

Government of Pakistan
Revenue Division
Federal Board of Revenue
Inland Revenue

C.No.3(1)/ST&FE/MISC/2023/42611-R

Islamabad, the 04th March, 2024

Sales Tax Circular No. 01 of 2024 / IR Operations

Subject: Standard Operating Procedure for Disposal of Cases of Condonation of Time Limit under Section 74 of the Sales Tax Act, 1990.

For the purpose of disposal of requests of registered persons for condonation of time or period under section 74 of the Sales Tax Act, 1990, the Board is pleased to prescribe the following procedure:

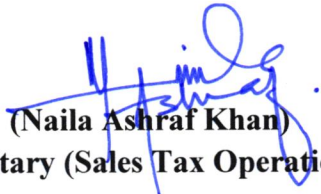
- (i) The registered person shall apply to the Commissioner Inland Revenue having jurisdiction for extension of time or period specifying the grounds for delay. In case, a request is directly received in the Board, the same shall be forwarded to the Commissioner Inland Revenue concerned for action as stated below. However, in cases where the Board is satisfied that sufficient information is available, the orders as deemed fit may be passed without referring the matter to the Commissioner Inland Revenue concerned.
- (ii) The Commissioner Inland Revenue concerned, after considering the grounds mentioned and any other information called for by him, shall send his categorical recommendations to the Board on the following format:

S.No.	Check List	Remarks
(1)	(2)	(3)
1	Brief facts of the case	(i) Brief facts of the case (ii) Reasons for seeking condonation (iii) Section for which condonation is required (iv) Date on which condonation application has been received
2	Revenue impact, if any	Amount to be mentioned.
3	Period to be condoned as requested by the registered person.	No of days (to be reckoned from the day following the last day on which the application was to be made or the act or thing was to be done till the day on which the application has been made or is to be made or the act or thing has been done or is to be done).
4	Categorical recommendation of the Commissioner-IR concerned.	Recommendation along with reason(s) is to be made here.

5	Whether supplier discharged due sales tax on supply after issuance of invoice and duly verified from Annexure-C in the condonation cases of power sector.	If "Yes", specify the date and month of return in which the same has been incorporated
6	Documents attached.	Application for condonation Original return/Annexures Proposed return/Annexures Any other relevant document

- (iii) The Commissioner Inland Revenue concerned shall forward his recommendations to the Board within fifteen days of the receipt of the application where the application is received in RTO/LTO/CTO/MTO. In case the Commissioner Inland Revenue calls for further information, the said period shall be reckoned from the date of receipt of such information.
- (iv) After receipt of the recommendations from the Commissioner Inland Revenue, the Board shall examine the request and the recommendations and communicate approval or rejection of the request to the Commissioner Inland Revenue as well as to the applicant.

2. The above instructions shall, *mutatis mutandis* be applicable for condonation sought under section 43(2) of the Federal Excise Act, 2005.
3. This Circular supercedes Sales Tax Circular No.02 of 2020/IR Operations dated 21.09.2020.


(Naila Ashraf Khan)
Secretary (Sales Tax Operations)

Copy to:

- i. The Chief Commissioners Inland Revenue, LTOs/CTOs/MTO/RTOs.
- ii. The Chief (Public Relations), FBR, Islamabad for placement on FBR's website.
- iii. Office file.