

<b>SALES TAX ACT, 1990</b>			
Reference	Important Points	Amended Bill 2013-14	Applicable from
2	<b>Definition</b>		1 <sup>st</sup> July 2013
2(5AC)	CREST - (Computerized Risk-based Evaluation of Sales Tax) - part of the law		
2(22A)	Provisional Sales Tax - Amend the definition		
2(33A)	Supply Chain - part of the law		
2(44)(a)	Amend the "Time of Supply" - Time at which the goods are delivered or made available to the recipient of the supply, or the time when any payment is received by the supplier in respect of that supply, whichever is earlier.		
2(44)(c)	Where any part payment is received for the supply in a tax period, it shall be accounted for in the return for that tax period; and  In respect of exempt supply, it shall be accounted for in the return for the tax period during which the exemption is withdrawn from such supply.		
3	<b>Scope of Tax</b>		13 <sup>th</sup> June 2013
3(1)	Sales tax rate increase from sixteen to seventeen percent on import and supply.		
3(1A)	Where taxable supplies are made to unregistered person there shall be charged, levied and paid further tax at the rate of 2% of the value in addition to the rate specified in sub-section (1),(1B),(5) and (6) of this section.	Further tax at the rate of 1%	
3(1B)	In Lieu of levying and collection of tax u/s (1) on taxable supplies, a) On the production capacity of plants, machinery, undertaking, establishment or installations producing or manufacturing such goods; or b) On fixed basis, as it may deem fit, from any person who is in a position to collect such tax due to the nature of the business.		
3(5)	In addition to the tax levied u/s (1),(2) and (4), levy and collect such tax at such extra rate or amount not exceeding 17% of the value of such goods or class of goods and on such persons or class of persons, in such mode, manner and at time, and subject to such conditions and limitation as it may, by rules, prescribe.		
3(8)NEW		the Gas Transmission and Distribution Company shall charge sales tax from the CNG stations at the rate of nine percent	1 <sup>st</sup> day of July 2013
8	<b>Tax credit not allowed</b>		
8(1)(caa)	Purchases, in respect of which a discrepancy is indicated by CREST or input tax of which is not verifiable in the supply chain.		1 <sup>st</sup> July 2013

21	<b>De-registration, blacklisting and suspension of registration</b>		
21(3)	Condition of section 73 removed		
21(4)	If registered person is engaged in issuing fake or flying invoices, claiming fraudulent input tax or refund, does not physically exist or conduct actual business, or is committing any other fraudulent activity.  After recording reasons in writing, block the refunds or input tax adjustments and direct for further investigation and appropriate legal action.		
22	<b>Records</b>		1 <sup>st</sup> July 2013
22(ea)	To prescribe record relating to gate passes, inward or outward, and transport receipts.		
25	<b>Access to record, documents, etc.,</b>		
25(5)	Explanation in section 25,38,38A,38B and 45A and for removal of doubt regarding powers of Board, Commissioner and officer of Inland Revenue under these section as compared to section 72B. Section 25 = Access to record, documents, etc., Section 38 = Authorised officers to have access to premises, stocks, accounts & records Section 38A = Power to call for information Section 38B = Obligation to produce documents and provide information. Section 72B = Selection for audit by the Board.		
40B	<b>Posting of Sales Tax Officers.</b> To equate powers of Board and Chief Commissioner regarding posting of officers or officials of Inland Revenue to business premises for monitoring.		1 <sup>st</sup> July 2013
40C	<b>Monitoring or tracking by electric or other means.</b> To allow legal powers for monitoring or tracking by electronic or other means.		1 <sup>st</sup> July 2013
45B	<b>Power of Adjudication</b>		
45B (1A)	To allow Commissioner (Appeals) to grant stay of maximum 30days in hardship basis.		1 <sup>st</sup> July 2013
57	<b>Correction of clerical errors etc.,</b> To bring the concept of rectification of mistake on lines of Income Tax Ordinance, 2001.		1 <sup>st</sup> July 2013
72C	<b>Reward to Inland Revenue officers and officials.</b>		
72C (1) & (2)	Reward to officers and officials of Inland Revenue in case of detection of concealment and evasion of sales tax.		1 <sup>st</sup> July 2013
73	<b>Certain Transaction no Admissible</b>		
	Explain any change in bank account through sales tax registration form or through change in particulars in registration database(STR-1).		1 <sup>st</sup> July 2013

Third Schedule	Add items in third schedule of the Act to charge sales tax on retail price basis on these items.	13 <sup>th</sup> June 2013
Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969(IV of 1969)
22	Finished or made-up articles of textile and leather, including garments, footwear, and bed ware, sold in retail packing	Respective headings
23	Household electrical goods, including air conditioners, refrigerators, deep freezers, televisions, recorders and players, electric bulbs, tube-lights, fans, electric irons, washing machines and telephone sets	Respective headings
24	Household gas appliances, including cooking range, ovens, geysers and gas heaters.	Respective headings
25	Foam or spring mattresses, and other foam products for household use	Respective headings
26	Auto parts and accessories sold in retail packing	Respective headings
27	Lubricating oils, brake fluid, transmission fluid, and other vehicular fluids and maintenance products in retail packing.	Respective headings
28	Tyres and tubes	Respective headings
29	Storage batteries	Respective headings
30	Arms and ammunition	Respective headings
31	Paints, distempers, enamels, pigments, colours, varnishes, gums, resins, dyes, glazes, thinners, blacks, cellulose lacquers and polishes sold in retail packing	Respective headings
32	Fertilizers	Respective headings
33	Cements sold in retail packing	Respective headings
34	Tiles sold in retail packing	Respective headings
35	Biscuits, confectionary, chocolates, toffees and candies	Respective headings
36	Other goods and products sold in retail packing	Respective headings

Sixth Schedule of		13 <sup>th</sup> June 2013
Table - I	Withdraw exemption of sales tax on milk preparations obtained by replacing one or more constituents of milk by another substance.	
Table - II	Withdrawn exemption of sales tax on supplies against international tender.	
<b>SRO's</b>		
500	Rescinding various sales tax and FED Notifications	
	No. S.R.O. 646(I)/2005, dated the 30th June, 2005; Zero % supply thereof M/s Pakistan PTA Limited, Port Qasim by M/s BOC Pakistan Ltd., Hydrogen Nitrogen Helium	
	No. S.R.O. 172(I)/2006, dated the 24th February, 2006;	
	No. S.R.O. 863(I)/2007, dated the 24th August, 2007; zero per cent on raw materials, sub-components, components, sub-assemblies and assemblies imported or purchased locally for the manufacture of goods specified in column (2) of the Table.	
	No. S.R.O. 160(I)/2010, dated the 10th March, 2010; Exempt default charges and penalties, register persons located in district of Hangu, Bannu, Tank, Chitral, Charsadda, Peshawar, Dera Ismail Khan, Batagram, Lakki Marwat, Sawabi and Mardan.	
	No. S.R.O. 161(I)/2010, dated the 10th March, 2010; The fiscal relief package to rehabilitate the economic life in NWFP, FATA/PATA announced by the Federal Government on 07.01.2010, incentives relating to sales tax and federal excise.	
	No. S.R.O. 162(I)/2010, dated the 10th March, 2010; The fiscal relief package to rehabilitate the economic life in NWFP, FATA/PATA announced by the Federal Government on 07.01.2010, incentives relating to sales tax and federal excise.	
	No. S.R.O. 163(I)/2010, dated the 10th March, 2010; Amendment in SRO 509(1)/2007 dated 9th June 2007. In the said Notification, in the Table, in column (1), against serial number 66, in column (3), for the figure "3206.4990", the figure "3206.4900" shall be substituted.	
	No. S.R.O. 164(I)/2010, dated the 10th March, 2010; The fiscal relief package to rehabilitate the economic life in NWFP, FATA/PATA announced by the Federal Government on 07.01.2010, incentives relating to sales tax and federal excise.	
	No. S.R.O. 117(I)/2011, dated the 10th February, 2011; Relief Under Prime Minister's Package to areas not covered under ST Act 1990 for goods if supplied to a person in area where ST act is applicable.	

	No. S.R.O. 180(I)/2011, dated the 5th March, 2011; Sales tax shall be charged at the lower rate of 50% registered persons located in districts of Hangu, Bannu, Tank, Kohat, Chitral, Charsadda, Peshawar, Dera Ismael Khan, Batagram, Lakki Marwat, Sawabi, Nowshera and Mardan.	
	No. S.R.O. 200(I)/2011, dated the 14th March, 2011; and	
	No. S.R.O. 201(I)/2011, dated the 14th March, 2011;	
501	To exempt goods that were earlier zero-rated under SRO 549(1) 2008	
502	To delete items from SRO 549(1) 2008 as these items are now exempt under SRO 501(1) 2013	13 <sup>th</sup> June 2013
503	Repayment - cum - drawback on vegetable ghee - SRO 993(1)/2006 Omitted	
504	To exclude finish articles, goods and made-ups from the purview of SRO 1125(1) 2011	
505	To expand scope of WHST by making all WHA responsible to withhold whole of sales tax on purchases from unregistered persons  RULE 2 - SUB-RULE 3 A with holding Agent, <del>having Free Tax Number (FTN) and falling under clause (a), (b) or (c) of sub rule (2) of rule 1</del> , shall on purchase of taxable goods from unregistered persons, deduct sales tax at the applicable rate of the value of taxable supplies made to him from the payment due to the supplier and unless otherwise specified in the contract between the buyer and the supplier, the amount of sales tax for the purpose of this rule shall be worked out on the basis of gross value of taxable supply.	
506	To amend sales tax rules 2006 to change clauses related to place of registration Jurisdiction must be at the manufacturing unit or business premises are actually located.	1 <sup>st</sup> July 2013
509	To levy extra tax @ 5% on non-registered Industrial and commercial connections where monthly bills exceed 15,000 per month	
510	Amend in ST Special Procedure Rules, 2007 to prescribe the rules for chargeability of extra tax levied under SRO 509(1) 2007	