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SINDH ACT NO.II OF 2012

THE SINDH SALES TAX ON SERVICES (AMENDMENT) ACT, 2011.

[27th January, 2012]

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

Preamble.

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

It is hereby enacted as follows:-

Short title and commencement.

1. (1) This Act may be called the Sindh Sales Tax on Services (Amendment) Act, 2011.

(2) It shall come into force at once.

Amendment of section of Sindh Act No.XII of 2011.

2. In the Sindh Sales Tax on Services Act, 2011 hereinafter referred to as the said Act, in section 4, in sub-section (3)-

(i) in clause (a), after the semicolon, the word "or" shall be added;

(ii) (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.

Amendment of section 11 of Sindh Act No.XII of 2011.

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 43 of Sindh Act No.XII of 2011.

4. In the said Act, in section 43, in the Table, against S.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:-

"(d) fails to pay, recover or deposit the actual amount of tax, or claims inadmissible tax credit or adjustment or deduction or refund.".

Amendment of section 45 of Sindh Act No.XII of 2011.

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.

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 or 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 there against in columns (2) and (3) the following shall be added:-

"9813.4990 other service not specified elsewhere

(iv) (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 there against in columns (2) and (3),the following shall be substituted:-

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"9813.1600	Other insurance including reinsurance	16%
"9813.3000	Services provided or rendered in respect of	16%
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	16%";

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

"9813.4990	Other services not specified elsewhere	16%

(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 of promoters.	16%;

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

"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 there against in columns (2) and (3), the following shall be substituted:-

"9824.0000	Construction services	16%
	Management Services including fund and assets management services	16%
	Airport services	16%
	Tracking services	16%
	Security alarm services	16%
	Services provided by motels and guest houses	16%.".

Repeal.

10. The Sindh Sales Tax on Services (Amendment) Ordinance, 2011 is hereby repealed.