

S.R.O 491(1)/2016 dated 30th June 2016

In exercise of the powers conferred by sub-section (1), clause (b) of sub-section (2) and sub-section (6) of section 3 and clauses (c) and (d) of section 4 read with clause (b) of sub-section (1) of section 8 and section 71 of the Sales Tax Act, 1990, the Federal Government is pleased to direct that the following further amendments shall be made in its Notification No. S.R.O 1125(1)/ 2011, dated the 31st December, 2011, namely:-

TABLE - I

| S.No | Description of Goods | PCT Heading No. |
|------|---|--|
| (1) | (2) | (3) |
| | NEW / inserted Omitted and deleted <u>substituted</u> | |
| 1 | Leathers and articles thereof, excluding finished articles of leather and artificial leather (Update SRO504(1)/2013) | Chapter 41 and heading 64.06 |
| 2 | Textile and articles thereof, excluding (a) finished articles of textiles and textile made -ups; (b) mono -filament of more than 67 decitex; (c) sun shading; (d) fishing net of nylon or other material; (e) rope of polyethylene or nylon; and (f) tyre cord fabric (Update SRO504(1)/2013) | Chapters 50, 51, 52, 53, 54 (excluding 5407.2000), 55, 56 (excluding 56.08 and 56.09), 57(excluding made ups), 58, 59 (excluding 59.05, 59.10) and 60, 6306.1210 and 6306.1910 |
| 3 | Carpets, excluding those in finished condition (Update SRO504(1)/2013) | Chapter 57 (excluding made ups) |
| 4 | Maize (corn) starch | Finance bill 2015-16 |
| 5 | Mucilages and thickness, whether or not modified, derived from locust beans locust bean seeds or guar seeds | 1302.3210, 1302.3290, 1302.3900 |
| 6 | Sports goods, excluding those in finished condition (Update SRO504(1)/2013) | Respective headings excluding finished goods |
| 7 | Surgical goods, excluding those in finished condition (Update SRO504(1)/2013) | Respective headings excluding finished goods" |
| 8 | Emery powder/grains | 2513.2010 |
| 9 | Magnesium oxide | 2519.9010 |
| 10 | Coning oil | 2710.1991 |
| 11 | Spin finish Oil | 2710.1998 |
| 12 | Antimony oxide | 2825.8000 |
| 13 | Sodium bromated | 2829.9000 |
| 14 | Sodium sulphide and sodium hydrogen sulphide | 2830.1010, 2830.1090 |
| 15 | Sodium dithionite | 2831.1010 |
| 16 | Sodium sulphite and sodium hydrosulphide | 2832.1010,2832.1090 |
| 17 | Phosphinates (hypophosphites) and phosphonates (phosphates) | 2835.1000 |
| 18 | Sodium dichromate | 2841.3000 |
| 19 | Hydrogen per oxide | 2847.0000 |
| 20 | p-Xylene | 2902.4300 |
| 21 | Trichloroethylene | 2903.2200 |
| 22 | Ethylene Glycol (MEG) | 2905.3100 |
| 23 | Di-ethylene glycol | 2909.4100 |
| 24 | Ethyl glycol | 2909.4490 |

TABLE - I

| S.No | Description of Goods | PCT Heading No. |
|------|--|---|
| (1) | (2) | (3) |
| | NEW / inserted Omitted and deleted <u>substituted</u> | |
| 25 | Tri-ethylene Glycol | 2909.4990 |
| 26 | Glutar aldehyde | 2912.1900 |
| 27 | Formic acid | 2915.1100 |
| 28 | Sodium formate | 2915.1210 |
| 29 | Acetic acid | 2915.2100 |
| 30 | Sodium acetate | 2915.2930 |
| 31 | Acrylic acid and its salts | 2916.1100 |
| 32 | Esters of Methacrylic acid | 2916.1400 |
| 33 | Oxalic acid | 2917.1110 |
| 34 | Pure terephthalic acid (PTA) | 2917.3610 |
| 35 | Glycolic acid and their esters | 2918.1800 |
| 36 | Other phosphoric esters and their salts | 2919.9090 |
| 37 | Dyes intermediates | 2921.0000,2922.0000,2923.0000 2924.0000,2927.0000,2933.0000 2934.0000 |
| 38 | DMF (Dimethyl Formamide) | 2924.1990 |
| 39 | Acrylonitrile | 2926.1000 |
| 40 | Other organic derivatives of hydrazine or of hydroxylamine | 2928.0090 |
| 41 | Tanning extracts of vegetable origin; tannins and their salts, ethers, esters and other derivatives | 3201.1000,3201.2000,3201.9020 3201.9090 |
| 42 | Synthetic organic tanning substances, inorganic tanning substances, tanning preparations, whether or not containing natural tanning substances; enzymatic preparations for pre-tanning | 3202.1000 3202.9010 3202.9090 |
| 43 | Disperse dyes and preparations based thereon. | 3204.1100 |
| 44 | Acid dyes and preparations based thereon | 3204.1200 |
| 45 | Basic dyes and preparations based thereon | 3204.1300 |
| 46 | Direct dyes and preparations based thereon | 3204.1400 |
| 47 | Indigo Blue | 3204.1510 |
| 48 | Vat dyes and preparations based thereon | 3204.1590 |
| 49 | Reactive dyes and preparations based thereon | 3204.1600 |
| 50 | Pigments and preparations based thereon | 3204.1700 |
| 51 | Dyes, sulphur | 3204.1910 |
| 52 | Dyes, synthetic | 3204.1990 |
| 53 | Synthetic organic products of a kind used as fluorescent brightening agents. | 3204.2000 |
| 54 | Other synthetic organic colouring matter | 3204.9000 |
| 55 | Pigments and preparations based on titanium dioxide. | 3206.1900 |
| 56 | Other colouring matter and other preparations excluding master batches (SRO 504(1)/2013 dated 12 th June, 2013) | 3206.4900 |
| 57 | Granules, flakes, powder of glass (others) | 3207.4090 |
| 58 | Prepared water pigments of a kind used for finishing Leather | 3210.0020 |

TABLE - I

| S.No | Description of Goods | PCT Heading No. |
|-----------|--|--|
| (1) | (2) | (3) |
| | NEW / inserted Omitted and deleted <u>substituted</u> | |
| 59 | Cationic surface active agents | 3402.1210,3402.1220,3402.1290 |
| 60 | Non-ionic surface active agents | 3402.1300 |
| 61 | Surface active preparations and cleaning preparations excluding detergents | 3402.9000 |
| 62 | Preparations for the treatment of textile material, leather, fur skins or other material | 3403.1110,3403.1120,3403.1990 3403.9110,3403.9190 |
| 63 | Spin finish oil | 3403.9131 |
| 64 | Artificial waxes and prepared waxes | 3404.9010 |
| 65 | Other artificial waxes | 3404.9090 |
| 66 | Electro polishing chemicals | 3824.9060 |
| 67 | Other glues (printing gum) | 3505.2090 |
| 68 | Shoe adhesives (SRO 504(1)/2013 dated 12th June, 2013 | 3506.9110 |
| 69 | Hot melt adhesive | 3506.9110 , 3506.9190 |
| 70 | Enzymes | 3507.9000 |
| 71 | Photographic film, with silver halide emulsion (for textile use) | 3702.4300 , 3702.4400 |
| 72 | Sensitizing emulsions (for textile use) | 3707.1000 |
| 73 | Fungicides for leather industry | 3808.9220 |
| 74 | Preparation of a kind used in textile or like industry | 3809.9110 , 3809.9190 |
| 75 | Preparation of a kind used in leather or like industries | 3809.9300 |
| 76 | Compound plasticizers for rubber or plastics | 3812.2000 |
| 77 | Antimony triacetate | 3815.1910 |
| 78 | Palladium catalyst | 3815.9000 |
| 79 | Electrolyte salt | 3824.9060 |
| 80 | Polymers of vinyl acetate (in aqueous dispersion) | 3905.1200 |
| 81 | Vinyl acetate copolymers: in aqueous dispersion | 3905.2100 |
| 82 | Polymers of vinyl alcohol | 3905.3000 |
| 83 | Other vinyl polymers | 3905.9990 |
| 84 | Other acrylic polymers | 3906.9030 |
| 85 | Acrylic polymers in primary forms | 3906.9090 |
| 86 | Polyethylene terephthalate-Yarn grade, and its waste | 3907.6010 |
| 87 | Nylon Chips (PA6) | 3908.1000 |
| 88 | Polyurethanes | 3909.5000 |
| 89 | Silicones in primary form | 3910.0000 |
| 90 | Cellulose nitrates nonplasticised | 3912.2010 |
| 91 | Other cellulose nitrates | 3912.2090 |
| 92 | Carboxymethyl cellulose and its salts | 3912.3100 |
| 93 | Alginic acids, its salts and esters | 3913.1000 |
| 94 | Nylon tubes | 3917.3910 |
| 95 | Artificial leather | 3921.1300 |
| 96 | Synthetic leather grip | 3926.9099 |
| 97 | Natural rubber latex | 4001.1000 |

TABLE - I

| S.No | Description of Goods | PCT Heading No. |
|------|---|--|
| (1) | (2) | (3) |
| | NEW / inserted Omitted and deleted <u>substituted</u> | |
| 98 | Technical specialized natural rubber | 4001.2200 |
| 99 | Rubber latex | 4002.1100 |
| 100 | Synthetic rubber SBR 1502 latex | 4002.1900 |
| 101 | Butadiene rubber | 4002.2000 |
| 102 | Thermo-plastic rubber (T.P.R.) | 4002.9900 |
| 103 | Vulcanized rubber thread and cord | 4007.0010 4007.0090 |
| 104 | Leather shearing-finish leather with wool | 4302.1910 |
| 105 | Articles of apparel and clothing accessories of fur skin | 4303.9000 |
| 106 | Artificial fur and articles thereof | 4304.0000 |
| 107 | English willow cleft (wood) | 4404.1000 |
| 108 | Cork Granules | 4501.9000 |
| 109 | Cork sheet | 4504.1010 |
| 110 | Satin Finishing Wheels | 6804.2100 |
| 111 | Carbon Fiber | 6815.1000 |
| 112 | Glass fiber sleeves | 7019.9010 |
| 113 | Forging of surgical and dental instruments | 7326.1920 |
| 114 | Nickel rotary printing screens | 7508.9010 |
| 115 | Hooks for footwear | 8308.1010 |
| 116 | Eyes and eyelets for footwear | 8308.1020 |
| 117 | Tubular or bifurcated rivets | 8308.2000 |
| 118 | Strings | 8308.9090 |
| 119 | Bladders and covers of inflatable balls | 9506.9919 |
| 120 | Press-fasteners, snap fasteners and press studs | 9606.1000 |
| 121 | Buttons of plastics not covered with textile material | 9606.2100 |
| 122 | Buttons of base metal not covered with textile materials | 9606.2200 |
| 123 | Studs | 9606.2910 |
| 124 | Buttons | 9606.2920 |
| 125 | Slide fasteners | 9607.1100 , 9607.1900 |
| 126 | Wood-pulp (dissolving grade) | 4702.0000 if imported by manufacturers of viscose staple fibre for use in the manufacturing of viscose staple fibre. |
| 127 | Cotton linter | 1404.2000 |
| 128 | Sequins | 3926.9099 |

TABLE-I I

| S.No | Description of goods and point of taxation NEW / inserted Omitted and deleted <u>substituted</u> | PCT Heading No. | Rate of Sales Tax |
|--------------|---|---------------------------------------|---|
| (1) | (2) | (3) | (4) |
| 1 | Goods usable as industrial inputs, specified in Table I , (i) Import for in-house consumption by registered manufacturers of the five sectors mentioned in condition (i) below (ii) Commercial imports (iii) Supplies to registered or unregistered persons of the said five sectors, excluding supplies of finished fabric (iv) Supplies to persons outside the said five sectors (v) Import by, or supply to, registered manufacturers, whether or not of the said five sectors, for the manufacture of goods specified in Table-I or Table-II (vi) Supplies of finished fabric to manufacturers of five sectors specified in condition (i) below (vii) Supplies of finished fabric to and by retailers; supplies of finished fabric to end consumers; other supplies of finished fabric. | As specified in column (3) of Table-I | 3% 0%(Zero) 3%, plus 1% value addition tax 0%(Zero) 3% 0%(Zero) 17% 3% 0%(Zero) 0%(Zero) 5% |
| 2 | Fabric, including grey fabric (i) Import for in-house consumption by registered manufacturers of the five sectors mentioned in condition (i) below (ii) Commercial imports (iii) Supplies | Respective headings | 3% 3%, plus 1% value addition tax 3% |
| 2 | Processed goods, including fabrics Processing of goods owned by other persons, by registered manufacturers of the five sectors mentioned in condition (i) below. | Respective headings | 3% 0%(Zero) of the processing charges |

TABLE-II

| S.No | Description of goods and point of taxation NEW / inserted Omitted and deleted <u>substituted</u> | PCT Heading No. | Rate of Sales Tax |
|------|---|---------------------|--|
| (1) | (2) | (3) | (4) |
| 3 | Locally manufactured finished articles of (a) textiles and textile made-ups. (b) leather and artificial leather Supplies to any person, including retail sales | Respective headings | 5% |
| 5 | Imported finished goods of five sectors mentioned in condition (1) below , ready for use by the general public (i) Import (ii) Supply thereof | Respective headings | 17%, plus 2% value addition tax 17% |

CONDITIONS

| Condition No | Conditions NEW / inserted Omitted and deleted <u>substituted</u> | Remarks |
|--------------|---|---|
| (i) | <p>The benefit of this notification shall be available only to persons doing business in</p> <ol style="list-style-type: none"> 1. textiles (including jute), 2. carpets, 3. leather, 4. sports and 5 surgical goods sectors, <p>who are registered as manufacturer, importer, exporter or wholesaler under the Sales Tax Act, 1990, and appear on the Active Taxpayers List (ATL) on the website of Federal Board of Revenue.</p> | Re-define by SRO 154(1)/2013 dated 28 th Feb 2013. |
| (ii) | <p>This notification shall apply from –</p> <ol style="list-style-type: none"> (a) Spinning stage onwards, in case of textile sector; (b) Production of PTA or MEG, in case of synthetic sector; (c) Regular manufacturing, in case of carpets and jute products; (d) Tannery onwards, in case of leather sector; and (e) Organized manufacturing, in case of surgical and sports goods; | |
| (iii) | OMITTED | Finance bill 2015-16 |
| (iv) | OMITTED | Finance bill 2015-16 |
| (v) | OMITTED | Finance bill 2015-16 |
| (vi) | OMITTED | Finance bill 2015-16 |
| (vii) | OMITTED | Finance bill 2015-16 |
| (viii) | OMITTED | Finance bill 2015-16 |
| (ix) | OMITTED | Finance bill 2015-16 |
| (ixa) | OMITTED | Finance bill 2015-16 |

| | | |
|---------------|---|--|
| <p>(x)</p> | <p>a registered person who has consumed any other inputs acquired on payment of sales tax, shall be entitled to input tax adjustment or, as the case may be, refund against taxable supplies made by him, subject to the relevant provisions of the Sales Tax Act, 1990 and Rules made there under;</p> <p>Provided that refund against local supplies, if any, shall be admissible only subject to pre refund audit and in case of value addition of less than ten percent subject to the condition that the registered persons furnishes a revolving bank guarantee valid for at least ninety days issued by a scheduled bank to the satisfaction of the Commissioner, Inland Revenue having jurisdiction, of an amount not less than the average monthly refund claim during last twelve months.</p> <p>————— Provided further that the post refund audit shall be conducted and finalized within a period of ninety days and certificate to the genuineness of the refund claim shall be issued for each and every claim by the Commissioner, Inland Revenue having jurisdiction.</p> <p>a registered person who has consumed inputs acquired on payment of sales tax, shall be entitled to input tax adjustment, subject to the relevant provision of the Sales Tax Act, 1990 and Rules made thereunder;</p> <p>Provided that no input tax credit or refund shall be admissible on the packing material of all sorts;</p> <p>Provided further that the post-refund audit and scrutiny shall be conducted and finalized in the manner as provided in the Sales Tax Rules 2006;</p> | <p>Updated by S.R.O 898(1)/2013 dated 4th October, 2013 and further substituted by Finance bill 2016-17</p> <p>Finance bill 2016-17</p> |
| <p>(xi)</p> | <p>registered manufacturers shall be entitled to adjustment of input tax paid on machinery, parts, spares and lubricants acquired by them for their own use, subject to the relevant provision of the Sales Tax Act, 1990 and Rules made thereunder;</p> | |
| <p>(xii)</p> | <p>supply of electricity and gas to the registered manufacturers or exporters of the five sectors mentioned in condition (i), shall be charged sales tax at the rate of zero per cent in the manner specified by the Board; and</p> | |
| <p>(xiii)</p> | <p>supply of furnace oil, diesel oil and coal to the registered manufacturers of the five sectors specified in condition (i), shall be charged at the rate of zero percent subject to the issuance of a general order by the Board;</p> | <p>Finance bill 2016-17</p> |