	Immediately available to upload sales tax invoices declared by Suppliers	After submission of Annexure C by registered supplier, buyer will be able to claim input tax adjustment
Annexure A	Manual feeding of purchases made from un-registered person or any other purchase as allowed by Federal Board of Revenue	Not Specified

## TIMELINES FOR DECLARATION/SUBMISSION

### ***Declaration by Buyers***

Annexure / Return	Explanation	Time & Manner
Annexure A [For Sales Tax Withholding]	Declaration of sales tax withholding deductible on purchases by the buyer as withholding agents.	Not Specified
Annexure I	Immediately available to upload debit and credit notes declared by Suppliers	After submission of Annexure I, by registered supplier, buyer will be able to make adjustment in input tax.
Return	Submission of complete return	By 18th of the following tax period

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### **Provisional adjustment of sales tax by Buyer/ Supplier**

Buyer/ Supplier will be provisionally allowed adjustment in the following manner:

Annexure Submission	Return Submission	Adjustment against Purchase Invoice / Debit & Credit Notes / Withholding
No	No	Not allowed / inadmissible under the law

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## Provisional adjustment of sales tax by Buyer/ Supplier

Annexure Submission	Return Submission	Adjustment against Purchase Invoice / Debit & Credit Notes / Withholding
Yes	No	<p>Web Portal will automatically communicate the buyer / supplier regarding non-submission of return. However, Web Portal will provisionally allow such adjustment.</p> <p>In respect of such provisional adjustment, web portal will automatically adjust / create a liability in next return, if supplier has not filed its return by 10th of following second tax period.</p> <p>Subsequent to filing of return by the supplier, Web Portal will automatically allow sales tax which was automatically recovered / adjusted earlier</p>
Yes	Yes	Admissible

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## Provisional adjustment of sales tax by Buyer/ Supplier

### ***Disallowance of Input Tax:***

- If supplier has not filed return, the buyer shall be allowed input tax adjustment till the 10th day of the next month with the message. – In case of non-filing, recovery of input tax through row 7a
- In case of filing adjustment shall be allowed through row 7b
- The balance shall appear in row 7c

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## **Provisional adjustment of sales tax by Buyer/Supplier**

---

### ***Disallowance of Credit Notes Adjustments:***

- If the buyer does not accept the Credit Note, the supplier shall be allowed reduction in output tax till the 10th day of the next month. – In case of non-acceptance, recovery of tax through row 7a,
- in case of acceptance, adjustment shall be allowed through row 7b,
- the balance shall appear in row 7c.

## **Real-Time Status of Submitted Invoices:**

---

- Claimed by Buyers (Locked)
- Unclaimed (Editable before submission of return)
- Rejected

## REVISION OF RETURN – SECTION 26(3)

- Correction of omission or wrong declaration
- Within 120 days
- Online Request
- Application to Commissioner IR for approval
- Filing of condonation after 180 days – SRO 394 of 2009:
  - To Commissioner IR – upto one year
  - To FBR – after one year

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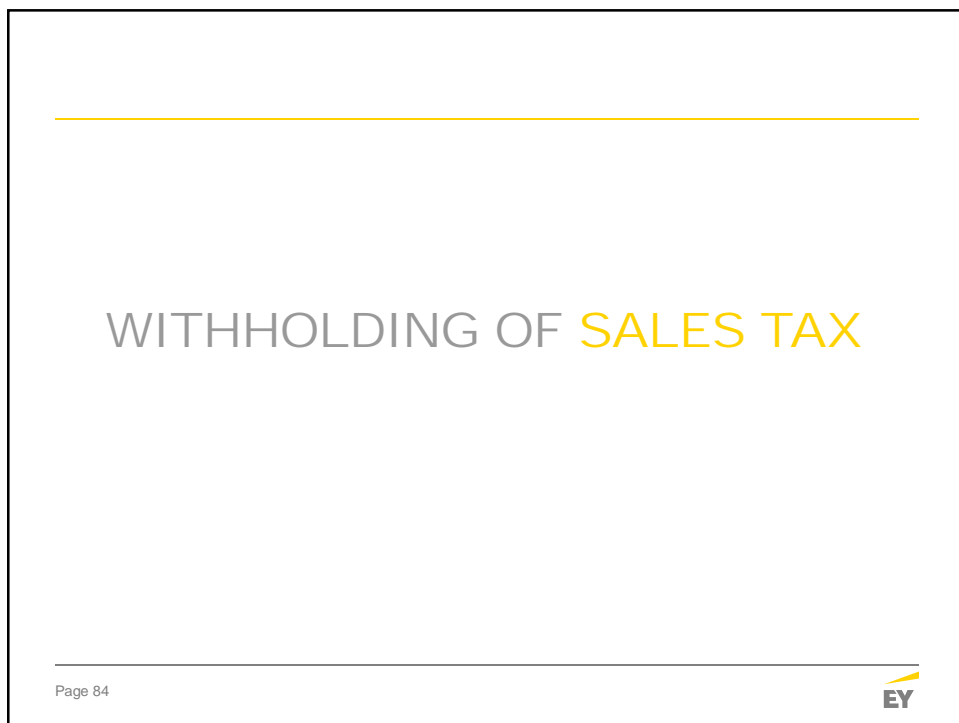
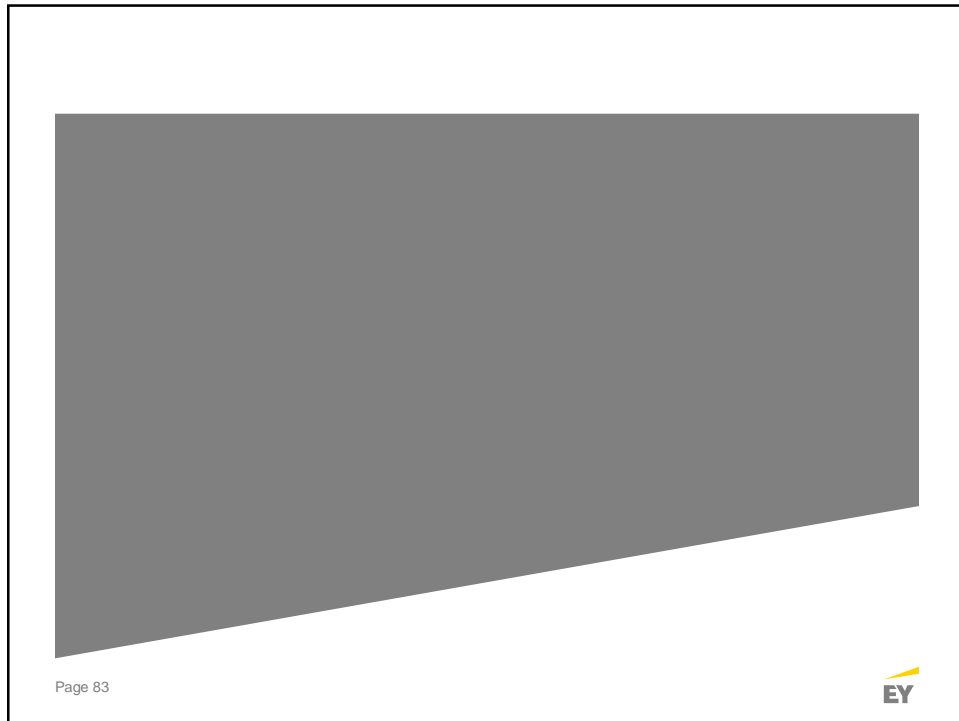


## COMPARISON OF ST RETURNS – FBR/PRA VS SRB/KPRA/BRA

- In FBR/PRA, sales tax returns filed through STRIVE as discussed above
- In SRB/KPRA/BRA, the old method of uploading files in respective Annexures still followed
- In SRB, a pro-ration required for declaration of imported capital goods in Annexure B.
- In SRB, revision of return is allowed upon payment of excess sales tax in the revised return.

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## An Overview Sales Tax Withholding In Pakistan



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## Withholding Agents (FBR)

### Persons specified as withholding agents

- Federal and Provincial **Government departments**;
- **Autonomous bodies**;
- **Public sector organizations**,
- **Companies** as defined under the **IT Ordinance 2001**, registered for ST, FED or income tax purposes.
- **Recipient of advertisement services**, who are registered for sales tax
- Persons registered as **exporters**

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## Withholding Agents

*Under the Sindh, Punjab and KPK Rules*

Sindh WHT Agents	Punjab WHT Agents	KPK WHT Agents
Federal and Provincial, local Govt. departments	Federal and Provincial, local Govt. departments	Federal and Provincial, local Govt. departments
<b>Autonomous bodies Public sector org</b>	<b>Autonomous bodies Public sector org</b>	<b>Autonomous bodies Public sector org</b>
Organizations funded by Federal, Provincial Govt	Organizations funded by Federal, Provincial Govt	Organizations funded by Federal, Provincial Govt
<b>All companies resident of Sindh</b> (as per section 2(28) of the Sindh Act)	<b>All companies</b> (resident of Punjab or have place of business there)	<b>All companies</b> (resident of KPK or have place of business there)
<b>Recipient of advertisement services</b> , registered for Federal or Sindh sales tax	<b>Recipient of advertisement services</b> , registered for Federal or Punjab sales tax	<b>Recipient of advertisement services</b> , registered for Federal or KPK sales tax
<b>SRB registered persons</b> receiving taxable services from <b>unregistered persons</b>	<b>PRA registered persons</b> receiving taxable services from <b>unregistered persons</b>	<b>KPRA registered persons</b> receiving taxable services from <b>unregistered persons</b>

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## Responsibility of Withholding Agents

A withholding agent is required to withhold **Sales tax** from the payments being made on -

- receipts of **taxable advertisement services**; and
- invoices of **other taxable services**.

On receipts of **taxable goods or services** from a **registered person**, a withholding agent is required

- to withhold sales tax at the **applicable rates**
- of the total amount of **sales tax shown in the tax invoice**
- make payment of the balance amount
- Issuing a **sales tax withholding certificate**.

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## Responsibility of Withholding Agents (FBR)

Sales Tax Withholding under STWH Rules		
Business Activity of Supplier	Registered	Un-registered
Manufacturers and others ( Excluding Wholesaler / Distributor / Dealer)	1/5 <sup>th</sup> or 20% of the value of sales tax shown in the sales tax invoice	1% of the gross taxable amount (including sales tax)
Wholesaler / Distributor / Dealer	1/10 <sup>th</sup> or 10% of the value of Sales Tax shown in the sales tax invoice	
For withholding of sales tax on goods, sales tax withholding is due on “purchase of taxable goods” instead of “at the time of making payment to the supplier”.		

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## Responsibility of Withholding Agents

*Under the Sindh, Punjab and KPK Rules*

Jurisdiction	Registered	Unregistered
Sindh	1/5 <sup>th</sup> or 20% of the sales tax shown in the sales tax invoice	Amount of sales tax at the applicable rate
	Whole Amount of Sales Tax is to be withheld on following services: <ul style="list-style-type: none"> <li>- Advertisement</li> <li>- Auctioneers</li> <li>- Renting of Immovable Property</li> <li>- Intercity Transportation or carriage of goods by Road</li> </ul>	Applicable rate of Sales Tax is to be withheld on following services: <ul style="list-style-type: none"> <li>Advertisement @13%</li> <li>Auctioneers @10%</li> <li>Renting @3%</li> <li>Transportation @8%</li> </ul>
Punjab	Whole Amount of Sales Tax (excluding service received from registered Corporate entities, being Active Taxpayer on PRA)	Amount of sales tax at the applicable rate
KPK	1/5 <sup>th</sup> or 20% of the sales tax shown in the sales tax invoice	Amount of sales tax at the applicable rate
ICT	1/5 <sup>th</sup> or 20% of the sales tax shown in the sales tax invoice	
Baluchistan	Withholding Rule are yet to be defined however, interim guidelines are issued.	

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## Example

Value of taxable supplies  
excluding sales tax = Rs. 1,000

Sales tax @17% = Rs. 170

Sales tax to be deducted  
by withholding agent at 1/5<sup>th</sup> or 20%

(i.e. Rs. 170/5) = Rs. 34

Balance Amount to be paid = Rs. 1,136

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## An Overview

### *Concept of Registered / Unregistered Persons*

- ▶ Currently, the rates of withholding tax, for sales tax purposes, have been separately identified for “Registered” and “Un-registered” persons.
- ▶ A Registered person is a person who is registered for sales tax purposes with the respective tax authorities and charges sales tax at the applicable rate on its invoices.
- ▶ An Un-registered person is a person who is liable to be registered for sales tax with respective authority.

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## Example Sales tax With holding on Payment of Services

### ► Acquisition of services from unregistered person

Value of renting services (gross amount)	=	Rs. 1000
Sindh sales tax withholding @8%(8/108)	=	(Rs. 74)
		<hr/>
Balance Amount to be paid	=	Rs. 926

## Example Sales tax With holding on Payment of Services

### ► Acquisition of services from unregistered person

Value of renting services (gross amount)	=	Rs. 1000
Sindh sales tax withholding @8%(8/108)	=	(Rs. 74)
		<hr/>
Balance Amount to be paid	=	Rs. 926

## Exclusions from Sales Tax Withholding (FBR)

Following taxable **goods** are excluded from sales tax withholding:

1. **Electrical energy and Natural gas**
2. **Petroleum products** as supplied by petroleum production and exploration companies, oil refineries, oil marketing companies and dealers of motor spirit and high speed diesel;
3. Registered persons **paying sales tax under Chapter XI of the Sales Tax Special Procedure Rules, 2007**, except those paying sales tax on ad valorem basis at standard rate;
4. **Vegetable ghee and cooking oil**
5. **Goods specified in the Third Schedule**
6. **Supplies made by commercial importers** who paid value addition tax on such goods at the time of import.
7. **Supplies made by registered person to another registered person** except advertisement services

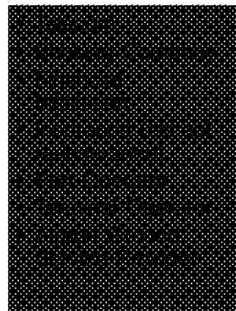
Page 95



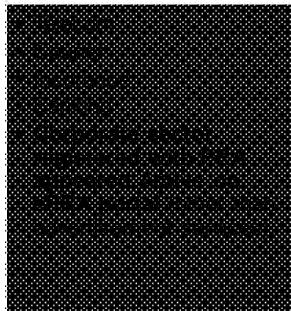
## Exclusions From Sales Tax Withholding (Services)

Following taxable **services** are excluded from sales tax withholding

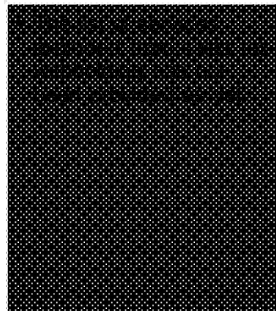
**Sindh WHT**



**Punjab WHT**



**KPK WHT**



**FBR (WHT): Telecommunication Services**

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## Procedure of Payment and Declaration of Sales Tax Withholding

Tax Authority	Registered with FBR only	Registered with SRB/PRA/KPRA only	Registered with both FBR and SRB/PRA/KPRA
FBR	Sales Tax Return	Withholding Statement	Sales Tax Return
SRB/PRA/KPRA	Withholding Statement	Sales Tax Return	Sales Tax Return

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## Procedure of Payment and Declaration of Sales Tax Withholding

A Withholding agent **registered** for sales tax is **required to**

- **Deposit the** withheld amount through **declaring purchases in monthly sales tax return. (whether input tax is required to be claimed or not)**
- Withholding from **unregistered persons** can be declared in single line?

A withholding agent **not registered** for sales tax is **required to**

- Be **e-enrolled** on e-portal of respective authorities
- File monthly withholding e-statement
- Deposit the withheld amount of sales tax.

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## Procedure of Payment and Declaration of Sales Tax Withholding

**Taxpayer Facilitation Portal**

Home | **e-Registration** | e-Enrolment | Search Taxpayers | News | FAQs | Helpdesk & Support | About Us | Contact Us

New e-Registration Having NTN  
New e-Registration Having No NTN  
**Sign-up for Withholding Agents & Franchisor (Not Having SNTN)**

**Documents Required For Registration**

- NTN Certificate
- CNIC
- Electricity Bill (Not Older than 3 months)
- Gas Bill (Not Older than 3 months)
- Bank Account Certificate (Not Older than 3 months)
- Rent Agreement/Ownership Registry
- Letter Head of the Business
- SECP Incorporation Certificate with List of Directors (With Forms 29 & 21) in case of Limited Companies.
- Partnership Deed (for AOP)
- Custom License (for Custom Agents, Shipping Agents, Ship Chandlers & Public Bonded Warehouses)
- Port Authority License Permit (for Stevedores)
- Home Department License Permit (for Security Agencies)

Send scanned copies of above-said documents in JPG format and E-mail at [support@srbs.gov.pk](mailto:support@srbs.gov.pk)

**NOTE:** Registration will not be processed if the documents are incomplete.

**Sign-up as Withholding Agent, Franchisor & SWWF/SCPWP**

☒ SRB Registration, who already have NTN

NTN/FTN

Taxpayer Type ☒ INDIVIDUAL ☐ AOP ☐ COMPANY

CNIC

Name

Image Character

OK CLEAR

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## Procedure of Payment and Declaration of Sales Tax Withholding

**Sindh Revenue Board**  
**Taxpayer Facilitation Portal**

e-Registration | e-Enrolment | Search Taxpayers | News | FAQs | Helpdesk & Support | About Us | Contact Us

... Welcome to Sindh Revenue Board ...

This enrollment form is applicable only for Taxpayers who provide Taxable Services. For Withholding Agents please use [e-Signup form](#) (For a taxpayer who already has "Login ID" of eFBR Portal)

**Steps:**

1. Click on e-Enrolment : Enter NTN & Image Character (please Make sure that your email ID & Mobile phone # as registered at FBR are valid).
2. Login at eFBR (you will be automatically redirected to eFBR).
3. Confirm copying of your particulars from eFBR to eSRB.
4. Go to eSRB (pass code & activation code will be sent on email & mobile phone through SMS).
5. Activate your enrolment at eSRB by clicking "enrolment activation" option under e-Enrolment.
6. Enter new password and PIN code.
7. For further details and guidance [click here](#).

**Attention! SERVICE PROVIDERS IN SINDH PROVINCE**

Please click [e-Enrolment](#) for creating your User-ID at eSRB for e-Filing of Returns & making Tax

**Login**

User ID

Password

Login

Forgot Password

**Advertisements**

**Sindh Revenue Board**  
Government of Sindh  
**for e-filing**

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## Procedure of Payment and Declaration of Sales Tax Withholding

**Taxpayer Facilitation Portal** (Last Login: 7-Jan-2019, 11:33 AM)

Home Administration Registration Declaration Requests e-Payments Logout

**NTN Statements Control Center**

Frequency: ☒ Monthly

Period: Year: 2018, Month: Dec

Data Type: ☒ Online, ☐ Attachment

Statements Type: **Sales Tax Return Statement**

Statements: Prepared, Submitted, Revised, Summary Report

Messages: View Received Messages, Send New Messages, Reply Received Messages

System Alerts (Total: 0): Non Filing (0), Discrepancies (0), Notifications (0)

**Sales Tax Return for Withholding Agents**

Monthly Statement by Shipping Agents

Monthly Statement by Banking And Non-Banking Financial Companies

Monthly Statement For Telecom Services

Monthly Statement of services Rendered by Stevedore

Quarterly Statement of the Services Rendered by the Ship Management Service Provider

Status: Preparing

Back, Null Statement, Online Entry, Attach File

1. SNTN, 2. Name of Service Provider, 3. CNIC, 4. Invoice Date, 5. Description of Services, 6. Invoice No, 7. Value of Services, 8. ST Charged, 9. ST Deducted

Add, Update, Delete, Clear, Print, Verify, Submit, Revis

Statement Records - Attached Files: No files are attached with this statement

Statement Records - Online Entry: No record found

Head of Account B-02384

Sr	Description	Amount
1	Sales Tax on Services (withheld)	
2	Additional Tax/Surcharge/Others	

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EY

## Procedure of Payment and Declaration of Sales Tax Withholding

**Taxpayer Facilitation Portal** (Last Login: 7-Jan-2019, 11:33 AM)

Home Administration Registration Declaration Requests e-Payments Logout

Print this Page

Payment Year: 2019, Payment Month: Dec, 2018

Create Payment Slip

**Sales Tax Withheld**

SWWF / SCPWP

Payment Advance Search

Sales Tax Withheld

Sales Tax on Services

SWWF / SCPWP

**Sales Tax With Held SRB**

Status: Preparing

Taxpayer's particulars: Tax Month: 12/2018, NTN, Name, SNTN

**Sales Tax Withheld SRB**

Particulars of Withholding Agent: Collectorate: SRB-Karachi, NTN, CNIC, Name, Address

Attach File

Details of Files Uploaded: No files are attached with this statement

Taxpayers Detail:

1. NTN	2. Name of Service Provider	5. Sales Tax Withheld
3. No of Invoices	4. Sales Tax Invoiced	

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EY

## Sales Tax Withholding General Concepts..... Cont'd

### Exposure for failure to Withhold Sales Tax

- **No specific penalty** – hence general penalty for non-compliance of provisions of the law where no specific penalty has been provided which is Rs. 10,000 or 3% of the amount involved. However, SRB has introduced specific penalty of Rs.50,000 or an amount equivalent to the tax amount whichever is higher.
- **Default surcharge** unlikely if output tax has been deposited in time by the service provider
- **Recovery of the principal amount** can be challenged on the grounds of double taxation

## Sales Tax Withholding General Concepts..... Cont'd

The Provincial sales tax authorities require that sales tax be withheld from payments made to unregistered persons for taxable services.

This creates responsibility on the service recipient to ascertain:

whether the service is **taxable** or not;

whether the **service provider** is **liable to be registered** for sales tax or not;

the **jurisdiction** in which the service provider falls in.

### **Sales Tax Withholding Practical Issues !**

- Whether **sales tax withholding** will be made against **taxable services rendered before issuance of Withholding Tax Rules** ?
  - A **withholding agent is required to advertise or give notice** that sales tax on purchases /services will be deducted from payments ?
- **Withholding** on purchases/services received from **unregistered persons means whether**
  - not registered with relevant authority
  - Or any tax authority ?

### **Sales Tax Withholding Practical Issues !**

- **Withholding is required to be made**
  - at the **time of payment /accrual**
  - as per **amount of tax or value** mentioned on **tax invoice**
  - **WITHHOLDING ON ADVANCE PAYMENTS or Part Payments?**
- **Time of payment of withholding and**
- **Claim of sales tax withholding made by an Unregistered WHT agent ?**

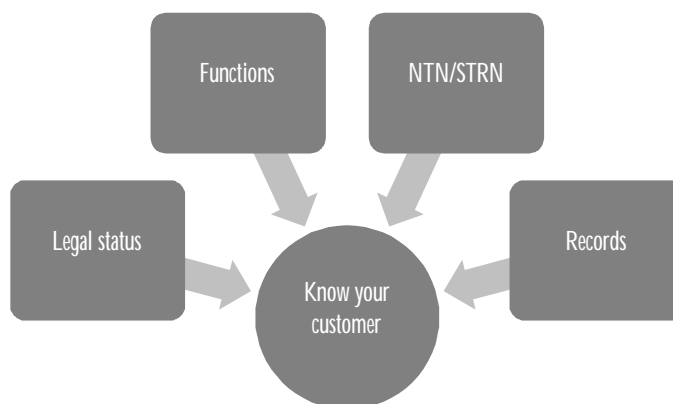
## Adjustments of Sales Tax Withholding

- ▶ Taxpayers registered with SRB, can adjust sales tax withholding by selecting sales type as “STWH” and declared the complete information of the invoice in Annexure-C of the monthly Sales Tax Return.
- ▶ Taxpayer registered with FBR/PRA etc., can adjust sales tax withholding by selecting the relevant sales tax invoice in Annexure-C of the monthly Sales Tax Return.
- ▶ Taxpayers can claim the adjustment of sales tax withholding on the basis of Certificate of Sales Tax Withholding issued by the Withholding Agent.

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## Information to be maintained by withholding agents



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# Thank You

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EY | Assurance | Tax | Transactions | Advisory

#### About EY

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