

ORDINANCE NO.XIV OF 2011

**NOTIFICATION EXTRAORDINARY ISSUE OF
SINDH GOVERNMENT GAZETTE, GOVERNMENT OF SINDH
LAW DEPARTMENT**

NOTIFICATION

Karachi, dated the 1st November, 2011.

NO.S.LEGIS:1(14)/2011:- The following Ordinance made by the Governor of Sindh is hereby published for general information:-

**THE SINDH SALES TAX ON SERVICES (AMENDMENT)
ORDINANCE, 2011**

Sindh Ordinance No.XIV of 2011

(here print as in the accompaniment)

**SAYED GHULAMNABI SHAH
SECRETARY TO GOVT. OF SINDH
LAW, PARLIMENTARY AFFAIRS
AND HUMAN RIGHTS**

No. and date _____ (as per notification above)

A copy of the above notification alongwith a accompaniment is forwarded to the Superintendent, Government Printing Press, Sindh, Karachi with a request to publish the same in an Extra-Ordinary issue of the Sindh Government Gazette in the 1st November, 2011, and supply 200 (two hundred) copies of the Gazette to this Department.

SIGNED

**(BASHIR AHMED MEMON)
DEPUTY SECRETARY (REGULATION)
FOR SECRETAY TO GOVT. OF SINDH
LAW, PARLIAMETARY AFFAIRS
AND HUMAN RIGHTS**

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AN ORDINANCE

to amend the Sindh Sales Tax on Services Act, 2011.

WHEREAS it is expedient to amend the Sindh Sales Tax on Services Act, 2011, in the manner hereinafter appearing; **Preamble.**

AND WHEREAS the Provincial Assembly is not in session and the Governor is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of Article 128 of the Constitution of the Islamic Republic of Pakistan, the Governor is pleased to make and promulgate the following Ordinance:-

1. (1) This Ordinance may be called the Sindh Sales Tax on Services (Amendment) Ordinance, 2011. **Short title and commencement.**

(2) It shall come into force at once.
2. In the Sindh Sales Tax on Services Act, 2011, hereinafter referred to as the said Act, in section 4, in sub-section (3) – **Amendment of section 4 of Sindh Act No.XII of 2011.**
 - (i) in clause (a), after the semicolon, the word “or” shall be added;
 - (ii) in clause (b), for the semi colon at the end, a full stop shall be substituted; and
 - (iii) clauses (c) and (d) shall be omitted.
3. In the said Act, in section 11, the words “or to increase or decrease the rate of tax applicable to any taxable service” shall be omitted. **Amendment of section 11 of Sindh Act No.XII of 2011.**
4. In the said Act, in section 43, in the Table, against serial No.6, in column (1), the full-stop at the end of item “(c)”, shall be replaced by a semicolon and the word “or” and thereafter the following shall be added:- **Amendment of section 43 of Sindh Act No.XII of 2011.**
 - “(d) fails to pay, recover or deposit the actual amount of tax, or claims inadmissible tax credit or

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adjustment or deduction or refund.”.

5. In the said Act, in section 45, for the figures and the word “34 and 35”, the figures and the word “43 and 44” shall be substituted. **Amendment of section 45 of Sindh Act No.XII of 2011.**
6. In the said Act, in section 47 - **Amendment of section 47 of Sindh Act No.XII of 2011.**
- (i) after sub-section (1), the following shall be added:-
- “(1A) Where by reason of some collusion, abetment, deliberate attempt, mis-statement, fraud, forgery, false or fake documents –
- (a) any tax or charge has not been paid or is, short paid, assessed or collected, the person liable to pay such tax shall be served with a notice within five years of such tax period, requiring him to show cause for non-payment of such tax;
- (b) any amount of tax is refunded which is not due, the person obtaining such refund shall be served with a notice within five years of the receipt of such refund to show cause for such refund.”;
- (ii) in sub-section (2), after the bracket and figure “(1)”, the word, bracket and figure “or (1A)” shall be added.
7. In the said Act, in section 57, in sub-section(1), for the figures, commas and word “13, 18, 19 or 38”, the figures, commas and word “22, 23, 24B, 43, 44, 47, 68 or 76” shall be substituted. **Amendment of section 57 of Sindh Act No.XII of 2011.**
8. In the said Act, in First Schedule - **Amendment of First Schedule of Sindh Act No.XII of 2011.**
- (i) in column (1), in the heading, for the word “**Number**”, the words “**Tariff heading**” shall be substituted;
- (ii) against Tariff heading “9813.3900”, in column (2), for the word “musharika”, the words “modarba and musharika” shall be substituted;
- (iii) after Tariff heading “9813.4910” and entries

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thereagainst in columns (2) and (3), the following shall be added:-

"9813.4990 other services not 16%";
specified elsewhere

- (iv) against Tariff heading "9813.8100", in column (2), for the word "Other", the words and commas "Others, including the services provided or rendered by non-banking finance companies, modaraba and musharika companies and other financial institutions" shall be substituted; and
- (v) against Tariff heading "9819.9090", in column (2), for the word "Others", the words and commas "Others, including the services provided by port operators, airport operators, airport ground service providers and terminal operators" shall be substituted.

9. In the said Act, in Second Schedule –

**Amendment of
Second Schedule
of Sindh Act No.XII
of 2011.**

- (a) after the words "Part A", the following shall be added:-

"Tariff heading Description Rate of tax
(1) (2) (3)";

- (b) after the words "Part B", the following shall be substituted for the existing column titles:-

"Tariff heading Description Rate of tax
(1) (2) (3)";

- (c) in Part B –

- (i) for the Tariff Heading "9813.1600" and entries thereagainst in columns (2) and (3), the following shall be substituted:-

"9813.1600 Other insurance 16%
including reinsurance

"9813.3000 Services provided or 16%
rendered in respect of
leasing

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| | | |
|-----------|---|-------|
| 9813.3010 | Financial leasing | 16% |
| 9813.3020 | Commodity or equipment leasing | 16% |
| 9813.3030 | Hire purchase leasing | 16% |
| 9813.3900 | Services provided or rendered in respect of modaraba and musharika financing | 16%"; |

(ii) after Tariff heading "9813.4910" and entries thereagainst in columns (2) and (3), the following shall be added:-

"9813.4990 other services not 16%";
specified elsewhere

(iii) in Tariff heading "9813.8100", in column (2), for the word "Other", the words and commas "Others, including the services provided or rendered by non-banking finance companies, modaraba and musharika companies and other financial institutions" shall be substituted;

(iv) after the Tariff heading "9813.9000", the following shall be added:-

| | | |
|------------|---|-------|
| "9814.2000 | Contractor of building (including water supply, gas supply and sanitary works), electrical and mechanical works (including air conditioning), multi- disciplinary works (including turn-key projects) and similar other works | 16% |
| 9814.3000 | Property developers or promoters | 16%"; |

(v) after the Tariff Heading "9819.2000", the following shall be added:-

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"9819.9090 Services provided or rendered by port operators, airport operators, airport ground service providers and terminal operators 16%";

(vi) for the Tariff heading "9824.0000" and entries thereagainst in columns (2) and (3), the following shall be substituted:-

"9824.0000 Construction services 16%

Management Services 16%
including fund and
assets management
services

Airport services 16%

Tracking services 16%

Security alarm services 16%

Services provided by motels and guest houses 16%."

SIGNED

**(DR.ISHRAT-UL-EBAD KHAN)
GOVERNOR OF SINDH**