

The
Sales Tax Act, 1990

**(Act No. III of 1951 as Amended
by Act VII of 1990)**

As amended up to 30th June, 2025

The amendments made through

**Finance Act, 2025
have been shown in Red**

(Any inadvertent error may kindly be reported for necessary correction to the following telephone contacts of the IR Policy Wing)

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Sales Tax Act, 1990

***The
Sales Tax Act, 1990***

¹[Act No. III of 1951 as Amended by Act VII of 1990]

An Act to consolidate and amend the law relating to the levy of a tax on the sale ²[, importation, exportation, production, manufacture or consumption] of goods

WHEREAS it is expedient to consolidate and amend the law relating to the levy of a tax on the sale ³[, importation, exportation, Production, manufacture or consumption] of goods;

It is hereby enacted as follows:-

⁴[Chapter-I]

PRELIMINARY

1. Short title, extent and commencement.— (1) This Act may be called the Sales Tax ⁵[...] Act, 1990.

(2) It extends to the whole of Pakistan.

⁶[(3) It shall come into force on such date as the Federal Government may, by notification in the official Gazette, appoint.]

⁷[2. Definitions.]— In this Act, unless there is anything repugnant in the subject or context,—

⁸[(1) “abettor”] means a person who intentionally abets or connives in tax fraud as defined in clause (37) of section 2 or in the commission of any offence warranting prosecution under this Act, and includes a person who,—

(a) prepares, or causes to be prepared with authorization of the registered person, invoices for false claim of input tax adjustment; or

¹ For Statements of Objects and Reasons see Gazette of Pakistan, dated the 30th March 1951, Pt. V. pp 36 and 37.

² Substituted for the words “or consumption of goods” by the Finance Act, 1960.

³ Substituted for the words “or consumption of goods” by the Finance Act, 1960.

⁴ Chapter I to X substituted for Chapters I to XVI by the Finance Act, 1990.

⁵ Brackets and word “(Amendment)” omitted by the Finance Act, 1991.

⁶ Came into force by Notification No. S.R.O. 1100(I)/90, dated 28-10-1990 w.e.f. 1st November, 1990.

⁷ Section 2 Substituted by the Finance Act, 1996.

⁸ In section 2 Clause (1) shall be inserted by Finance Act, 2025.

(b) allows use of bank account held or operated by him for abetting tax fraud or other offence warranting prosecution under this Act or unauthorisedly or illegally maintains or operates business bank account in other registered person's name.";

9(1A) "*active taxpayer*" means a registered person who does not fall in any of the following categories, namely:-

- (a) who is blacklisted or whose registration is suspended ¹⁰[***] in terms of section 21;
- (b) fails to file the return under section 26 by the due date for two consecutive tax periods;
- (c) who fails to file an Income Tax return under section 114 or statement under section 115, of the Income Tax Ordinance, 2001(XLIX of 2001), by the due date; and-
- (d) who fails to file ¹¹[quarterly] or an annual withholding tax statement under section 165 of the Income Tax Ordinance, 2001;

(1B) "*Appellate Tribunal*" means the Appellate Tribunal Inland Revenue established under section 130 of the Income Tax Ordinance, 2001 (XLIX of 2001);]

(2) "*appropriate officer*" means an ¹²[officer of Inland Revenue] authorised by the Board by notification in the official Gazette to perform certain functions under this Act;

¹³[(2A) "*arrears*", in relation to a person, means, on any day, the sales tax due and payable by the person under this Act before that day but which has not yet been paid;]

¹⁴[(3) "**associates or associated persons**" shall have the same meaning as defined in section 85 of the Income Tax Ordinance, 2001(XLIX of 2001);]

⁹ The existing clause (1) and (1A) renumbered as clause (1A) and (1B), respectively through Finance Act, 2025.

¹⁰ The words "or is blocked" omitted by Finance Act, 2020.

¹¹ The word substituted by Finance Act, 2020.

¹² Substituted for "Collector of Sales Tax" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010 published in the Gazette of Pakistan Extraordinary part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

¹³ Clause (2A) substituted by Finance Act, 2008. Earlier it was inserted by Tax Laws (Amendments) Ordinance, 1999. Originally it was inserted by Finance Act, 1991.

¹⁴ Clause (3) substituted by Finance Act, 2024.

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¹⁵[(3A) “**association of persons**” includes a firm, a Hindu undivided family, any artificial juridical person and anybody of persons formed under a foreign law, but does not include a company;]

¹⁶[(3AA) “**banking company**” means a banking company as defined in the Banking Companies Ordinance, 1962 (LVII of 1962) and includes anybody corporate which transacts the business of banking in Pakistan;]

¹⁷[(4) “**Board**” shall have the same meaning as defined under clause (8) of section 2 of the Income Tax Ordinance, 2001 (XLIX of 2001);]

¹⁸[(4A) “**Cargo Tracking System**” means a digital system notified by the Board for electronic monitoring and tracking of goods transported within or across the territory of Pakistan, for the purpose of tax enforcement, compliance and prevention of tax evasion;”;]

¹⁹[(4AA)] “**Chief Commissioner**” means a person appointed as the chief Commissioner Inland Revenue under section 30;]

[(4AAA)] “Commissioner (Appeals)” means Commissioner of Inland Revenue (Appeals) appointed under section 30;]

²⁰[(5) “**Commissioner**” means the Commissioner of Inland Revenue appointed under section 30;]

²¹[(5A) “**common taxpayer identification number**” means the registration number or any other number allocated to a registered person;]

²²[(5AA) “**company**” means –

- (a) a company as defined in the Companies Ordinance, 1984 (XL VII of 1984);
- (b) a body corporate formed by or under any law in force in Pakistan;

¹⁵ Clause (3A) inserted by Finance Act, 2008.

¹⁶ Clause (3A) re-numbered as (3AA). Earlier it was inserted by Finance Act, 2004.

¹⁷ Clause (4) substituted by Finance Act, 2024. Earlier it was substituted by Finance Act, 2008.

¹⁸ After clause (4), new clause (4A) inserted through Finance Act, 2025.

¹⁹ The existing clause (4A) and (4AA) renumbered as clause (4AA) and (4AAA), respectively through Finance Act, 2025. Earlier Clause (4A) inserted by Finance Act, 2010 w.e.f. June 5, 2010. The same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010 published in the Gazette of Pakistan Extraordinary part I at pages 23 to 53 and this amendment was made

²⁰ Clause (5) inserted by Finance Act, 2010 w.e.f. June 5, 2010. The same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010 published in the Gazette of Pakistan Extraordinary part I at pages 23 to 53 and this amendment was made Through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

²¹ Clause (5A) inserted by Finance Act, 2006. Earlier clause (5A) was omitted by Finance Act, 2004. Earlier it was inserted by Tax Laws (Amendments) Ordinance, 1999.

²² Clause (5AA) inserted by Finance Act, 2008.

- (c) a *modaraba*;
- (d) a body incorporated by or under the law of a country outside Pakistan relating to incorporation of companies;
- (e) a trust, a co-operative society or a finance society or any other society established or constituted by or under any law for the time being in force; or
- (f) a foreign association, whether incorporated or not, which the Board has, by general or special order, declared to be a company for the purposes of the Income Tax Ordinance 2001 (XLIX of 2001);

²³[(5AAA)] “**computerized system**” means any comprehensive information technology system to be used by the Board or any other office as may be notified by the Board, for carrying out the purposes of this Act;]

²⁴[(5AB) “**cottage industry**” means a manufacturing concern, which fulfils each of following conditions, namely:—

- (a) does not have an industrial gas or electricity connection;
- (b) is located in a residential area;
- (c) does not have a total labour force of more than ten workers; and
- (d) annual turnover from all supplies does not exceed ²⁵[eight] million rupees;]

²⁶[(5ABA) “courier” means any entity engaged in the delivery of goods and collection of cash on behalf of a seller including logistic and ride-hailing services;”;]

²⁶[(5AC)“**CREST**” means the computerized program for analyzing and cross matching of sales tax returns, also referred to as COMPUTERISED RISK-BASED EVALUATION of SALES TAX;]

²³ Clause (5AA) re-numbered as (5AAA) by Finance Act, 2008. Earlier it was inserted by Finance Act, 2006.

²⁴ Clause (5AB) substituted by Finance Act, 2019.

²⁵ Word “eight” substituted by Finance (Supplementary) Act, 2022.

²⁶ After clause (5AB), new clause (5ABA) inserted through Finance Act, 2025.

²⁶ CREST 5AC inserted by Finance Act, 2013.

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(6) “**Customs Act**” means the Customs Act, 1969 (IV of 1969), and where appropriate all rules and notifications made under that Act;

²⁷[(6A) “**defaulter**” means a person and, in the case of company or firm, every director, or partner of the company, or as the case may be, of the firm, of which he is a director or partner or a proprietor and includes guarantors or successors, who fail to pay the arrears;]

⁹[(6B) “**default surcharge**” means the default surcharge levied under section 34;]

(7) “**distributor**” means a person appointed by a manufacturer, importer or any other person for a specified area to purchase goods from him for further supply and includes a person who in addition to being a distributor is also engaged in supply of goods as a wholesaler or a retailer;

(8) “**document**” includes any electronic data, computer programmes, computer tapes, computer disks, micro-films or any other medium for the storage of such data;

(9) “**due date**” in relation to the furnishing of a return ¹⁰[under section 26], ¹¹[¹²[...] ¹³[...]] means the ¹⁴[15th] day of the month following the end of the tax period, or such other date as the ¹⁵[Board] may, by notification in the official Gazette, specify ¹⁶[and different dates may be specified for furnishing of different parts or annexures of the return];

¹⁷[(9A)] “**e-intermediary**” means a person appointed as e-intermediary under section 52A for filing of electronic returns and such other documents as may be prescribed by the Board from time to time, on behalf of a person registered under section 14;]

¹⁸[(9AA) ***]

¹⁹(9B) “**e-bilty**” means a digital transport document generated through the Cargo Tracking System as prescribed by the Board, to accompany goods during their movement.”;

²⁷ Clause (6A) inserted by Tax Laws (Amendments) Ordinance, 1999.

⁹ Clause (6B) substituted by Finance Act, 2008. Earlier it was inserted by Finance Act, 2005.

¹⁰ The words and figure inserted by Finance Act, 1998.

¹¹ The words and figure inserted by Tax Laws Amendment Ordinance, 2000, dated 24th May, 2000.

¹² Comma and words etc. “, sub-section (6) of section 26A” omitted by Finance Act, 2004.

¹³ The expression “and section 26AA omitted by Finance, Act, 2016.

¹⁴ Substituted for “20th” by Finance Act, 1998

¹⁵ Substituted for “Federal Government” by Finance Act, 2008

¹⁶ Expression inserted through Finance Act, 2016.

¹⁷ Clause (9A) inserted by Finance Act, 2006. Earlier clause (9A) was omitted by Finance Act, 2004. Originally it was inserted by Tax Laws (Amendments) Ordinance, 2001.

¹⁸ Clause (9AA) omitted by Finance Act, 2004. Earlier it was inserted by Sales Tax (Amendment) Ordinance, 2001, dated February 7, 2001.

¹⁹ Clause 9B inserted through Finance Act, 2025

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²⁰(9C) “e-commerce” means sale or purchase of goods conducted over computer networks by methods specifically designed for the purpose of receiving or placing of orders either through websites, mobile applications or online marketplace having digital ordering features by using mobile phones, automated computer-to-computer ordering system or any similar device;”;

(10) “*establishment*” means an undertaking, firm or company, whether incorporated or not, an association of persons or an individual;

(11) “*exempt supply*” means a supply which is exempt from tax under section 13;

²¹[(11A) “FBR Refund Settlement Company ²²[10a] Limited” means the company with this name as incorporated under the ²³[Companies Act, 2017 (XIX of 2017)], for the purpose of settlement of sales tax and income tax refund claims including payment by way of issuing refund bonds under section 67A’;]

²⁴[(11B) “*firm*” means the relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all;]

(12) “*goods*” include ²⁵[***] every kind of movable property other than actionable claims, money, stocks, shares and securities;

²⁶[(12A) “green industry” in relation to the entry at serial number 150 of the Table-1 of the Sixth Schedule, means-

(a) a new industrial undertaking which is-

(i) setup on land which not previously been utilised for any commercial, industrial or manufacturing activity and is free from constraints imposed by any prior work;

²⁰ Clause 9C inserted through Finance Act, 2025

²¹ Existing clause re-numbered as clause (11B) and new clause (11A) inserted by Finance Supplementary (Second Amendment) Act, 2019

²² The word (Pvt) omitted by Finance Act, 2019.

²³ Words substituted vide Finance Act, 2019

²⁴ Clause (11A) inserted by Finance Act, 2008.

²⁵ Expression omitted by Finance Act, 2023

²⁶ New clause 12A inserted through Tax Laws (Amendment) Act, 2020 dated 30-3-2020.

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- (ii) built without demolishing, revamping, renovating, upgrading, remodeling or modifying any existing structure, facility or plant;
- (iii) not formed by the splitting up or reconstitution of an undertaking already in existence or by transfer of machinery, plant or building from an undertaking established in Pakistan prior to commencement of the new business and is not part of an expansion project;
- (iv) using any process or technology that has not earlier been used in Pakistan and is so approved by the Engineering Development Board; and

(b) is approved by the Commissioner on an application made in the prescribed form and manner, accompanied by the prescribed documents and, such other documents as may be required by the Commissioner:

Provided that this definition shall be applicable from the 1st July, 2019 and onwards.”.]

(13) “**importer**” means any person who ²⁷[...] imports any goods into Pakistan;

²⁸[(14) “**input tax**”, in relation to a registered person, means –

- (a) tax levied under this Act on supply of goods to the person;
- (b) tax levied under this Act on the import of goods by the person;
- (c) in relation to goods or services acquired by the person, tax levied under the Federal Excise Act, 2005 in sales tax mode as a duty of excise on the manufacture or production of the goods, or the rendering or providing of the services; ²⁹[³⁰]

²⁷ Word “lawfully” omitted by Finance Act, 2008

²⁸ Clause (14) substituted by Finance Act, 2008.

²⁹ Word “and” added at the end of clause through Finance, Act, 2016.

³⁰ Word “and” omitted through Tax Laws (Amendment) Ordinance, 2016.

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- (d) ³¹[.....] ³²[Provincial Sales Tax levied on services rendered or provided to the person ³³[excluding those services as specified by the Board through notification in the official Gazette subject to such conditions, restrictions and limitations as mentioned therein]; and]
- (e) levied under the Sales Tax Act, 1990 as adapted in the State of Azad Jammu and Kashmir, on the supply of goods received by the person;]

³⁴[(14A) the expression “**KIBOR**” means Karachi Inter-Bank Offered Rate prevalent on the first day of each quarter of the financial year;]

³⁵[(15) “**Local Inland Revenue Office**” means the office of Superintendent of Inland Revenue or such other office as the Board may, by notification in the official Gazette, specify;]

³⁶[(15A) “**licensed integrator**” means any person licensed by the Board to provide electronic invoicing system for integration of registered persons in the prescribed manner;]

(16) “**manufacture**” or “**produce**” includes –

- (a) any process in which an article singly or in combination with other articles, materials, components, is either converted into another distinct article or product or is so changed, transformed or reshaped that it becomes capable of being put to use differently or distinctly and includes any process incidental or ancillary to the completion of a manufactured product;
- (b) process of printing, publishing, lithography and engraving; and
- (c) process and operations of assembling, mixing, cutting, diluting, bottling, packaging, repacking or preparation of goods in any other manner;

(17) “**manufacturer**” or “**producer**” means a person who engages, whether exclusively or not, in the production or manufacture of goods

³¹ Expression omitted through Finance, Act, 2016.

³² Expression re-inserted through Tax Laws (Amendment) Ordinance, 2016 having affect from 01st day of July, 2016..

³³ Expression inserted by Finance Act, 2024.

³⁴ Clause (14A) inserted by Finance Act, 2009.

³⁵ Clause (15) substituted by Finance Act, 2010 w.e.f. June 5, 2010. The same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010 published in the Gazette of Pakistan Extraordinary part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

³⁶ New clause inserted by Finance Act, 2024.

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whether or not the raw material of which the goods are produced or manufactured are owned by him; and shall include –

- (a) a person who by any process or operation assembles, mixes, cuts, dilutes, bottles, packages, repackages or prepares goods by any other manner;
- (b) an assignee or trustee in bankruptcy, liquidator, executor, or curator or any manufacturer or producer and any person who disposes of his assets in any fiduciary capacity; and
- (c) any person, firm or company which owns, holds, claims or uses any patent, proprietary, or other right to goods being manufactured, whether in his or its name, or on his or its behalf, as the case may be, whether or not such person, firm or company sells, distributes, consigns or otherwise disposes of the goods³⁷[:]

³⁸[Provided that for the purpose of refund under this Act, only such shall be treated as manufacturer-cum-exporter who owns or has his own manufacturing facility to manufacture or produce the goods exported or to be exported;]

³⁹[(18) “**Officer of Inland Revenue**” means an officer appointed under section 30;]

⁴⁰[(18A) “**online marketplace**” online marketplace” means online interfaces that facilitate, for a fee, the direct interaction between multiple buyers and multiple sellers via digital orders for supply of goods, with or without the platform taking economic ownership of the goods that are being sold;”;

(19) “**open market price**” means the consideration in money which that supply or a similar supply would generally fetch in an open market;

⁴¹[(20) “**output tax**”, in relation to a registered person, means –

³⁷ Substituted for the semi-colon by Finance Ordinance, 2000

³⁸ Proviso inserted by Finance Ordinance, 2000.

³⁹ Clause (18) substituted by Finance Act, 2010 w.e.f. June 5, 2010. The same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010 published in the Gazette of Pakistan Extraordinary part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁴⁰ clause 18A shall be substituted by Finance Act, 2025.

⁴¹ Clause (20) substituted by Finance Act, 2008. Earlier it was inserted by Finance Act, 2007.

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- (a) tax levied under this Act on a supply of goods, made by the person;
- (b) tax levied under the Federal Excise Act, 2005 in sales tax mode as a duty of excise on the manufacture or production of the goods, or the rendering or providing of the services, by the person;
- ⁴²[(c) sales tax levied on the services rendered or provided by the person under Islamabad Capital Territory (Tax on Services) Ordinance, 2001 (XLII of 2001);]

⁴³(20A) “payment intermediary” means a banking company, any financial institution including a licensed foreign exchange company or payment gateway that facilitate the transfer of funds or payment instructions between two or more parties to enable, process, route, or settle payments with respect to goods in a financial transaction, without being the ultimate source or recipient of the payment;”;

⁴⁴[(21) “**person**” means,—

- (a) an individual;
- (b) a company or association of persons incorporated, formed, organized or established in Pakistan or elsewhere;
- (c) the Federal Government;
- (d) a Provincial Government;
- (e) a local authority in Pakistan; or
- (f) a foreign government, a political subdivision of a foreign government, or public international organization;]

(22) “**prescribed**” means prescribed by rules made under this Act;

⁴⁵[(22A) “**Provincial sales tax**” means tax levied under, Provincial laws or laws relating to Islamabad Capital Territory, which are declared by the

42 Clause (c) substituted by Finance Act, 2020.

43 clause 20A shall be inserted by Finance Act, 2025.

44 Clause (21) substituted by Finance Act, 2008.

45 Clause (22A) inserted by Finance Act, 2008.

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Federal Government, through notification in the official Gazette to be Provincial Sales Tax for the purpose of input tax;]

(23) “**registered office**” means the office or other place of business specified by the registered person in the application made by him for registration under this Act or through any subsequent application to the⁴⁶[Commissioner];

(24) “**registration number**” means the number allocated to the registered person for the purpose of this Act;

⁴⁷[(25) “**registered person**” means a person who is registered or is liable to be registered under this Act:

Provided that a person liable to be registered but not registered under this Act⁴⁸[...] shall not be entitled to any benefit available to a registered person under any of the provisions of this Act or the rules made thereunder;]

⁴⁹[(26) ***]

(27) “**retail price**”, with reference to the Third Schedule, means the price fixed by the manufacturer⁵⁰[or importer, in case of imported goods]⁵¹[...], inclusive of all⁵²[duties], charges and taxes (other than sales tax⁵³[...]) at which any particular brand or variety of any article⁵⁴[is] sold to the general body of consumers or, if more than one such price is so fixed for the same brand or variety, the highest of such price⁵⁵[:].

⁵⁶[Provided that the Board may through a general order specify zones or areas for the purpose of determination of highest retail price for any brand or variety of goods⁵⁷[;].]

Provided further that the reduction in price on account of chilling charges or any other similar charges in case of aerated water, beverages, mineral water, or fruit juices shall not be more than five percent of the price

⁴⁶ The word “Collector” was substituted for “Commissioner” by Finance (Amendment) ordinance, 2010 promulgated as Ordinance No. III of 2010 dated February 6, 2010, published in the Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary part I at pages 229 to 259.

⁴⁷ Clause (25) substituted by Finance Ordinance, 2002.

⁴⁸ Words “shall remain liable to further tax under sub-section (1A) of section 3 and” omitted by Finance Act, 2004.

⁴⁹ Clause (26) omitted by Finance Ordinance, 2002.

⁵⁰ The expression inserted vide Finance Act, 2019.

⁵¹ Words “or the importer” omitted by Finance Act, 2005. Earlier these were inserted by Finance Act, 2003.

⁵² Words and comma inserted by Finance Act, 2007.

⁵³ Words “and octroi” omitted by Finance Act, 1998.

⁵⁴ for the words “should be”, the word “is” substituted through Finance Act, 2025;

⁵⁵ The “semicolon” has been substituted by “colon” in Finance Act, 2014

⁵⁶ Inserted by Finance Act 2014.

⁵⁷ Full stop at the end a semicolon is substituted and new provisos are added through Finance Act, 2025.

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inclusive of sales tax, federal excise duty and all taxes other than income tax on which such goods are actually sold to the general body of consumers:

Provided also that, where the Board deems it necessary it may, by notification in the official gazette, fix the retail price of goods specified in the third schedule:

Provided further also that, in case of imported goods specified in the Third Schedule, the retail price shall not be less than one hundred thirty percent of the value determined under section 25 of the Customs Act, 1969 (IV of 1969), including the amount of customs duties and federal excise duty levied thereon.

(28) “**retailer**” means a person ⁵⁸[***] supplying goods to general public for the purpose of consumption ⁵⁹[:].

⁶⁰[Provided that any person, who combines the business of import and retail or manufacture or production with retail, shall notify and advertise wholesale prices and retail prices separately, and declare the address of retail outlets ⁶¹[***].]

⁶²[(28A) ***]

(29) “**return**” means any return required to be furnished under Chapter-V of this Act;

⁶³[(29A) “**sales tax**” means --

- (a) the tax, additional tax, or default surcharge levied under this Act;
- (b) a fine, penalty or fee imposed or charged under this Act ⁶⁴[excluding fee and service charges imposed and collected under section 76]; and
- (c) any other sum payable under the provisions of this Act or the rules made thereunder;]

⁵⁸ Words “not being a manufacturer or producer or an importer” omitted by Finance Act, 2003, after omission the commas become superfluous. Earlier commas and words were inserted by Finance Act, 1998.

⁵⁹ Substituted for the semi-colon by Finance Act, 2003.

⁶⁰ Proviso inserted by Finance Act, 2003.

⁶¹ The comma, words and figures “; and his total turnover per annum shall be taken into account for the purposes of registration under section 14” omitted by Finance Act, 2015.

⁶² Clause (28A) omitted by Finance Act, 2008. Earlier it was inserted by Finance Act, 1997.

⁶³ Clause (29A) inserted by Finance Act, 2008.

⁶⁴ Words inserted by Finance Act, 2022.

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⁶⁵[(29AA) “***sales tax account***” means an account representing the double entry recording of sales tax transactions in the books of account;]

(30) “***Schedule***” means a Schedule appended to this Act;

(31) “***similar supply***”, in relation to the open market price of goods, means any other supply of goods which closely or substantially ⁶⁶[resembles] the characteristics, quantity, components and materials of the aforementioned goods;

⁶⁷[(31A) “***special audit***” means an audit conducted under section 32A;]

(32) “***Special Judge***” means the Special Judge appointed under Section ⁶⁸[37C of the act until such appointment is made by the Special Judge appointed under section] 185 of the Customs Act;

⁶⁹[(33) “***supply***” means a sale or other transfer of the right to dispose of goods as owner, including such sale or transfer under a hire purchase agreement, and also includes –

- (a) putting to private, business or non-business use of goods produced or manufactured in the course of taxable activity for purposes other than those of making a taxable supply;
- (b) auction or disposal of goods to satisfy a debt owed by a person; ⁷⁰[***]
- (c) possession of taxable goods held immediately before a person ceases to be a registered person ⁷¹[; ⁷²[***]]

⁷³[(d) in case of manufacture of goods belonging to another person, the transfer or delivery of such goods to the owner or to a person nominated by him ⁷⁴[; and]

⁷⁵[***]

⁶⁵ Clause (29A) renumbered as (29AA) by Finance Act, 2008. Earlier it was inserted by Finance Act, 2006.

⁶⁶ Substituted for “resemble” by Finance Act, 2008.

⁶⁷ Clause (31A) inserted by Finance Act, 1998.

⁶⁸ Words etc. inserted by Finance Act, 2010 w.e.f. June 5, 2010.

⁶⁹ Clause (33) substituted by Finance Act, 2008.

⁷⁰ Word “and” omitted by Finance Act, 2015.

⁷¹ Semi-colon and word “and” substituted for colon by Finance Act, 2015. Semi-colon and word “and” substituted for colon by Finance Act, 2015.

⁷² Word “and” omitted by Finance Act, 2022.

⁷³ Clause (d) added by Finance Act, 2015.

⁷⁴ Semi colon and the word “and” substituted by Finance Act, 2022.

⁷⁵ Sub-clause (e) omitted by Finance Act, 2023

Sales Tax Act, 1990

Provided that the ⁷⁶[Board, with the approval of the Federal Minister-in-charge,] may, by notification in the official Gazette, specify such other transactions which shall or shall not constitute supply;]

⁷⁷[(33A) “**supply chain**” means the series of transactions between buyers and sellers from the stage of first purchase or import to the stage of final supply;]

⁷⁸[(34)] **tax**”, unless the context requires otherwise, means sales tax;]

⁷⁹[(35) “**taxable activity**”, means any economic activity carried on by a person whether or not for profit, and includes —

- (a) an activity carried on in the form of a business, trade or manufacture;
- (b) an activity that involves the supply of goods, the rendering or providing of services, or both to another person;
- (c) a one-off adventure or concern in the nature of a trade; and
- (d) anything done or undertaken during the commencement or termination of the economic activity,

but does not include —

- (a) the activities of an employee providing services in that capacity to an employer;
- (b) an activity carried on by an individual as a private recreational pursuit or hobby; and
- (c) an activity carried on by a person other than an individual which, if carried on by an individual, would fall within sub-clause (b).]

(36) “**tax fraction**” means the amount worked out in accordance with the following formula: —

⁷⁶ The words “Federal Government” substituted with the expression vide Finance Act, 2019.

⁷⁷ Clause (33A) inserted by Finance Act, 2013.

⁷⁸ Clause (34) substituted by Finance Act, 2008.

⁷⁹ Clause (35) substituted by Finance Act, 2008.

$$\frac{a}{100 + a}$$

('a' is the rate of tax specified in section 3);

⁸⁰[(37) “**tax fraud**” means knowingly, intentionally, or dishonestly doing any act or abetting any action to cause loss of tax under this Act, including,-

- (a) using or preparing false, forged, and fictitious documents, including returns, statements, annexures, and invoices;
- (b) false claim of input tax credit based on fictitious transactions;
- (c) issuance of any tax invoice without supply of goods;
- (d) tampering with or destroying of any material evidence or documents required to be maintained under this Act or the rules made thereunder;
- (e) generating fake input through manipulation of return filing system of the Board and making fake entries in the sales tax returns or in the annexures;
- (f) making fictitious compliance of section 73, including routing of payments back to the registered person, or for the benefit of the registered person, through a bank account held by a supplier or a purported supplier;
- (g) suppression of supplies that are chargeable to tax under this Act;
- (h) making taxable supplies of goods without issuing any tax invoice;
- (i) suppression and nonpayment of withholding tax in the prescribed manner beyond a period of three months from due date of payment of tax;
- (j) acquisition, possession, transportation, disposal or in any way removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner dealing with, any goods

⁸⁰ Clause (37) substituted by Finance Act, 2025.

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in respect of which there are reasons to believe that these are liable to confiscation under this Act or the rules made thereunder; or

(k) making of taxable supplies without getting registration under this Act.

⁸¹[(38) ***]

(39) “**taxable goods**” means all goods other than those which have been exempted under section 13;

(40) “**tax invoice**” means a document required to be issued under section 23;

(41) “**taxable supply**” means a supply of taxable goods made ⁸²[...] ⁸³[by an importer, manufacturer, wholesaler (including dealer), distributor or retailer] other than a supply of goods which is exempt under section 13 and includes a supply of goods chargeable to tax at the rate of zero per cent under section 4;

⁸⁴[(42) ***]

(43) “**tax period**” means a period of one month or such other period as the ⁸⁵[Board, with the approval of the Federal Minister-in-charge,] may ⁸⁶[,] by notification in the official Gazette, specify;

⁸⁷[“(43A) ⁸⁸["**Tier-1 retailer**” means a retailer falling in any one or more of the following categories, namely:-]

- (a) a retailer operating as a unit of a national or international chain of stores;
- (b) a retailer operating in an air-conditioned shopping mall, plaza or centre, excluding kiosks;
- (c) a retailer whose cumulative electricity bill during the immediately preceding twelve consecutive months exceeds Rupees ⁸⁹[twelve] hundred thousand; ⁹⁰[]

⁸¹ Clause (38) omitted by Finance Act, 2004.

⁸² The words “In Pakistan” omitted by Finance Act, 2003.

⁸³ The words and commas inserted by Finance Act, 1998.

⁸⁴ Clause (42) omitted by Finance Act, 1997.

⁸⁵ ⁸⁶ The words “Federal Government” substituted with the expression vide Finance Act, 2019.

⁸⁶ Substituted for semi-colon by Finance Act, 2008

⁸⁷ Clause (43A) inserted through Finance Act, 2017

⁸⁸ Expression substituted through Tax Laws (Amendment) Act, 2020, dated 30-3-2020 substituted expression read as under:

“Tier-1 retailers means”

⁸⁹ Word “six” substituted by “twelve” though Tax Laws (Amendment) Act, 2020, dated 30-3-2020

⁹⁰ The word “and” omitted vide Finance Act, 2019.

(d) a wholesaler-cum-retailer, engaged in bulk import and supply of consumer goods on wholesale basis to the retailers as well as on retail basis to the general body of the consumers”;⁹¹[]

⁹²[***]

⁹³(f) a retailer who has acquired point of sale for accepting payment through debit or credit cards from banking companies or any other digital payment service provider authorized by State Bank of Pakistan; ⁹⁴[***]

⁹⁵(g) a retailer whose deductible withholding tax under sections 236G or 236H of the Income Tax Ordinance, 2001(XLIX of 2001) during the immediately preceding twelve consecutive months has exceeded the threshold as may be specified by the Board through notification in the official Gazette; and

⁹⁶[***]

⁹⁷(h) any other person or class of persons as prescribed by the Board.]

⁹⁸[(44) “*time of supply*”, in relation to,-

(a) a supply of goods, other than under hire purchase agreement, means the time at which the goods are delivered or made available to the recipient of the supply ⁹⁹[or the time when any payment is received by the supplier in respect of that supply, whichever is earlier] ¹⁰⁰[****];

(b) a supply of goods under a hire purchase agreement, means the time at which the agreement is entered into; and

(c) services, means the time at which the services are rendered or provided;

¹⁰¹[Provided that in respect of sub clause (a),(b) or (c), where any part payment is received, –

⁹¹ The word “and” omitted through Tax Laws (Amendment) Act, 2020, dated 30-3-2020.

⁹² Sub-clause (e) omitted by Finance Act, 2023

⁹³ New clause (f) inserted by Finance Act, 2021.

⁹⁴ Word “and” omitted by Finance (Supplementary) Act, 2022.

⁹⁵ New clause (g) inserted by Finance (Supplementary) Act, 2022.

⁹⁶ Sub-clause (ga) omitted by Finance Act, 2023

⁹⁷ Existing clause (f) re-numbered as clause (h) by Finance Act, 2021.

⁹⁸ Clause (44) (44 A) and (44 AA) substituted for clause (44) by Finance Act, 2008.

⁹⁹ Expression added by Finance Act, 2024.

¹⁰⁰Words omitted by Finance Act, 2021.

¹⁰¹ Proviso added by Finance Act, 2013.

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(i) for the supply in a tax period, it shall be accounted for in the return for that tax period; and

(ii) 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 ;]

(44A) “**trust**” means an obligation annexed to the ownership of property and arising out of the confidence reposed in and accepted by the owner, or declared and accepted by the owner for the benefit of another, or of another and the owner, and includes a unit trust;

(44AA) “**unit trust**” means any trust under which beneficial interests are divided into units such that the entitlements of the beneficiaries to income or capital are determined by the number of units held;]

¹⁰²[(45) ***]

(46) “**value of supply**” means:--

(a) in respect of a taxable supply, the consideration in money including all Federal and Provincial duties ¹⁰³[and taxes, if any, which the supplier receives from the recipient for that supply but excluding the amount of tax:

Provided that –

(i) in case the consideration for a supply is in kind or is partly in kind and partly in money, the value of the supply shall mean the open market price of the supply excluding the amount of tax; ¹⁰⁴[...]

(ii) in case the supplier and recipient are associated persons and the supply is made for no consideration or for a consideration which is lower than the open market price, the value of supply shall mean the open market price of the supply excluding the amount of tax; ¹⁰⁵[and]

¹⁰⁶[(iii) in case a taxable supply is made to a consumer from general public on installment basis on a price inclusive of

¹⁰² Clause (45) omitted by Finance Act, 2004.

¹⁰³ Words inserted by Finance Act, 1999.

¹⁰⁴ Words “and” omitted by Finance Ordinance, 2001.

¹⁰⁵ Word inserted by Finance Ordinance, 2001.

¹⁰⁶ Sub-clause (iii) inserted by Finance Ordinance, 2001.

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mark up or surcharge rendering it higher than open market price, the value of supply shall mean the open market price of the supply excluding the amount of tax.]

- (b) in case of trade discounts, the discounted price excluding the amount of tax; provided the tax invoice shows the discounted price and the related tax and the discount allowed is in conformity with the normal business practices;
- (c) in case where for any special nature of transaction it is difficult to ascertain the value of a supply, the open market price;
- (d) in case of imported goods ¹⁰⁷[excluding those as specified in the Third Schedule], the value determined under section 25 ¹⁰⁸[...] of the Customs Act, including the amount of customs-duties and ¹⁰⁹[federal] excise duty levied thereon; ¹¹⁰[...]
- (e) in case where there is sufficient reason to believe that the value of a supply has not been correctly declared in the invoice, the value determined by the Valuation Committee comprising representatives of trade and the ¹¹¹[Inland Revenue] constituted by the ¹¹²[Commissioner] ¹¹³[;] ¹¹⁴[]

¹¹⁵[(f) in case of manufacture of goods belonging to another person, the actual consideration received by the manufacturer for the value addition carried out in relation to such goods;]

¹¹⁶[(g) in case of a taxable supply, with reference to retail tax, the price of taxable goods excluding the amount of retail tax, which a supplier will charge at the time of making taxable supply by him, or such other price as the Board may, by a notification in the official Gazette, specify.]

¹⁰⁷ The expression inserted vide Finance Act, 2019.

¹⁰⁸ Words etc. "or 25B" omitted by Finance Act, 2004.

¹⁰⁹ Word substituted by Finance Act, 2024.

¹¹⁰ The word "and" omitted by Finance Supplementary (Amendment) Act, 1997. Earlier the same amendment was made by Sales Tax (Second Amendment) Ordinance, 1996, dated 2nd November, 1996; and again was made by the Sales Tax (Amendment) Ordinance, 1979.

¹¹¹ Substituted for "Sales Tax Department" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) ordinance 2010 promulgated as Ordinance No. III of 2010 dated February 6, 2010, published in the Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary part I at pages 229 to 259.

¹¹² Substituted for "Collector" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) ordinance 2010 promulgated as Ordinance No. III of 2010 dated February 6, 2010, published in the Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary part I at pages 229 to 259.

¹¹³ Word etc. ";" and" substituted for "colon" by Finance Supplementary (Amendment) Act, 1997. Earlier it was substituted by Sales Tax (Second Amendment) Ordinance, 1996, dated 2nd November, 1996; and again was made by the Sales Tax (Amendment) Ordinance, 1979.

¹¹⁴ The word "and" omitted vide Finance Act, 2019.

¹¹⁵ Sub clause (f) substituted by Finance Act, 2019. Earlier it was substituted by Sales Tax (Second Amendment) Ordinance, 1996, dated 2nd November, 1996; and again was made by the Sales Tax (Amendment) Ordinance, 1997.

¹¹⁶ Sub-Clause (g) inserted by Finance Act, 1997.

Sales Tax Act, 1990

¹¹⁷[(h) in case of supply of electricity by an independent power producer ¹¹⁸[or WAPDA], the amount received on account of energy purchase price only; and the amount received on account of capacity purchase price, energy purchase price premium, excess bonus, supplemental charges etc. shall not be included in the value of supply; ¹¹⁹[***]]

(i) in case of supply of electric power and gas by a distribution company, the total amount billed including price of electricity and natural gas, as the case may be, charges, rents, commissions and all duties and taxes local, provincial and federal but excluding the amount of late payment surcharge and the amount of sales tax; ¹²⁰[:]

Explanation. - It is clarified that the value of supply does not include the amount of subsidy provided by the federal government or provincial governments to the electricity ¹²¹[or natural gas including re-gasified liquefied natural gas] consumers and has never been chargeable to tax under the Act;]

¹³⁶[(j) in case of registered person who is engaged in purchasing used vehicles from general public on which sales tax had already been paid at the time of import or manufacturing, and which are, later on, sold in the open market after making certain value addition, value of supply will be the difference between sale and purchase price of the said vehicle on the basis of the valuation method prescribed by the Board.]

¹²²[Provided] that, where the Board deems it necessary it may, by notification in the official Gazette, fix the value of any imported goods ¹²³[, including those as specified in the Third Schedule,] or taxable supplies or class of supplies and for that purpose fix different values for different classes or description of same type of imported goods or supplies:

Provided further that where the value at which import or supply is made is higher than the value fixed by the Board, the value of goods shall, unless otherwise directed by the Board, be the value at which the import or supply is made;]

¹¹⁷ Clauses (h) and (i) added by Finance Act, 2019.

¹¹⁸ The words inserted by Finance Act, 2020, shall be deemed to have been inserted with effect from 1st July, 2019.

¹¹⁹ The word "and" omitted by Finance Act, 2020, the word "and" and "new clause j" inserted by Finance Act, 2020.

¹²⁰ For expression "and" expression "or" substituted and thereafter Explanation inserted by Finance Act, 2022.

¹²¹ Expression inserted by Tax Laws (Second Amendment) Ordinance, 2022.

¹²² Provisos substituted by Finance Act, 2006.

¹²³ Expression inserted by Finance Act, 2024.

¹²⁴[(46A) “**whistleblower**” means whistleblower as defined in section 72D of the Sales Tax Act, 1990;]

(47) “**wholesaler**” ¹²⁵[includes a dealer and] means any person who carries on, whether regularly or otherwise, the business of buying and selling goods by wholesale or of supplying or distributing goods, directly or indirectly, by wholesale for cash or deferred payment or for commission or other valuable consideration or stores such goods belonging to others as an agent for the purpose of sale; and includes ¹²⁶[a person supplying taxable goods to ¹²⁷[a person ¹²⁸[who deducts income tax at source under the Income Tax Ordinance, 2001 (XLIX of 2001)]] ¹²⁹[...]; and

(48) “**zero-rated supply**” means a taxable supply which is charged to tax at the rate of zero per cent under section 4.]

Chapter-II

SCOPE AND PAYMENT OF TAX

3. Scope of tax.— (1) Subject to the provisions of this Act, there shall be charged, levied and paid a tax known as sales tax at the rate of ¹³⁰[eighteen] per cent of the value of—

- (a) taxable supplies made ¹³¹[...] by a registered person in the course or furtherance of any ¹³²[taxable activity] carried on by him; and
- (b) goods imported into Pakistan, ¹³³[irrespective of their final destination in territories of Pakistan].

¹³⁴[(1A) Subject to the provision of sub section (6) of section 8 or any notification issued thereunder, where taxable supplies are made to a person who has not obtained registration number ¹³⁵[or he is not an active taxpayer], there shall be charged, levied and paid a further tax at the rate of

¹²⁴ Clause (46A) added by Finance Act, 2015.

¹²⁵ Words inserted by Finance Act, 1997.

¹²⁶ The words, brackets and figures inserted by Finance Act, 1998.

¹²⁷ Substituted for “person deducting advance tax under sub-section (4) of section 50 of the Income Tax, 1979 (XXXI of 1979)” by Finance Act, 2004.

¹²⁸ Substituted for “whose income not liable to tax under the Income Tax Ordinance, 2001 (XLIX of 2001) but has deducted income tax at source under section 153 of the said Ordinance” by Finance Act, 2006.

¹²⁹ Comma and words “, and a person who in addition to making retail supplies is engaged in wholesale business” omitted by Finance Act, 2008.

¹³⁰ Substituted for seventeen vide Finance (Supplementary) Act, 2023.

¹³¹ Words “ in Pakistan” omitted by Finance Act, 2003

¹³² Words substituted by Finance Act, 1996.

¹³³ Words inserted through Finance Act, 2017

¹³⁴ Sub section (1A) inserted by Finance Act, 2013.

¹³⁵ Words inserted by Finance Act, 2022.

Sales Tax Act, 1990

¹³⁶[four] percent of the value In addition to the rate specified in sub sections (1), (1B), (2), (5), ¹³⁷[(6) and section 4] provided that the Federal Govt. may, by notification in the official Gazette, specify the taxable supplies in respect of which the further tax shall not be charged, levied and paid.]

¹³⁸[(1B) On the goods specified in the Tenth Schedule, in lieu of levying and collecting tax under sub-section (1), the tax shall be levied and collected, in the mode and manner specified therein—

- (a) on the production capacity of plants, machinery, undertaking, establishments or installation producing ¹³⁹[or] manufacturing such goods; or
- (b) on fixed basis, from any person who is in a position to collect such tax due to the nature of the business,

and different rates may be so prescribed for different regions or areas.]

¹⁴⁰[(2) Notwithstanding the provisions of sub-section (1): –

- (a) taxable supplies ¹⁴¹[and import of goods] specified in the Third Schedule shall be charged to tax at the rate of ¹⁴²[eighteen] per cent of the retail price ¹⁴³[or in case such supplies ¹⁴⁴[or imports] are also specified in the Eighth Schedule, at the rates specified therein and the retail price thereof,] along with the amount of sales tax shall be legibly, prominently and indelibly printed or embossed by the manufacturer ¹⁴⁵[, or the importer, in case of imported goods,] on each article, packet, container, package, cover or label, as the case may be; ¹⁴⁶[:]¹⁴⁷[]

¹⁴⁸[Provided that the Federal Government may, subject to such conditions and restrictions as it may impose, by notification in the official Gazette, declare that the tax on goods specified in the Third Schedule shall be collected and paid at

¹³⁶ For the word “three” the word “four” substituted by Finance Act, 2023

¹³⁷ The expression inserted through Finance Act, 2017

¹³⁸ Clause (1B) substituted vide Finance Act, 2019.

¹³⁹ Word substituted by Finance Act, 2021.

¹⁴⁰ Sub section (2) substituted by Finance Act, 2001

¹⁴¹ The expression inserted through Finance Act, 2019.

¹⁴² Substituted for seventeen vide Finance (Supplementary) Act, 2023.

¹⁴³ The expression inserted through Finance Act, 2017

¹⁴⁴ The words “or imports” inserted vide Finance Act, 2019.

¹⁴⁵ The expression inserted through Finance Act, 2019.

¹⁴⁶ Substituted for “; and” by Finance Act, 2007.

¹⁴⁷ The word ‘; and’ omitted by Finance Act, 2014.

¹⁴⁸ New proviso inserted by Finance (Supplementary) Act, 2023.

Sales Tax Act, 1990

such higher rate or rates on the retail price thereof, as may be specified in the said notification: and

¹⁴⁹[Provided ¹⁵⁰[further] that the ¹⁵¹[Board], may, by notification in the official Gazette, exclude any taxable supply ¹⁵²[or import] from the said Schedule or include any taxable supply ¹⁵³[or import] therein; ¹⁵⁴[...]

(aa) ¹⁵⁵[goods specified in the Eighth schedule shall be charged to tax at such rates and subject to such conditions and limitations as specified therein; and]

¹⁵⁶[(b) the ¹⁵⁷[Federal Government] may, subject to such conditions and restrictions as it may impose, by notification in the official Gazette, declare that in respect of any taxable goods, the tax shall be charged, collected and paid in such manner and at such higher or lower rate or rates as may be specified in the said notification.]

(3) The liability to pay the tax shall be,-

(a) in the case of supply of goods¹⁵⁸[...], of the person making the supply,

(b) in the case of goods imported into Pakistan, of the person importing the goods, ¹⁵⁹and

(c) in the case of supply of digitally ordered taxable goods by online market place, website and software application from within Pakistan during the course of e-commerce, the liability to collect and pay tax shall be of payment intermediary including a banking company, a financial institution, licensed exchange company or payment gateway in case the payment is made digitally and of the courier delivering the goods where those are supplied on Cash on Delivery (CoD) basis at the rates provided in the Eleventh Schedule.”;

¹⁴⁹ Proviso inserted by Finance Act, 2007.

¹⁵⁰ Word inserted by Finance (Supplementary) Act, 2023.

¹⁵¹ Word “Board” substituted by Finance (Supplementary) Act, 2022.

¹⁵² The words “or imports” inserted through Finance Act, 2019.

¹⁵³ The words “or imports” inserted through Finance Act, 2019.

¹⁵⁴ Word “and” omitted by Finance Bill, 2014.

¹⁵⁵ Inserted by Finance Act, 2014

¹⁵⁶ Clause (b) substituted by Finance Act, 2015.

¹⁵⁷ Words “Federal Government” substituted by Finance Act, 2018.

¹⁵⁸ Words “in Pakistan” omitted by Finance Act, 2003.

¹⁵⁹ in sub-section (3), in clause (a) the word “and”, occurring at the end is omitted and in clause (b) for the full stop at the end, the semi colon and the word “and” is substituted and thereafter the new clause (c) is added through Finance Act, 2025

¹⁶⁰[(3A) Notwithstanding anything contained in clause (a) of sub-section (3), the ¹⁶¹[Board, with the approval of the Federal Minister-in-charge,] may, by a notification in the official Gazette, specify the goods in respect of which the liability to pay tax shall be of the person receiving the supply.]

¹⁶²[(3B) Notwithstanding anything contained in sub section (1) and (3), sales tax on the import and supply of the goods specified in the Ninth Schedule to this Act shall be charged, collected and paid at the rates, in the manner, at the time, and subject to the procedure and conditions as specified therein or as may be prescribed, and the liability to charge, collect and pay the tax shall be on the persons specified therein.]

¹⁶³[(4) ***]

¹⁶⁴[(5) The ¹⁶⁵[Federal Government] may, in addition to the tax levied under sub-section (1) ¹⁶⁶[...], ¹⁶⁷[...] sub-section (2) and sub-section (4), levy and collect ¹⁶⁸["tax at such extra rate or amount"] not exceeding ¹⁶⁹[eighteen] per cent 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 limitations as it may, by rules, prescribe.]

¹⁷⁰[(6) The Federal Government or ¹⁷¹[the Board] may, in lieu of the tax under sub-section (1), by notification in the official Gazette, levy and collect such amount of tax as it may deem fit on any supplies or class of supplies or on any goods or class of goods and may also specify the mode, manner or time of payment of such amount of tax.

¹⁷²[(7) The tax shall be withheld ¹¹[* * *] at the rate as specified in the Eleventh Schedule, by any person or class of persons ¹⁷³[being purchaser of goods or services ¹⁷⁴[, other than the services liable to pay sales tax under a Provincial enactment,] as withholding agent for the purpose of depositing

¹⁶⁰ Sub-section 3A inserted by Finance Act, 1998.

¹⁶¹ The expression inserted through Finance Act, 2019.

¹⁶² Inserted by Finance Act 2014

¹⁶³ Sub section (4) omitted by Finance Act, 2008.

¹⁶⁴ Sub section (5) inserted by Finance Act, 1999.

¹⁶⁵ Words "Federal Government" substituted by Finance Act, 2018.

¹⁶⁶ Word etc. "and (1 A)" omitted by finance Act, 2004.

¹⁶⁷ Word etc. "clause (C) of" omitted by Finance Ordinance, 2002

¹⁶⁸ Words substituted by Finance Act, 2013.

¹⁶⁹ Substituted for seventeen vide Finance (Supplementary) Act, 2023.

¹⁷⁰ Sub section (6) inserted by Finance Ordinance 2001

¹⁷¹ Substituted for "Central Board of Revenue" by Finance Act, 2007

¹⁷² Sub-section (7) substituted by Finance Act, 2019.

¹⁷³ The words omitted and the expression inserted by Finance Act, 2020.

¹⁷⁴ Expression inserted by Finance Act, 2022.

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the same, in such manner and subject to such conditions or restrictions as the Board may prescribe in this behalf through a notification in the official Gazette¹⁷⁵[:]

¹⁷⁶[omitted]

(7A) The tax withheld as provided in the Eleventh Schedule by the payment intermediary or the courier, as the case may be, shall be final discharge of tax liability in respect of taxable supplies of digitally ordered goods by;

- (i) cottage industry as defined in clause (5AB) of section 2 of this Act; and**
- (ii) retailers other than tier-I retailers”**

¹⁷⁷[(8) Notwithstanding anything contained in any law or notification made thereunder¹⁷⁸[, but subject to the provisions of clause (b) of sub-section (2)] in case of supply of natural gas to CNG stations, the Gas Transmission and Distribution Company shall charge sales tax from the CNG stations at the rate of¹⁷⁹[eighteen] per cent of the value of supply to the CNG consumers, as notified by the Board from time to time, but excluding the amount of tax, as provided in clause (46) of section 2.

¹⁸⁰[(9) Notwithstanding anything contained in sub-section (1), tax shall be charged from retailers, other than those falling in Tier-1, through their monthly electricity bills, at the rate of five percent where the monthly bill amount does not exceed rupees twenty thousand and at the rate of seven and half percent where the monthly bill amount exceeds the aforesaid amount and the electricity supplier shall deposit the amount so collected directly without adjusting against his input tax:

Provided that the tax under this sub-section shall be in addition to the tax payable on supply of electricity under sub-sections (1), (1A) and (5):

Provided further that the Commissioner of Inland Revenue having jurisdiction shall issue order to the electricity supplier regarding exclusion of a person who is either a Tier-1 retailer or not a retailer.]

¹⁷⁵ Colon and proviso inserted by Finance Act, 2022.

¹⁷⁶ in sub-section (7), proviso is omitted and new sub-section (7A) is added through Finance Act, 2025

¹⁷⁷ Sub-section 8 Inserted by Finance Act, 2014.

¹⁷⁸ Comma and words inserted by Finance Act, 2015.

¹⁷⁹ Substituted for seventeen vide Finance (Supplementary) Act, 2023.

¹⁸⁰ Sub-section 9 substituted by Tax Laws (Second Amendment) Ordinance, 2022 and shall be deemed to have been so substituted from the 01st day of July, 2022.

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¹⁸¹[(9A) Notwithstanding anything contained in this Act, Tier-1 retailers shall pay sales tax at the rate as applicable to the goods sold under relevant provisions of this Act or a notification issued there under:

¹⁸²[****]

¹⁸³[omitted]

¹⁸⁴[(9AA) In respect of goods, specified in the Thirteenth Schedule, the minimum production for a month shall be determined on the basis of a single or more inputs as consumed in the production process as per criterion specified in the Thirteenth Schedule and if minimum production so determined exceeds the actual supplies for the month, such minimum production shall be treated as quantity supplied during the month and the liability to pay tax shall be discharged accordingly.]

¹⁸⁵[(10) *** repealed]

¹⁸⁶[(11)***]

¹⁸⁷[(12) Notwithstanding anything contained in this Act, the Federal Government may, in lieu of or in addition to the tax under sub-section (9), by notification in the official Gazette, levy and collect such amount of tax at such rates and from such date as it may deem fit, from retailers, other than those falling in Tier-1, through their monthly electricity bill, and may also specify the mode, manner or time of payment of such tax:

Provided that different rates or amounts of tax may be specified for different persons or class of persons.]

¹⁸⁸[3A. ***]

¹⁸⁹[3AA. ***]

¹⁹⁰[3AAA. ***]

¹⁸¹ Sub-section (9A) substituted through Finance Act, 2019.

¹⁸²First proviso omitted by Finance Act, 2021.

¹⁸³ In clause 9A proviso omitted by Finance Act, 2025.

¹⁸⁴ New sub-section inserted by Finance Act, 2021.

¹⁸⁵ Section 10 repealed which was earlier inserted by Tax Laws (Third Amendment) Ordinance, 2021.

¹⁸⁶ Sub-section (11) omitted by Finance Act, 2024.

¹⁸⁷ New sub-section (12) added by Tax Laws (Second Amendment) Ordinance, 2022.

¹⁸⁸ Section (3A) omitted by Finance Act, 2004.

¹⁸⁹ Section (3AA) omitted by Finance Act, 2008.

¹⁹⁰ Section (3AAA) omitted by Finance Act, 2002.

¹⁹¹**[3B. Collection of excess sales tax etc.]**—(1) Any person who has collected or collects any tax or charge, whether under misapprehension of any provision of this Act or otherwise, which was not payable as tax or charge or which is in excess of the tax or charge actually payable and the incidence of which has been passed on to the consumer, shall pay the amount of tax or charge so collected to the Federal Government.

¹⁹²[(2) Notwithstanding anything contained in any law or judgement of a court, including the Supreme court and a High court, any amount payable to the Federal Government under sub-section (1) shall be deemed to be an arrear of tax or charge payable under this Act and shall be recoverable accordingly and any claim for refund in respect of such amount shall neither be admissible to the registered person nor payable to any court of law or to any person under direction of the court.]

(3) The burden of proof that the incidence of tax or charge referred to in sub-section (1) has been or has not been passed to the consumer shall be on the person collecting the tax or charge.]

4. Zero rating.— Notwithstanding the provisions of section 3 ¹⁹³**[except those of sub-section (1A)]**, ¹⁹⁴[...] the following goods shall be charged to tax at the rate of zero per cent:--

- [(a) goods exported, or the goods specified in the Fifth Schedule;]
- (b) supply of stores and provisions for consumption aboard a conveyance proceeding to a destination outside Pakistan as specified in section 24 of the Customs Act, 1969 (IV of 1969);
- ¹⁹⁵[(c) such other goods, as the Federal Government may specify by notification in the official Gazette, whenever circumstances exist to take immediate action for the purposes of national security, natural disaster, national food security in emergency situations and implementation of bilateral and multilateral agreements:”; and]
- ¹⁹⁶[(d) omitted.]

¹⁹¹ Old section (3A) renumbered as (3B) by Finance Act, 1996.

¹⁹² Sub-section (2) substituted by Finance Act, 2014.

¹⁹³ The expression inserted through Finance Act, 2004.

¹⁹⁴ Words “a Supply of” omitted by Finance Act, 2004.

¹⁹⁵ Clause (c) substituted through Finance Act, 2019.

¹⁹⁶ Clause (d) omitted by Finance Act, 2019.

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Provided that nothing in this section shall apply in respect of a supply of goods which –

- (i) are exported, but have been or are intended to be re-imported into Pakistan; or
- (ii) have been entered for export under Section 131 of the Customs Act, 1969 (IV of 1969), but are not exported¹⁹⁷[***] ¹⁹⁸[; or]
- (iii) ¹⁹⁹[have been exported to a country specified by the Federal Government, by Notification in the official Gazette ²⁰⁰[:]

²⁰¹[Provided further that the Federal Government may, by a notification in the official Gazette, restrict the amount of credit for input tax actually paid and claimed by a person making a zero-rated supply of goods otherwise chargeable to sales tax.]

5. Change in the rate of tax.— If there is a change in the rate of tax-

- (a) a taxable supply made ²⁰²[***] by a registered person shall be charged to tax at such rate as is in force at the time of supply;
- (b) imported goods shall be charged to “tax at such rate as” is in force,-
 - (i) in case the goods are entered for home consumption, on the date on a ⁹[goods declaration] is presented under section 79 of the Customs Act, 1969 (IV of 1969);
 - (ii) in case the goods are cleared from warehouse, on the date on which a ²⁰³[goods declaration] for clearance of such goods is presented under section 104 of the Customs Act, 1969 (IV of 1969);

Provided that where a ⁹[goods declaration] is presented in advance of the arrival of the conveyance by which the goods are imported, the tax shall be charged as is in force on the date on which the manifest of the conveyance is delivered:

¹⁹⁷ Words omitted by Finance Act, 1999.

¹⁹⁸ Substituted for “full stop” by Finance Act, 1991.

¹⁹⁹ Added by Finance Act, 1991.

²⁰⁰ Substituted for “full stop” by Finance Act, 1996.

²⁰¹ Proviso added by Finance Act, 1996.

²⁰² Words “in Pakistan” omitted by Finance Act, 2003

²⁰³ Substituted for “bill of entry” by Finance Act, 2005

Sales Tax Act, 1990

Provided further that if the tax is not paid within seven days of the ²⁰⁴[goods declaration] ²⁰⁵[under section 104 of the Customs Act,] the tax shall be charged at the rate as is in force on the date on which tax is actually paid.

6. Time and manner of payment. – (1) The tax in respect of goods imported into Pakistan shall be charged and paid in the same manner and at the same time as if it were a duty of customs payable under the Customs Act, 1969 ²⁰⁶[and the provisions of the said Act ²⁰⁷[including section 31A thereof], shall, so far as they relate to collection, payment and enforcement ²⁰⁸[including recovery] of tax under this Act on such goods where no specific provision exists in this Act, apply,].

²⁰⁹[(1A) Notwithstanding anything contained in any other law for the time being in force, including but not limited to the Protection of Economic Reforms Act, 1992 (XII of 1992), and notwithstanding any decision or judgment of any forum, authority or court whether passed, before or after the promulgation of the Finance Act, 1998 (III of 1998), the provisions of section 31-A of the Customs Act, 1969 (IV of 1969), referred to in sub-section (1) shall be incorporated in and shall be deemed to have always been so incorporated in this Act and no person shall be entitled to any exemption from or adjustment of or refund of tax on account of the absence of such a provision in this Act, or in consequence of any decision or judgment of any forum, authority or court passed on that ground or on the basis of the doctrine of *promissory estoppel* or on account of any promise or commitment made or understanding given whether in writing or otherwise, by any government department or authority.]

(2) The tax in respect of taxable supplies made ²¹⁰[***] during a tax period shall be paid by the registered person ²¹¹[by the date as prescribed in this respect] ²¹²[:]

²¹³[Provided that the Board may, by a notification in the Official Gazette, direct that the tax in respect of all or such classes of supplies (other than zero-rated supplies) of all or such taxable goods, as may be specified in the aforesaid notification, shall be charged, collected and paid in any other way, mode, manner or at time as may be specified therein.]

²⁰⁴ Substituted for “bill of entry” by Finance Act, 2005

²⁰⁵ Words, figure and comma inserted by the Finance Act, 1996.

²⁰⁶ The Words inserted in place of “IV of 1969” by Finance Act, 1996

²⁰⁷ The words inserted by Finance Act, 1998.

²⁰⁸ Words “including recovery” inserted by Finance Act, 2015.

²⁰⁹ Sub Section (1A) inserted by Sales Tax (amendment) Ordinance, 2002 dated June 07, 2002 and shall be deemed to have always been so inserted.

²¹⁰ Words “in Pakistan” omitted by Finance Act, 2013

²¹¹ Words substituted through Finance Act, 2016.

²¹² Substituted for full stop by Finance Act, 1997

²¹³ Proviso inserted by Finance Act, 1997

²¹⁴[(3) The tax due on taxable supplies ²¹⁵[***] shall be paid by any of the following modes, namely:-

- (i) through deposit in a bank designated by the Board; and
- (ii) through such other mode and manner as may be specified by the Board.]

²¹⁶[4. ***]

²¹⁷[(5) The Federal Government may, subject to such conditions, limitations and restrictions as it may impose, by notification in the official Gazette, allow payment of sales tax on installments basis by the Federal or Provincial Governments or any public sector organization on import or supply of any goods or class of goods:

Provided that such payment may be allowed from any previous date specified in the notification under this sub-section.]

7. Determination of tax liability. – (1) ²¹⁸[Subject to the provisions of ²¹⁹[section 8 and] 8B, for] the purpose of determining his tax liability in respect of taxable supplies made during a tax period, a registered person shall ²²⁰[, subject to the provisions of section 73,] be entitled to deduct input tax ²²¹[paid ²²²/or payable ²²³/during the tax period for the purpose of taxable supplies made, or to be made, by him] from the output tax ²²⁴[excluding the amount of further tax under sub-section (1A) of section 3.] ²²⁵[] that is due from him in respect of that tax period and to make such other adjustments as are specified in Section 9 ²²⁶[:]

²²⁷[Provided that where a registered person did not deduct input tax within the relevant period, he may claim such tax in the return for any of the six succeeding tax periods.]

²¹⁴ Sub Section III substituted by Finance Act, 1996.

²¹⁵Words “made in Pakistan” omitted by Finance Act, 2003.

²¹⁶ Sub Section 4 omitted by Finance Act, 1996.

²¹⁷ New sub-section (5) added by Finance Act, 2022.

²¹⁸ Substituted for the word “ for by Finance Act, 2007

²¹⁹ The word “section” substituted by the words and figure “section 8 and” in Finance Act 2014.

²²⁰ Comma and word etc, inserted by Finance Ordinance, 2001

²²¹ Words inserted by Finance Act, 1996

²²² Words inserted by Finance Act, 2004.

²²³ Words inserted by Finance Act, 1998.

²²⁴ Inserted by Finance Act 2014

²²⁵ Words etc “ excluding the amount of tax” omitted by Finance Act, 2004

²²⁶ Substituted for the full stop by Finance Act, 2003

²²⁷ Proviso substituted by Finance Act, 2008.

Sales Tax Act, 1990

(2) A registered person shall not be entitled to deduct input tax from output tax unless,-

(i) in case of a claim for input tax in respect of a taxable supply made ²²⁸[***], he holds a tax invoice ²²⁹[in his name and bearing his registration number] in respect of such supply ²³⁰[, or in case of supply of electricity or gas, a bill bearing his registration number and the address where the connection is installed] ²³¹[:]

Provided that from the date to be notified by the Board in this respect, in addition to above, if the supplier has not declared such supply in his return or he has not paid amount of tax due as indicated in his return;

(ii) ²³²[in case of goods imported into Pakistan, he holds bill of entry or goods declaration in his name and showing his sales tax registration number, duly cleared by the customs under section 79 ²³³[, section 81] or section 104 of the Customs Act, 1969 (IV of 1969);]

(iii) ²³⁴[in case of goods purchased in auction, he holds a treasury challan, ²³⁵[in his name and bearing his registration number,] showing payment of sales tax;]

²³⁶[(iv) ***]

²³⁷[(3) Notwithstanding anything in sub-sections (1) and (2), ²³⁸[Board, with the approval of the Federal Minister-in-charge,] may, by a special order, subject to such conditions, limitations or restrictions as may be specified therein allow a registered person to deduct input tax paid by him from the output tax determined or to be determined as due from him under this Act.]

²²⁸ Words "in Pakistan" omitted by Finance Act, 2003.

²²⁹ Words inserted by Finance Act, 2003.

²³⁰ The expression substituted through Finance Act, 2019.

²³¹ A Colon substituted the semi colon & Proviso added through Finance, Act, 2016.

²³² Clause (ii) substituted by Finance Act, 2003.

²³³ Expression "*, section 81" inserted by Finance Act, 2015.

²³⁴ Clause (iii) inserted by Finance Ordinance, 2002

²³⁵ Comma and words inserted by Finance Act, 2004.

²³⁶ Clause (iv) omitted by Finance Act, 1997.

²³⁷ Sub Section (3) inserted by Finance Ordinance, 2002.

²³⁸ The expression substituted by Finance Act, 2019.

Sales Tax Act, 1990

²³⁹[(4) Notwithstanding anything contained in this Act or rules made there under, the ²⁴⁰[Federal Government] may, by notification in the official Gazette, subject to such conditions, limitations or restrictions as may be specified therein, allow a registered person or class of persons to deduct such amount of input tax from the output tax as may be specified in the said notification.]

²⁴¹[(5) Notwithstanding anything contained in this Act or the rules made thereunder, the Board, by notification in the official Gazette, may impose restrictions on wastage of material on which input tax has been claimed in respect of the goods or class of goods.]

²⁴²[7A. Levy and collection of tax on specified goods on value addition. –²⁴³[(1) Notwithstanding anything contained in this Act or the rules made there under, the ¹⁰[Federal Government] may specify, by notification in the official Gazette, that sales tax chargeable on the supply of goods of such description or class shall, with such limitations or restrictions as may be prescribed, be levied and collected on the difference between the value of supply for which the goods are acquired and the value of supply for which the goods, either in the same state or on further manufacture, are supplied.]

²⁴⁴[(2) Notwithstanding anything contained in this Act or the rules made thereunder, in respect of the goods or class of goods specified in the Twelfth Schedule, the minimum value addition tax, against the value added by the registered person, shall be payable, at the rate and by the registered persons or class of registered persons, specified therein, subject to the conditions, limitations, restrictions and procedure specified therein:

Provided that the Federal Government may, through a notification published in the official Gazette, amend any provision of the said Twelfth Schedule.]

²³⁹ Sub Section (4) inserted by Finance Act, 2007.

²⁴⁰ Words “Federal Government” substituted by Finance Act, 2018.

²⁴¹ New sub-section inserted by Finance Act, 2020.

²⁴² Section (7A) inserted by Finance Act, 2003.

²⁴³ Renumbered by Finance Act, 2004

²⁴⁴ Sub-section (2) substituted vide Finance Act, 2019.

Sales Tax Act, 1990

²⁴⁵**[8. Tax credit not allowed.]** – (1) Notwithstanding anything contained in this Act, a registered person shall not be entitled to reclaim or deduct input tax paid on –

- ²⁴⁶[(a) the goods ²⁴⁷[or services] used or to be used for any purpose other ²⁴⁸[***] for taxable supplies made or to be made by him;]
- (b) any other goods or services which the ²⁴⁹[Federal Government] may, by a notification in the official Gazette, specify²⁵⁰[, ²⁵¹[***]]
- ²⁵²[(c)] ²⁵³[***] the goods under ²⁵⁴[sub-section] (5) of section 3 ²⁵⁵[:]
- ²⁵⁶[(ca)] the goods ²⁵⁷[or services] in respect of which sales tax has not been deposited in the Government treasury by the respective supplier;]
- ²⁵⁸[(caa)] purchases, in respect of which a discrepancy is indicated by CREST or input tax of which is not verifiable in the supply chain;]
- ²⁵⁹[(d)] fake invoices; ²⁶⁰[***]
- (e) purchases made by such registered person, in case he fails to furnish the information required by the Board through a notification issued under sub-section (5) of section 26 [;]
- ²⁶¹[(f)] goods and services not related to the taxable supplies made by the registered person.]
- ²⁶²[(g)] goods and services acquired for personal or non-business consumption;]

²⁴⁵ Section (8) substituted by Finance Act, 1996.

²⁴⁶ Clause (a) substituted by Sales Tax (amendment) Ordinance, 2001 dated February 07, 2001.

²⁴⁷ Words inserted by Finance Act, 2008.

²⁴⁸ Words “for the manufacture of production of manufacture goods or,” omitted by Finance Act, 2007.

²⁴⁹ Words “Federal Government” substituted by Finance Act, 2018.

²⁵⁰ Substituted for full stop by Finance Act, 1999

²⁵¹ Word “and” omitted by Finance Act, 2004.

²⁵² Clause (c) inserted by Finance Act, 1999.

²⁵³ Word “on” omitted by Finance Act, 2004.

²⁵⁴ Substituted for subsection (1A) and Finance Act, 2004.

²⁵⁵ Substituted for the full stop by Finance Act, 2004.

²⁵⁶ Clause (ca) inserted by Finance Act, 2006.

²⁵⁷ Words inserted by Finance Act, 2008.

²⁵⁸ Clause (caa) inserted by Finance Act, 2013

²⁵⁹ Clause (d) inserted by Finance Act, 2004.

²⁶⁰ The word “and” omitted by Finance Act 2014.

²⁶¹ Inserted by Finance Act, 2014.

²⁶² Inserted by Finance Act, 2014.

Sales Tax Act, 1990

²⁶³[(h) goods used in, or permanently attached to, immoveable property, such as building and construction materials, paints, electrical and sanitary fittings, pipes, wires and cables, but excluding ²⁶⁴[pre-fabricated buildings and] such goods acquired for sale or re-sale or for direct use in the production or manufacture of taxable goods; ²⁶⁵[***]]

²⁶⁶[(i) vehicles falling in Chapter 87 of the First Schedule to the Customs Act, 1969 (IV of 1969), parts of such vehicles, electrical and gas appliances, furniture furnishings, office equipment (excluding electronic cash registers), but excluding such goods acquired for sale or re-sale] ²⁶⁷[;]

²⁶⁸[(j) services in respect of which input tax adjustment is barred under the respective provincial sales tax law;

(k) import or purchase of agricultural machinery or equipment subject to sales tax at the rate of 7% under Eighth Schedule to this Act;

(l) from the date to be notified by the Board, such goods and services which, at the time of filing of return by the buyer, have not been declared by the supplier in his return ²⁶⁹[or he has not paid amount of tax due as indicated in his return; and

²⁷⁰[(m) the input goods ²⁷¹[or services] attributable to supplies made to un-registered ²⁷²[distributor], on pro-rata basis, for which sale invoices do not bear the NIC number or NTN as the case may be, of the recipient as stipulated in section 23.]

(2) If a registered person deals in taxable and non-taxable supplies, he can reclaim only such proportion of the input tax as is attributable to taxable supplies in such manner as may be specified by the Board.

(3) No person other than a registered person shall make any deduction or reclaim input tax in respect of taxable supplies made or to be made by him.

²⁶³ Inserted by Finance Act, 2014.

²⁶⁴ Words inserted by Finance Act, 2015.

²⁶⁵ Word "and" omitted by Finance Act, 2015.

²⁶⁶ Inserted by Finance Act, 2014.

²⁶⁷ Semi-colon substituted for full stop by Finance Act, 2015.

²⁶⁸ Clauses (j), (k) and (l) added by the Finance Act, 2015.

²⁶⁹ Expression added through Finance Act, 2016.

²⁷⁰ Clause (m) substituted through Finance Act, 2019.

²⁷¹ The words inserted by Finance Act, 2020.

²⁷² Word "person" substituted by Finance Act, 2022.

²⁷³[(4) ***]

²⁷⁴[(5) Notwithstanding anything contained in any other law for the time being in force or any decision of any Court, for the purposes of this section, no input tax credit shall be allowed to the persons who paid fixed tax under any provisions of this Act as it existed at any time prior to the first day of December, 1998.]

²⁷⁵[(6) Notwithstanding anything contained in any other law for the time being in force or any provision of this Act, ²⁷⁶[Board, with the approval of the Federal Minister-in-charge,] may, by notification in the official Gazette, specify any goods or class of goods which a registered person cannot supply to any person who is not registered ²⁷⁷ [***] under this Act.]

²⁷⁸[(7) ***]

²⁷⁹**[8A. Joint and several liability of registered persons in supply chain where tax unpaid.]**— Where a registered person receiving a taxable supply from another registered person is in the knowledge or has reasonable grounds to suspect that some or all of the tax payable in respect of that supply or any previous or subsequent supply of the goods supplied would go unpaid ²⁸⁰[, of which the burden to prove shall be on the department] such person as well as the person making the taxable supply shall be jointly and severally liable for payment of such unpaid amount of tax ²⁸¹[:]]

²⁸²[Provided that the Board may by notification in the official gazette, exempt any transaction or transactions from the provisions of this section.]

²⁸³**[8B. Adjustable input tax.]**— (1) Notwithstanding anything contained in this Act, in relation to a tax period, a registered person ²⁸⁴ [***] shall not be allowed to adjust input tax in excess of ninety per cent of the output tax for that tax period:

²⁷³ Sub-Section (4) omitted by Finance Act, 1999.

²⁷⁴ Sub-section (5) inserted by Finance Act, 1999.

²⁷⁵ Sub-section (6) inserted by Sales Tax (Amendment) Ordinance, 2001 dated February 7, 2001.

²⁷⁶ The expression substituted by Finance Act, 2019.

²⁷⁷ Words “or enrolled” omitted by Finance Act, 2004.

²⁷⁸ Sub-section (7) omitted by Finance Act, 2004. Earlier it was inserted by Sales Tax (Amendment) Ordinance, 2001, dated February 7, 2001.

²⁷⁹ Section 8A inserted by Finance Act, 2006.

²⁸⁰ Expression added by Finance Act, 2015.

²⁸¹ Substituted for full stop by Finance Act, 2007.

²⁸² Proviso inserted by Finance Act, 2007.

²⁸³ Section 8B inserted by Finance Act, 2007.

²⁸⁴ Words omitted by Finance Act, 2022.

Sales Tax Act, 1990

²⁸⁵[Provided that the restriction on the adjustment of input tax in excess of ninety percent of the output tax, shall not apply in case of fixed assets or Capital goods:]

Provided further that the Board may by notification in the official Gazette, exclude any person or class of persons from the purview of sub-section (1).

(2) A registered person, subject to sub-section (1), may be allowed adjustment ²⁸⁶[or refund] of input tax not allowed under sub-section (1) subject to the following conditions, namely:—

- (i) in the case of registered persons, whose accounts are subject to audit under the Companies Ordinance, 1984, upon furnishing a statement along with annual audited accounts, duly certified by the auditors, showing value additions less than the limit prescribed under sub-section (1) above; or
- (ii) in case of other registered persons, subject to the conditions and restrictions as may be specified by the Board by notification in the official Gazette.

(3) The adjustment or refund of input tax mentioned in sub-sections (2), if any, shall be made on yearly basis in the second month following the end of the financial year of the registered person.

(4) Notwithstanding anything contained in sub-sections (1) and (2), the Board may, by notification in the official Gazette, prescribe any other limit of input tax adjustment for any person or class of persons. ²⁸⁷In order to limit input tax allowance, the Board may also use data based automated risk management system to defer certain input tax or fix higher or lower limits of input tax adjustment:

Provided that the registered person may contest the action taken under this sub-section by filing application and documents with the Commissioner concerned, who shall decide the case within thirty days of such application.”;

²⁸⁵ Proviso substituted by Finance Act, 2011.

²⁸⁶ Words inserted by Finance Act, 2009.

²⁸⁷ In sub-section (4) after the full stop at the end the Expression added through Finance Act, 2025.

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²⁸⁸[(4A) Notwithstanding anything contained in sub-sections (1), (2) and (3), input tax allowed in case of locally manufactured electric vehicles subject to reduced rate of tax under the Eighth Schedule shall be limited to the extent of amount of output tax and no refund or carry forward of excess input tax shall be allowed.]

(5) Any auditor found guilty of misconduct in furnishing the certificate mentioned in sub-section (2) shall be referred to the Council for disciplinary action under section 20D of Chartered Accountants, Ordinance, 1961 (X of 1961).]

²⁸⁹[(6) In case a Tier-1 retailer does not integrate his retail outlet in the manner as prescribed under sub-section (9A) of section 3, during a tax period or part thereof, the adjustable input tax for whole of that tax period shall be reduced by ²⁹⁰[60%.]

9. Debit and credit note. – Where a registered person has issued a tax invoice in respect of a supply made by him and as a result of cancellation of supply or return of goods or a change in the nature of supply or change in the value of the supply or some such event the amount shown in the tax invoice or the return needs to be modified, the registered person may, subject to such conditions and limitations as the Board may impose, issue a debit or credit note and make corresponding adjustment against output tax in the return.

291[10. Refund of input tax.] – (1) If the input tax paid by a registered person on taxable purchases made during a tax period exceeds the output tax on account of zero rated local supplies or export made during that tax period, the excess amount of input tax shall be refunded to the registered person not later than forty-five days of filing of refund claim in such manner and subject to such conditions as the Board may, by notification in the official Gazette specify:

²⁹²[Provided that in case of excess input tax against supplies other than zero-rated or exports, such excess input tax may be carried forward to the next tax period, along with the input tax as is not adjustable in terms of sub-section (1) of section 8B, and shall be treated as input tax for that period and the Board may, subject to such conditions and restrictions as it may

²⁸⁸ New sub-section (4A) inserted by Finance Act, 2020.

²⁸⁹ New sub-section (6) inserted through Finance Act, 2019.

²⁹⁰ Expression substituted by Finance Act, 2021.

²⁹¹ Section 10 substituted by Finance Act, 2007. Earlier it was also substituted by Finance Act, 1998 and Finance Act, 1996

²⁹² Proviso substituted by Finance Act, 2008.

Sales Tax Act, 1990

impose, by notification in the official Gazette, prescribe the procedure for refund of such excess input tax.]

Provided further that the Board may, from such date and subject to such conditions and restrictions as it may impose, by notification in the official Gazette, direct that refund of input tax against exports shall be paid ²⁹³[at the fixed rates and in the manner as] notified in the such notification.

(2) If a registered person is liable to pay any tax, default surcharge or penalty payable under any law administered by the Board, the refund of input tax shall be made after adjustment of unpaid outstanding amount of tax or, as the case may, default surcharge and penalty.

(3) Where there is reason to believe that a person has claimed input tax credit or refund which was not admissible to him, the proceedings against him shall be completed within sixty days. For the purposes of enquiry or audit or investigation regarding admissibility of the refund claim, the period of sixty days may be extended up to one hundred and twenty days by an officer not below the rank of an Additional ²⁹⁴[Commissioner Inland Revenue] and the Board may, for reasons to be recorded in writing, extend the aforesaid period which shall in no case exceed nine months.]

²⁹⁵[11. ***]

²⁹⁶[11A. Short paid amounts recoverable without notice.] Notwithstanding any of the provisions of this Act, where a registered person pays the amount of tax less than the tax due as indicated in his return, the short paid amount of tax along with default surcharge shall be recovered from such person by stopping removal of any goods from his business premises and through attachment of his business bank accounts, without giving him a show cause notice and without prejudice to any other action prescribed under section 48 of this Act or the rules made thereunder:

Provided that no penalty under section 33 of this Act shall be imposed unless a show cause notice is given to such person.]

²⁹³ The expression substituted through Finance Act, 2019.

²⁹⁴ Substituted for "Collector of Sales Tax" by Finance Act, 2010 w.e.f. June 5, 2010The same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010 published in the Gazette of Pakistan Extraordinary part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

²⁹⁵ Section 11 omitted by Finance Act, 2024.

²⁹⁶ Section 11A Substituted by Finance Act, 2006. Earlier it was inserted by Finance Ordinance, 2002.

²⁹⁷**[11B. Limitation for issuing orders in certain cases.]**— For the purposes of issuing an assessment order or any other order in consequence of or to give effect to any order made by the Commissioner (Appeals), Appellate Tribunal, High Court, or Supreme Court, the provisions of section 124 of the Income Tax Ordinance, 2001 (XLIX of 2001) shall apply *mutatis mutandis*;

²⁹⁸**[11C. Power of tax authorities to modify orders, etc.]**— (1)

Where a question of law has been decided by a High Court or the Appellate Tribunal in the case of a registered person, on or after first day of July, 1990, the Commissioner or an officer of Inland Revenue may, notwithstanding that he has preferred an appeal against the decision of the High Court or made an application for reference against the order of the Appellate Tribunal, as the case may be, follow the said decision in the case of the said taxpayer in so far as it applies to said question of law arising in any assessment pending before the Commissioner or an officer of Inland Revenue, until the decision of the High Court or of the Appellate Tribunal is reversed or modified.

(2) In case the decision of High Court or the Appellate Tribunal, referred to in sub-section (1), is reversed or modified, the Commissioner or an officer of Inland Revenue may, notwithstanding the expiry of period of limitation prescribed for making any assessment or order, within a period of one year from the date of receipt of decision, modify the assessment or order in which the said decision was applied so that it conforms to the final decision.]

²⁹⁹**[11D. Best judgment Assessment.]**— (1) Where a person,

- (a) fails to furnish a sales tax return in response to notice under sub-section (2A) of section 26; or
- (b) fails to produce before the officer of Inland Revenue not below the rank of Assistant Commissioner under sections 25 or 38A, accounts, documents and records required, or any other relevant document or evidence that may be required by him, the officer of Inland Revenue not below the rank of Assistant Commissioner may, after a notice to show cause to such person, based on any available information or material and to the best of his judgment, make an

²⁹⁷ Section 11B substituted by Finance Act, 2024.

²⁹⁸ New section 11C inserted by Finance Act, 2020.

²⁹⁹ New sections 11D to 11G inserted by Finance Act, 2024.

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assessment of tax payable or refund due and also charge penalty and default surcharge.

(2) For the purposes of clause (b) of sub-section (1), the officer of Inland Revenue may also disallow or reduce a registered person input tax on goods if the registered person is unable, to provide invoice or other record or evidence of the transaction or circumstances giving rise to such claim.

(3) Where a best judgment assessment has been made due to default of clause (a) of sub-section (1) and the person files the return within sixty days of issuance of order under this section thereafter and pays the amount of tax payable along with default surcharge and penalty, the notice to show cause and the order of assessment shall abate.

(4) Notwithstanding anything in sub-section (1), where the Federal Board of Revenue has specified conditions for the purpose of determination of minimum tax liability in respect of a person who is required to file return but who fails to file such return, the Officer of Inland Revenue shall determine such liability of the registered person in accordance thereof.

³⁰⁰(5) Notwithstanding anything contained in this section, in case of person who is liable to be registered under clause (25) of section 2 based on tax withheld under section 236G of Income Tax Ordinance, 2001 (XLIX of 2001) and does not furnish a return upon notice, an officer of inland revenue may assess sales tax liability on the value addition on reasonable grounds including information obtained from the purchase data under section 236G of Income Tax Ordinance, 2001 (XLIX of 2001).

11E. Assessment of tax and recovery of tax not levied or short levied or erroneously refunded.- ³⁰¹(1) Where due to any reason, any tax or charge has not been levied or short levied or where the officer of Inland Revenue not below the rank of Assistant Commissioner suspects on the basis of audit or otherwise that due to any reason a person has-

- (a) not paid or short paid due sales tax;
- (b) claimed input tax credit or refund which is not admissible;

or

- (c) has obtained an amount of refund not due,

³⁰⁰ In section 11D, after sub-section (4) the New sub-section (5) is added through Finance Act, 2025

³⁰¹In section 11E, sub-section (1) is substituted through Finance Act, 2025

the officer of Inland Revenue after issuing a show cause notice to the person shall pass an order to determine and recover the amount of tax unpaid or short paid, inadmissible input tax or refund, or unlawful refund obtained and shall also impose penalty and default surcharge in accordance with sections 33 and 34:

Provided that this section shall not be applicable to the extent of proceedings initiated under section 37A of the Act.

(2) For the purposes of sub-section (1), the officer of Inland Revenue may also disallow input tax on goods or services if the taxpayer is unable, without reasonable cause, to provide a receipt, or invoice or other record or evidence of the transaction or circumstances giving rise to such claim.

(3) Where a tax or charge has not been levied under clause (a) of sub-section (1), the amount of tax shall be recovered as tax fraction of the value of supply.

11F. Failure to withhold sales tax.— Where any person, required to withhold sales tax under sub-section (7) of section 3, fails to withhold the tax or having withheld the tax fails to deposit the same in the prescribed manner, the officer of Inland Revenue not below the rank of Assistant Commissioner shall after a notice to such person to show cause pass an order to determine and recover the amount in default and impose penalty and default surcharge under section 33 and 34.

11G. Limitation for assessment.— (1) The show cause notice under sections 11D to 11F shall be issued within five years, from the end of the financial year in which the relevant date falls.

(2) An order under sections 11D, 11E and 11F shall be made within one hundred and ³⁰²[eighty days] of issuance of show cause notice or within such extended period as the Commissioner may, for reasons to be recorded, in writing specify, provided that such extended period shall in no case exceed from ninety days:

Provided that any period during which the proceedings are adjourned on account of a stay order or Alternative Dispute Resolution proceedings or the time taken through adjournment by the registered person not exceeding sixty days shall be excluded from the computation of the period specified in this sub-section.

³⁰² in section 11G, in sub-section (2), for the words “twenty days”, the words “eighty days” is substituted through Finance Act, 2025

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(3) For the purpose of sections 11D, 11E and 11F, the words “relevant date” means—

- (a) the time of payment of sales tax or charge as provided under section 6;
- (b) the time of payment for goods or services on which sales tax was to be withheld under sub-section (7) of section 3; and
- (c) in a case where sales tax or charge has been erroneously refunded, the date of its refund.]

³⁰³[12. ***]

³⁰⁴[13. **Exemption.**— (1) Notwithstanding the provisions of section 3, supply of goods or import of goods specified in the Sixth Schedule shall, subject to such conditions as may be specified by the ³⁰⁵[Federal Government], be exempt from tax under this Act ³⁰⁶[.]

³⁰⁷[***]

(2) Notwithstanding the provisions of sub-section (1) –

³⁰⁸[(a) the Federal Government may, whenever circumstances exist to take immediate action for the purposes of national security, natural disaster, national food security in emergency situations and implementation of bilateral and multilateral agreements, by notification in the official Gazette, exempt any supplies made or imports, of any goods or class of goods from the whole or any part of the tax chargeable under this Act, subject to the conditions and limitations specified therein;]

³⁰⁹[(b) ***]

(3) The exemption from tax chargeable under sub-section (2) may be allowed from any previous date specified in the notification issued under clause (a) ³¹⁰[***].]

³⁰³ Section 12 omitted by Finance Act, 1996.

³⁰⁴ Section 13 substituted by Finance Act, 1996.

³⁰⁵ Substituted for “Board” by Sales Tax (Amendment) Ordinance, 1999, dated 13th August, 1999.

³⁰⁶ Substituted for colon by Tax Laws Amendment Ordinance, 2000, full Stop was substituted for colon by sales tax “(Amendment) Ordinance, 1999, dated 13th August, 1999.

³⁰⁷ Provisos omitted by Tax Laws Amendment Ordinance, 2000, dated 24th May, 2000. Earlier it was omitted by sales Tax (Amendment) Act, 1999 dated 30-03-1999.

³⁰⁸ Clause (a) substituted through Finance Act, 2019.

³⁰⁹ Clause (b) omitted by Finance Act, 2015.

³¹⁰ Expression “or, as the case may be, order made under clause (b) of that sub-section” omitted by Finance Act, 2015.

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³¹¹[(4) ***]

³¹²[(5) ***]

³¹³[(6) The ³¹⁴[Board] shall place before the National Assembly all notifications issued under this section in a financial year.

(7) Any notification issued under sub-section (2), after 1st July, 2015 shall, if not earlier rescinded, stand rescinded on the expiry of the financial year in which it was issued ³¹⁵[:

Provided that all such notifications, except those earlier rescinded, shall be deemed to have been in force with effect from the 1st July, 2016 and shall continue to be in force till the 30th June, 2018, if not earlier rescinded:

Provided further that all notifications issued on or after the first day of July, 2016 and placed before the National Assembly as required under sub-section (6) shall continue to be in force till thirtieth day of June, 2018, if not earlier rescinded by the Federal Government or the National Assembly.]

³¹¹ Sub-section (4) omitted by Finance Act, 2006.

³¹² Sub-section (5) omitted by Sales Tax (Amendment) Ordinance, 2000.

³¹³ Sub-section (6) and sub-section (7) added by Finance Act, 2015.

³¹⁴ Substituted for the words "Federal Government" through Finance Act, 2017

³¹⁵ For the full stop a colon inserted and thereafter new provisos added through Finance Act, 2017

Chapter-III

REGISTRATION

³¹⁶[**14. Registration.**— (1) Every person engaged in making taxable supplies in Pakistan, including zero-rated supplies, in the course or furtherance of any taxable activity carried on by him, falling in any of the following categories, if not already registered, is required to be registered under this Act, namely:-

- (a) a manufacturer who is not running a cottage industry;
- (b) a retailer who is liable to pay sales tax under the Act or rules made thereunder, excluding such retailer required to pay sales tax through his electricity bill under sub-section (9) of section 3;
- (c) an importer;
- (d) an exporter who intends to obtain sales tax refund against his zero-rated supplies;
- (e) a wholesaler, dealer or distributor; and
- (f) a person who is required, under any other Federal law or Provincial law, to be registered for the purpose of any duty or tax collected or paid as if it were a levy of sales tax to be collected under the Act.

³¹⁷(1A) Every person including a non-resident person except who is running a cottage industry and the retailers who are required to pay sales tax through electricity bills under sub-section (9) of section 3, selling digitally ordered goods from within Pakistan through online marketplace, website or software application as the case may be, shall apply in the prescribed form and in the prescribed manner for registration.

(1B) Every online marketplace or a courier, involved in e-commerce by supplying digitally ordered goods from within Pakistan shall not allow any person to use their services to carry out e-commerce transactions unless it holds NTN and in case sub-section (1A) of this section applies also holds sales tax registration.

³¹⁶Section 14 substituted by Finance Act, 2015.

³¹⁷after sub-section (1), the following new sub-sections (1A) and (1B) is inserted through Finance Act, 2025

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(2) Persons not engaged in making of taxable supplies in Pakistan, if required to be registered for making imports or exports, or under any provisions of the Act, or any other Federal law, may apply for registration.

³¹⁸(2A) If a person, who is required to be registered under the Act, does not apply for registration and the Commissioner Inland Revenue or any other officer, as may be authorized by the Board, after such inquiry as deemed appropriate, having reason to believe that a person is liable to register, he shall compulsorily register such person after providing an opportunity of being heard.

(3) The registration under this Act shall be regulated in such manner as the Board may, by notification in the official Gazette, prescribe.]

³¹⁹[14A. *** repealed]

³²⁰[14AB. **Discontinuance of gas and electricity connections.**— Notwithstanding anything contained in this Act or any other law for the time being in force, the Board shall have power through Sales Tax General Order to direct the gas and electricity distribution companies for discontinuing the gas and electricity connections of any person who fall in the following categories, namely:—

- (a) Any person, including tier-1 retailers, who fail to register for sales tax purpose or
- (b) Notified tier-1 retailers registered but not integrated with the Board's Computerized System:

Provided that upon registration or integration, as the case may be, of the above said persons, the Board shall notify the restoration of their gas or electricity connection through Sales Tax General Order.]

³²¹14AC. Bar on operations of Bank Accounts. – (1) This section shall apply—

- (a) where the Commissioner has reasons to believe that a person is engaged in supply of taxable goods without having registration under this Act;

³¹⁸ after sub-section (2), the following new sub-section shall be inserted through Finance Act, 2025
³¹⁹ Section 14A repealed, which was earlier inserted by Tax Laws (Third Amendment) Ordinance, 2021.

³²⁰ New section 14AB added by Finance Act, 2022.

³²¹ after section 14AB, the new sections inserted through Finance Act, 2025

- (b) the Commissioner has provided three consecutive opportunities of being heard to the person to obtain registration under this Act; and
- (c) the person has failed to obtain registration.

(2) Notwithstanding anything contained in this Act or any other law for the time being in force, the Commissioner shall have the powers to direct banking companies, scheduled banks and other financial institutions, through an order in writing, to intermittently suspend operation of the bank account of such a person for three working days.

(3) The Commissioner shall repeat suspension specified in sub-section (2), for two more times with an interval of one week between the suspensions.

(4) The Commissioner shall direct the banking companies, scheduled banks and other financial institutions, through an order in writing to permanently bar operation of the bank accounts of the person.

(5) Upon registration of such person, the Commissioner shall issue and convey order for removal of bar on operation of his bank accounts not later than two working days.

(6) Any person, aggrieved by any decision or order passed under this section, may within thirty days of the date of receipt of such decision or order prefer an appeal before the Chief Commissioner Inland Revenue.

(7) The provisions of this section shall come into force on such date as the Board may notify in the official Gazette.

14AD. Bar on transfer of Immoveable Property.—(1) Where the person fails to obtain registration within fifteen days from issuance of order under sub-section (4) of section 14AC, the Chief Commissioner shall constitute a committee comprising the Chief Commissioner, Commissioner and one member from the Chamber of Commerce or a Trade Associations, as the case may be.

(2) The committee shall issue a notice to such unregistered person which shall also be prominently displayed at the business premises of the person.

(3) The committee after affording a personal hearing to the person shall either recommend for imposition of bar on transfer of immovable property or recommend the Commissioner to remove the bar imposed under section 14AC.

(4) For imposition of bar on transfer of immovable property, the Committee shall recommend the Commissioner for imposition of bar on transfer of immovable property:

Provided that the Committee shall provide an opportunity to obtain registration within fifteen days prior to the recommendation.

(5) The Commissioner shall have the powers to direct the property registering authority, through an order in writing, to bar transfer of immovable property of any person who fails to obtain registration after lapse of fifteen days.

(6) Upon registration of such person, the Commissioner shall issue and convey order for removal of bar on transfer of immovable property not later than two working days.

(7) Any person, aggrieved by the decision or order passed may, within thirty days of the date of receipt of such decision or order prefer an appeal before the Chief Commissioner Inland Revenue.

(8) The provisions of this section shall come into force on such date as may be notified by the Board.

14AE. Other measures for non-registration.—(1) Subject to prior action under section 14AC and 14AD, any person who fails to get registered for the purposes of this Act, the Chief Commissioner shall have the powers to--

- (a) seal the business premises;
- (b) seize moveable property; or
- (c) appoint a receiver for the management of the taxable activity of a person.

(2) Action under sub-section (1) shall not be carried out, unless-

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- (a) a public notice is issued specifying the date from which the premises shall be sealed, or movable property is seized, or a receiver is appointed for the management of the taxable activity;
- (b) a committee comprising the Chief Commissioner, the Commissioner concerned and a representative from the Chambers of Commerce or Trade Associations, provides an opportunity of being heard to the person through an open court; and
- (c) such decision is made public by placement on the Board's website and newspaper as well.

(3) Upon registration, of such person the Chief Commissioner shall reverse the order issued under sub-section (1) not later than two working days.

(4) Any person, aggrieved by any decision or order passed under sub-section (1), may within thirty days of the date of receipt of such decision or order, prefer representation before the Board.

(5) All or any of the provisions of this section shall come into force on such date as the Board may notify in the official Gazette.

³²²[15. ***]

³²³[16. ***]

³²⁴[17. ***

18. ***

19. ***

20. ***]

325[**21. De-registration, blacklisting and suspension of registration.**— (1) The Board or any officer, authorized in this behalf, may

³²²Section 15 omitted by the Finance Act, 2014.

³²³Section 16 omitted by Finance Act, 2003.

³²⁴Sections 17 to 20 omitted by Finance Act, 2004.

³²⁵Section 21 substituted by Finance Act, 2004.

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subject to the rules, de-register a registered person or such class of registered persons not required to be registered under this Act.

(2) Notwithstanding anything contained in this Act, in cases where the ³²⁶[Commissioner] is satisfied that a registered person is found to have issued fake invoices ³²⁷[...] or has ³²⁸[otherwise] committed tax fraud, he may ³²⁹[issue an order of suspension and blacklisting] such person or suspend his registration in accordance with such procedure as the Board may by notification in the official Gazette, prescribe.]

³³⁰(2A) The Commissioner shall, within ten days of issuance of order of suspension, issue a show cause notice to the registered person. Upon receipt of the reply to the notice and after giving an opportunity of hearing to the registered person, if the Commissioner is satisfied, he may order for revoking of suspension of the registered person or issue an appealable speaking order for blacklisting of the registered person within thirty days of receipt of the reply to the notice.

³³¹[(3) During the period of suspension of registration, the invoices issued by such person shall not be entertained for the purposes of sales Tax refund or input tax credit, and once such person is black listed, the refund or input tax credit claimed against the invoices issued by him, whether prior or after such black listing, shall ³³²[...] be rejected through a self-speaking appealable order and after affording an opportunity of being heard to such person.]

³³³[(4) Notwithstanding anything contained in this Act, where the Board, the concerned Commissioner or any officer authorized by the Board in this behalf has reasons to believe that a registered person is engaged in issuing fake or flying invoices, claiming fraudulent input tax or refunds, does not physically exist or conduct actual business, or is committing any other fraudulent activity, the Board, concerned Commissioner or such Officer may after recording reasons in writing, block the refunds or input tax adjustments of such person and direct the concerned Commissioner having jurisdiction for further investigation and appropriate legal action.]

(5) ³³⁴ [...] omitted

³²⁶ Substituted “for collector” by Finance Act, 2010

³²⁷ Comma and words “, evaded tax” omitted by Finance Act, 2005.

³²⁸ Word inserted by Finance Act, 2005.

³²⁹ Words substituted by Finance Act, 2024.

³³⁰ after sub-section (2), the new sub-section (2A) inserted through Finance Act, 2025

³³¹ Sub Section (3) inserted by Finance Act, 2011

³³² Words and figure omitted by Finance Act, 2013.

³³³ Sub section (4) inserted by Finance Act, 2013.

³³⁴ Sub-section (5) omitted through Finance Act, 2025

³³⁵**[21A. Active taxpayers list.]**–The Board shall have the power to maintain active taxpayers list in the manner as may be prescribed by rules and such rules may provide for the restrictions and limitations to be imposed on a person who ceases to be an active taxpayer.]

Chapter-IV

BOOK KEEPING AND INVOICING REQUIREMENTS

³³⁶**[22. Records.]**– (1) A registered person making taxable supplies shall maintain and keep at his business premises or registered office in English or Urdu language the following records of goods purchased ³³⁷[, imported] and supplied (including zero-rated and exempt supplies) made by him or by his agent acting on his behalf in such form and manner as would permit ready ascertainment of his tax liability during a tax period –

(a) records of supplies made shall indicate the description, quantity and value of goods, name and address of the person to whom supplies were made and the amount of the tax charged;

(b) records of goods purchased shall show the description, quantity and value of goods, name, address and registration number of the supplier and the amount of the tax on purchases;

³³⁸[(c) records of goods imported shall show the description, quantity and value of goods and the amount of tax paid on imports;]

³³⁹[(d) records of zero-rated and exempt supplies;

³⁴⁰[(da) double entry sales tax accounts;]

³⁴¹[(e) invoices, credit notes, debit notes, bank statements, ³⁴²[banking instruments in terms of section 73,] inventory records, ³⁴³[utility bills, salary and labour bills, ³⁴⁴[cash book,] rental

³³⁵ Section 21A inserted by Finance Act, 2015.

³³⁶ Section 22 substituted by Finance Act, 1996.

³³⁷ The comma and words inserted by Finance Act, 2005.

³³⁸ Clause (c) inserted by Finance Act, 2005.

³³⁹ Existing clause (c) re-lettered as clause (d) by Finance Act, 2005.

³⁴⁰ Clause (da) inserted by Finance Act, 2006.

³⁴¹ Existing clause (d) re-lettered as clause (e) by Finance Act, 2005.

³⁴² The words, comma and figure inserted by Finance Act, 2004.

³⁴³ The commas and words inserted by Finance Act, 1999.

³⁴⁴ Expression inserted by Finance Act, 2021.

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agreements, sale purchase agreements and lease agreements];
³⁴⁵[...]

³⁴⁶[(ea) Record relating to Gate passes, inward or outward and transport receipts.]

³⁴⁷[(eb) Electronic version of records mentioned in clauses (a) to (ea) of this sub-section.]

³⁴⁸[(f)] such other records as may be specified by the Board:

³⁴⁹[Provided that the persons paying ³⁵⁰[...] retail tax shall keep such record as may be specified by the Board.]

³⁵¹[(1A) Notwithstanding anything in any other law for the time being in force, the Board may require, by notification in the official Gazette, a registered person or class of registered persons to declare and use only as many number of business bank accounts as may be specified by the Board in such notification to make or receive payments on account of purchase and sale transactions for the purpose of this Act or rules made thereunder and to make payment of due tax from such accounts only.]

(2) The Board may, by notification in the official Gazette, specify for any class of taxable persons or any other person registered under this Act to keep such other records for the purposes of this Act.

³⁵²[(2A) The Board may, by notification in the Official Gazette, specify for any class of taxable persons registered under this Act to use such electronic fiscal cash registers as are approved by the Board in the manner as may be prescribed.]

³⁵³[(3) The Board may, by notification in the official gazette, prescribe the procedure or software for electronically maintenance of records, filing of sales tax returns or refunds and for any other matter or approve any software for electronic maintenance of records and filing of returns or refunds by a person or class of such persons.]]

³⁴⁵ The word “and” omitted by Finance Act, 2013.

³⁴⁶ Clause (ea) inserted by Finance Act, 2013.

³⁴⁷ New clause (eb) inserted by Finance Act, 2021.

³⁴⁸ Existing clause (e) re-lettered as clause (f) by Finance Act, 2005

³⁴⁹ Proviso substituted by the Finance Act, 1997.

³⁵⁰ The words “turnover tax or” omitted by Finance Act, 2005.

³⁵¹ Sub-section (1A) inserted by Finance Act, 2007.

³⁵² Sub-section (2A) inserted by Finance Act, 1999.

³⁵³ Sub Section (3) substituted by Finance Act, 2003.

³⁵⁴[(4) The registered persons, whose accounts are subject to audit under the Companies Ordinance, 1984 (XLVII of 1984), shall be required to submit a copy of the annual audited accounts, along with a certificate by the auditors certifying the payment of due tax by the registered person.]

23. Tax Invoices.— (1) A registered person making a taxable supply shall issue a serially numbered tax invoice at the time of supply of goods containing the following particulars³⁵⁵[, in Urdu or English language,] namely:—

- (a) name, address and registration number of the supplier;
- [³⁵⁶(b) name, address and registration number of the recipient and in case of supplies by manufacturer or importer to unregistered distributor, the NIC or NTN of such unregistered distributors, as the case may.]

Explanation. – For the purpose of this clause, ordinary consumer means a person who is buying the goods for his own consumption and not for the purpose of re-sale or processing:

Provided that the condition of NIC or NTN shall be effective from 1st August, 2019³⁵⁷[:]

³⁵⁸[Provided further that the condition of NIC shall not apply in the case of payment through debit or credit card or digital mode;]

- (c) date of issue of invoice;
- (d) description³⁵⁹[including count, denier and construction in case of textile yarn and fabric,] and quantity of goods;
- (e) value exclusive of tax;
- (f) amount of sales tax; and

³⁶⁰[(ff) ***]

³⁵⁴ Sub Section (4) inserted by Finance Act, 2007.

³⁵⁵ The expression added through Finance Act, 2019.

³⁵⁶ Clause (b) substituted by Finance Act, 2022.

³⁵⁷ Colon substituted by Finance (Supplementary) Act, 2022.

³⁵⁸ Proviso inserted by Finance (Supplementary) Act, 2022.

³⁵⁹ The expression added through Finance Act, 2019.

³⁶⁰ Clause (ff) omitted by Finance Act, 2004.

(g) value inclusive of tax:

Provided that the Board may, by notification in the official Gazette, specify such modified invoices ³⁶¹[...] for different persons or classes of persons;

Provided further that not more than one tax invoice shall be issued for a taxable supply³⁶²[.]

³⁶³Provided also that where any goods are transported or supplied, the registered person shall ensure the generation and linkage of the tax invoice with the e-Bilty generated under section 40C of this Act and section 83C of the Customs Act, 1969.

³⁶⁴[***]

³⁶⁵[(2) No person other than a registered person or a person paying ³⁶⁶[*** ³⁶⁷[***]]³⁶⁸[retail tax] shall issue an invoice under this section.

³⁶⁹[(3) A registered person making a taxable supply shall, subject to such conditions, restrictions and limitations as the Board may, by notification in the official Gazette, specify to issue electronic invoices.]

³⁷⁰[(4) The Board may, by notification in the Official Gazette, prescribe the manner and procedure for regulating the issuance and authentication of tax invoices.]

³⁷¹(5) The Board through notification in the official Gazette, may require any person or class of persons to integrate their electronic invoicing system with the Board's Computerized System for real time reporting of sales in such mode and manner and from such date as may be specified therein.

(6) Licensed integrator shall integrate electronic invoicing system of registered persons referred to in sub-section (5) in such mode and manner as may be prescribed:

³⁶¹ Comma and words “, including replacement invoice,” omitted by Finance Act, 1997.

³⁶² Full stop substituted by Finance (Supplementary) Act, 2022.

³⁶³ in sub-section (1), in clause (g), after the second proviso, the following new proviso inserted through Finance Act, 2025.

³⁶⁴ Proviso omitted by Finance (Supplementary) Act, 2022.

³⁶⁵ Sub Section (2) inserted by Finance Act, 1996.

³⁶⁶ Words “turnover tax or” omitted by Finance Act, 2004.

³⁶⁷ Words “or retailer tax” added by Finance Act, 1997.

³⁶⁸ Words inserted by Finance Act, 1997.

³⁶⁹ Sub section (3) substituted by Finance Act, 2024.

³⁷⁰ Sub Section (4) inserted by Finance Act, 2007.

³⁷¹ after sub-section (4), new sub-sections added through Finance Act, 2025.

Provided that from such date, and in such mode and manner, as prescribed by the Board, all Tier-1 retailers shall integrate their retail outlets with Board's computerized system for real-time reporting of sales.

³⁷²[24. **Retention of record and documents for** ³⁷³[Six] **years.**— A person, who is required to maintain any record or documents under this Act, shall retain the record and documents for a period of ³⁵²[Six] years after the end of the tax period to which such record or documents relate ³⁷⁴[or till such further period the final decision in any proceedings including proceedings for assessment, appeal, revision, reference, petition and any proceedings before an alternative Dispute Resolution Committee is finalized].]

³⁷⁵[25. **Audit of sales tax affairs.**— (1) The Commissioner on the basis of reasons to be recorded in writing, may direct the officer of Inland Revenue not below the rank of Assistant Commissioner to conduct audit of sales tax affairs of any registered person and issue a notice to such registered person intimating him regarding audit of sales tax affairs.

Explanation.- For the removal of doubt, it is declared that the powers of the Commissioner to direct conduct of audit and to issue a notice under this sub-section are independent of the powers of the Board under section 72B and nothing contained in section 72B restricts the powers of the Commissioner to direct conduct of audit and to issue notice under this sub-section.

(2) The Commissioner shall communicate the reasons referred to in sub-section (1) to the registered person whose audit is to be conducted through the notice under sub-section (1).

Explanation.- For the removal of doubt, it is declared that the Commissioner may not provide an opportunity of hearing before issuance of notice under sub-section (1).

(3) The reasons referred to in sub-section (1) shall be based on scrutiny of the available records including sales tax and federal excise

³⁷² Section (24) substituted by Finance Act, 1996.

³⁷³ Substituted for "Five" by Finance Act, 2010.

³⁷⁴ Words and Commas inserted by Finance Act, 2010.

³⁷⁵ Section 25 substituted by Finance Act, 2024.

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returns, income tax returns and withholding statements, financial statements or third party information:

Provided that the reasons shall not include the mere verification of input tax, output tax, refund claim and compliance of legal provisions without identifying risk factors that require such verification.

(4) Subsequent to the issuance of notice under sub-section (1), the officer of Inland Revenue, may call for any record or documents including record maintained under this Act, the rules made thereunder or any other law for the time being in force for conducting audit of the sales tax affairs of the person. Where such record or documents have been kept on electronic data, the registered person shall allow authorize officer of Inland Revenue access to the use of machine and software on which such data is kept and the officer of Inland Revenue may obtain duly attested hard copies of such information or data from the registered person:

Provided that the officer of Inland Revenue shall not call for record or documents of the registered person after expiry of six years from the end of the financial year to which they relate.

(5) The officer of Inland Revenue may require the registered person to attend his office in person or through an authorized representative. The registered person shall produce such accounts, documents or any evidence as the officer of Inland Revenue may consider necessary.

(6) The officer of Inland Revenue not below the rank of Assistant Commissioner may conduct or cause to be conducted such enquiry and obtain such information from any third party as he considers appropriate.

(7) The officer of Inland Revenue not below the rank of Assistant Commissioner shall conduct audit of the sales tax affairs to verify the correctness or otherwise of the declared tax liability, output tax, input tax claimed, tax paid, refund claimed, stocks consumed or available for ascertaining compliance or otherwise with the provisions of this Act and the

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rules made thereunder on the basis of the record and evidence obtained under sub-sections (5) or (6).

(8) The officer of Inland Revenue may conduct audit proceedings electronically through video links, or any other facility as may be prescribed by the Board.

(9) After completion of the audit, the officer of Inland Revenue may, if required pass an order under section 11E, after providing an opportunity of being heard to the registered person under sub-section (1) of section 11E.

(10) Notwithstanding anything contained in sub-sections (7) and (9) where a registered person fails to produce before the officer of Inland Revenue, any accounts, documents or records required to be maintained under this Act or the rules made thereunder or any other relevant document electronically kept record, electronic machine or any other evidence that may be required by the officer of Inland Revenue for the purpose of audit. The officer of Inland Revenue may proceed to make best judgment assessment under section 11D of this Act.

(11) Notwithstanding the penalties prescribed in section 33, if a registered person wishes to deposit the amount of tax short paid or amount of tax evaded along with default surcharge voluntarily, whenever it comes to his notice, before receipt of notice of audit, no penalty shall be recovered from him:

Provided that if a registered person wishes to deposit the amount of tax short paid or amount of tax evaded along with default surcharge during the audit, or at any time before issuance of show cause notice under section 11E, he may deposit the evaded amount of tax, default surcharge under section 34, and twenty five percent of the penalty payable under section 33:

Provided further that if a registered person wishes to deposit the amount of tax short paid or amount of tax evaded along with default surcharge after issuance of show cause notice under section 11E, he shall deposit the evaded amount of tax, default surcharge under section 34, and full amount of the penalty payable under section 33 and thereafter, the show cause notice, shall stand abated.]

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³⁷⁶**[25A. Drawing of samples.]** Where an authorized officer of ³⁷⁷[Inland Revenue] considers it necessary to take a sample of any goods or raw materials, for the purpose of determining their liability to sales tax or for the purpose of establishing their value or for any other reason, he may remove a minimum quantity of goods or raw materials sufficient to enable a proper examination or analysis to be made. At the time of taking the sample the person in possession of the goods shall be informed and given the opportunity to sign the representative samples, so drawn, and take a corresponding sample for his record. Any sample taken under this section shall be taken against a proper receipt a copy each of which shall be kept in the record by the registered person and the ³⁷⁸[Large Taxpayers Unit or Regional Tax Office, as the case may be].]

³⁷⁹**[25AA. Transactions between Associates.]** ⁶[(1) The Commissioner or an office of Inland Revenue may, in respect of any transaction between persons who are associates, determine the transfer price of taxable supplies between the persons as is necessary to reflect the fair market value of supplies in an arm's length transaction.]

³⁸⁰[(2) The Board may, by notification in official gazette, prescribe rules for carrying out the purpose of sub-section (1).]

Chapter-V RETURNS

³⁸¹**[26. ³⁸²[***] Return.]** (1) Every registered person ³⁸³[...] shall furnish not later than the due date a true ³⁸⁴[, complete] and correct return in the prescribed form to a designated bank ³⁸⁵[or any other office] specified by the Board, indicating the purchases and the supplies made during a tax

³⁷⁶ Section 25A inserted by Finance Act, 1999.

³⁷⁷ Substituted for "Sales Tax" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the Gazette of Pakistan Extra Ordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009 published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

³⁷⁸ Substituted for "Collectorate" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the Gazette of Pakistan Extra Ordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009 published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

³⁷⁹ Section (25AA) by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the Gazette of Pakistan Extra Ordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009 published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

³⁸⁰ Existing sub-section renumbered as sub-section (1) and new sub-section (2) inserted by Finance Act, 2021.

³⁸¹ Section 26 substituted by Finance Act, 1996

³⁸² Word "monthly" omitted by Finance Act, 2006.

³⁸³ Words "making taxable supplies" omitted by Finance Act, 1999.

³⁸⁴ Comma and word inserted by Finance Act, 2020.

³⁸⁵ Words inserted by Finance Act, 2006.

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period, the tax due and paid and such other information, as may be prescribed ³⁸⁶[;]

³⁸⁷[Provided that the Board may, by notification in the official Gazette, require any person or class of persons to submit return on quarterly basis:

Provided further that the Board may, by notification in the official Gazette, require any person or class of persons to submit such return as may be prescribed annually in addition to the monthly return or quarterly return:

Provided also that the return filed electronically on the web or any magnetic media or any other computer readable media as may be specified by the Board shall also be deemed to be a return for the purpose of sub-section (1) and the Board may, by notification in the official Gazette, make rules for determining eligibility of the data of such returns and e-intermediaries who will digitize the data of such returns and transmit the same electronically under their digital signatures ³⁸⁸[;]

Provided also that every online marketplace shall furnish not later than the due date a true, complete and correct monthly statement in the prescribed form, indicating the supplier-wise amount paid and tax due and such other information of the taxable supplies of digitally ordered goods irrespective of the economic ownership of the supplies from within Pakistan:

Provided further also that every payment intermediary and courier shall furnish not later than the due date a true, complete and correct monthly statement in the prescribed form, indicating the supplier-wise amount paid and tax due and such other information for taxable supplies of digitally ordered goods from within Pakistan through an online market place, website and software application and delivering goods using its payment platform or courier service as the case may be.

³⁸⁹[...]

(2) ³⁹⁰[....] omitted

³⁸⁶ In the proposed amendment “a full stop is substituted for a colon” while colon is already appearing.

³⁸⁷ Proviso inserted by Finance Act, 2006.

³⁸⁸ in sub-section (1), in the third proviso, for the full stop at the end, a colon is substituted and thereafter new provisos added through Finance Act, 2025.

³⁸⁹ Proviso omitted by Finance Act, 2006

³⁹⁰ Sub-section (2) omitted through Finance Act, 2016.

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³⁹¹[(2A) The officer of Inland Revenue may, by notice in writing, require any person who, in his opinion, is required to file a return under this section for a tax period or tax periods but who has failed to do so, to furnish the return or returns within fifteen days from the date of service of such notice or such longer or shorter period as may be specified in such notice or as the officer of Inland Revenue may allow:

Provided that the notice under this sub-section shall only be issued within fifteen years from the end of the financial year in which the return was to be filed, in cases of tax fraud and five years in all other cases.]

³⁹²[(3) A registered person may, subject to approval of the ³⁹³[Commissioner Inland Revenue] having jurisdiction, file a revised return within ³⁹⁴[one hundred and twenty] days of the filing of return under sub-section (1) or, as the case may be, sub-section (2), ³⁹⁵[or under clause (a) or clause (b) of section 27], to correct any omission or wrong declaration made therein ³⁹⁶[.]

[omitted]

³⁹⁷(3A) Unless restricted by the compliance risk management system of the Board, the approval under sub-section (3), shall not be required if revised return is filed within sixty days of filing of return and the tax payable therein is more than the amount paid or the refund claimed therein is less than the amount as claimed, under the return sought to be revised.

³⁹⁸[(4) Notwithstanding the penalties prescribed in section 33, if a registered person wishes to file revised return voluntarily along with deposit of the amount of tax short paid or amount of tax evaded along with ³⁹⁹[default surcharge], whenever it comes to his notice, before receipt of notice of audit, no penalty shall be recovered from him:

Provided that in case the registered person wishes to deposit the amount of tax as pointed out by the officer of ⁴⁰⁰[Inland Revenue] during the audit, or at any time before issuance of the show cause notice ⁴⁰¹[...], he may deposit the evaded amount of tax, [default surcharge] under section

³⁹¹ New sub-section inserted by Finance Act, 2024.

³⁹² Sub section (3) substituted by Finance Act, 2006.

³⁹³ Substituted for collector of Sales tax by Finance Act, 2010

³⁹⁴ Substituted for "ninety" by Finance Act, 2008.

³⁹⁵ Words inserted by Finance Act, 2011.

³⁹⁶ in sub-section (3), for the colon occurring at the end, a full stop substituted and thereafter the proviso omitted through Finance Act, 2025
³⁹⁷ after sub-section (3), sub-section (3A) inserted through Finance Act, 2025.

³⁹⁸ Subsection (4) inserted by Finance Act, 2003.

³⁹⁹ Substituted for "Additional Tax" by Finance Act, 2005.

⁴⁰⁰ Substituted for "Sales tax" by Finance Act, 2010.

⁴⁰¹ Words "in lieu of the audit report" omitted by Finance Act, 2010.

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(34), and twenty five percent of the penalty payable under section 33 along with the levied return:

Provided further that in case the registered person wishes to deposit the amount after issuance of show cause notice, he shall deposit the evaded amount of sales tax ⁴⁰²[...], ⁴⁰³[default surcharge] under section 34, and full amount of leviable penalty under section 33 along with the revised return and thereafter, the show cause notice, shall stand abated.]

⁴⁰⁴[(5) The Board may, by notification in the official Gazette, require any person or class of persons, for any goods of such description or class, to furnish such summary or details or particulars pertaining to the imports, purchases and supplies during any tax period or periods, in such format as may be specified.]

⁴⁰⁵[26A. ***]

⁴⁰⁶[26AA. ***]

⁴⁰⁷**[26AB. Extension of time for furnishing returns.]** (1) A registered person required to furnish a return under section 26 may apply, in writing, to the Commissioner for an extension of time to furnish the return.

(2) An application under sub-section (1) shall be made by the due date for furnishing the return in terms of section 2(9) for the period to which the application relates.

(3) Where an application has been made under sub-section (1) and the Commissioner is satisfied that the applicant is unable to furnish the return to which the application relates by the due date because of—

- (a) absence from Pakistan;
- (b) sickness or other misadventure; or
- (c) any other reasonable cause,

the Commissioner may, by order in writing, grant the applicant an extension of time for furnishing the return.

⁴⁰² Words “etc alongwith the amount of further tax as per provision of sub section (1A) of section 3, if applicable omitted by Finance Act, 2004.

⁴⁰³ Substituted for words “additional tax” by Finance Act, 2005.

⁴⁰⁴ Sub section (5) inserted by Finance Act, 2004.

⁴⁰⁵ Section 26 A omitted by Finance Act, 2004.

⁴⁰⁶ Section 26AA omitted by Finance Act, 2008.

⁴⁰⁷ New section 26AB inserted by Finance Act, 2021.

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(4) An extension of time under sub-section (3) shall not exceed fifteen days from the due date for furnishing the return, unless there are exceptional circumstances justifying a longer extension of time:

Provided that where the Commissioner has not granted extension for furnishing the return under sub-sections (3) or (4), the Chief Commissioner may on an application made by the registered person for extension or further extension, as the case may be, grant extension or further extension for a period not exceeding fifteen days, unless there are exceptional circumstances justifying a longer extension of time.

(5) An extension or further extension of time granted under sub-sections (3) or (4), as the case may be, shall not, for the purpose of charge of default surcharge under section 34, change the due date for payment of sales tax under section 6.]

⁴⁰⁸[27. Special Returns.— In addition to the return specified under section 26 –

(a) a person registered ⁴⁰⁹[⁴¹⁰[] under this Act] shall furnish special return within such date and in such form indicating information such as quantity manufactured or produced, purchases made, goods supplied or payment of arrears made, etc, for such period as the Board may, by a notification in official gazette, specify; and

(b) the ⁴¹¹[commissioner] may require any person whether, registered or not, to furnish a return (whether on his own behalf or as an agent or trustee) in a prescribed form and such person shall furnish the return not later than the date specified in this regard.]

⁴¹²[28. Final Return.— If a person applies for de-registration in terms of section 21, he shall before such de-registration, furnish a final return to the ⁴¹³[commissioner] in the specified form in such manner and at such time as directed by the ⁴¹⁴[commissioner]].

29. Return deemed to have been made.— A return purporting to be made on behalf of a person ⁴¹⁵[by his duly appointed representative]

⁴⁰⁸ Section 27 substituted by the Finance Ordinance, 2000.

⁴⁰⁹ Substituted for words and figure “under section 14” by sales tax (Amendments) Ordinance, 2000, dated September 05, 2000.

⁴¹⁰ Words “or enrolled” omitted by Finance Act, 2004.

⁴¹¹ Substituted for “Collector” by Finance Act, 2010

⁴¹² Section 28 substituted by Finance Act, 1996.

⁴¹³ Substituted for “Collector” by Finance Act, 2010

⁴¹⁴ Substituted for “Collector” by Finance Act, 2010

⁴¹⁵ Words inserted by Finance Act, 1996.

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shall, for all purposes, be deemed to have been made by such person or under his authority unless proved to the contrary.

Chapter-VI

APPOINTMENT OF ⁴¹⁶[OFFICERS OF SALES TAX] & THEIR POWERS

⁴¹⁷[**30. Appointment of Authorities.**— (1) For the purposes of this Act, the Board may, appoint in relation to any area, person or class of persons, any person to be –

- (a) a chief commissioner of Inland Revenue;
- (b) a commissioner of Inland Revenue ;
- (c) a commissioner of Inland Revenue (Appeals);
- (d) an Additional commissioner of Inland Revenue ;
- (e) a Deputy commissioner of Inland Revenue;
- ⁴¹⁸[(ea) District Taxation Officer Inland Revenue;]
- (f) an Assistant commissioner of Inland Revenue;
- ⁴¹⁹[(fa) Assistant Director Audit Inland Revenue;]
- (g) an Inland Revenue Officer;
- (h) a Superintendent Inland Revenue;
- (i) an Inland Revenue Auditor Officer ⁴²⁰[...];
- ⁴²¹[(ia) an inspector Inland Revenue; and]
- (j) an officer of Inland Revenue with any other designation.

⁴¹⁶ Any reference to the “Sales Tax Officer” shall be construed as reference to an “Officer of Inland Revenue” by virtue of section 72 of the Sales Tax Act, 1990.

⁴¹⁷ Section 30 substituted by Finance Act, 2010 w.e.f. June 5, 2010. The same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010. Published in the Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at Pages 229 to 259. Earlier it was substituted by Finance Act, 1996.

⁴¹⁸ Clause (ea) inserted through Finance Act, 2017

⁴¹⁹ Clause (fa) inserted through Finance Act, 2017

⁴²⁰ Word “and” omitted by Finance Act, 2011.

⁴²¹ Clause “(ia)” inserted by Finance Act, 2011

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(2) The Chief Commissioner Inland Revenue and Commissioner Inland Revenue (Appeals) shall be sub-ordinate to the Board and Commissioner Inland Revenue shall be sub-ordinate to the Chief Commissioner Inland Revenue.

⁴²²[(2A) The Chief Commissioners Inland Revenue shall perform their functions in respect of such persons or classes of persons or such areas as the Board may direct.

⁵(2B) The Commissioners Inland Revenue shall perform their functions in respect of such persons or classes of persons or such areas as the Chief Commissioner, to whom they are sub-ordinate, may direct.]

(3) Additional Commissioner Inland Revenue, Deputy Commissioners Inland Revenue ⁴²³[], District Taxation Officer Inland Revenue], Assistant Commissioner Inland Revenue ⁶[], Assistant Director Audit Inland Revenue], Superintendent Inland Revenue, Inland Revenue Audit Officer, Inland Revenue Officer ⁴²⁴[], Inspector Inland Revenue], and officer of Inland Revenue with any other designation shall be sub-ordinate to the Commissioner Inland Revenue and shall perform their functions in respect of such persons or classes of persons or such areas as the Commissioners, to whom they are sub-ordinate, may direct.

(4) Deputy Commissioner Inland Revenue ⁴²⁵[], District Taxation Officer Inland Revenue], Assistant Commissioner Inland Revenue ¹[], Assistant Director Audit Inland Revenue], Superintendent Inland Revenue, Inland Revenue Audit Officer, Inland revenue Officer, ⁴²⁶[Inspector Inland Revenue Officer] an officer of Inland Revenue with any other designation shall be sub-ordinate to the Additional Commissioner Inland Revenue.]

⁴²⁷[30A. **Directorate General (Intelligence and Investigation), Inland Revenue.**—(1) The Directorate General (Intelligence and Investigation) Inland Revenue shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors and Assistant Directors and such other officers as the Board may, by notification in the official Gazette, ⁴²⁸[appoint].

(2) The Board may, by notification in the official Gazette,—

⁴²² Sub-sections (2A) & (2B) inserted through Finance Act, 2017

⁴²³ Expressions inserted through Finance Act, 2017

⁴²⁴ Comma and words inserted by Finance Act, 2011.

⁴²⁵ Expression inserted through Finance Act, 2017

⁴²⁶ Comma and words inserted by Finance Act, 2011.

⁴²⁷ Section 30A substituted by Finance Act, 2018.

⁴²⁸ Substituted for the word "post" through Finance Act, 2019.

- (a) specify the functions and jurisdiction of the Directorate General and its officers; and
- (b) confer the powers of authorities specified in section 30 upon the Directorate General and its officers.]

429[30AB. Tax Fraud Investigation Wing Inland Revenue.– (1)

There shall be established a wing to be known as Tax Fraud Investigation Wing-Inland Revenue.

(2) The functions of the tax fraud Investigation Wing Inland Revenue shall be to detect, analyze, investigate, combat and prevent tax fraud.

(3) The tax fraud Investigation Wing Inland Revenue shall comprise Fraud Intelligence and Analysis Unit, Fraud Investigation Unit, Legal Unit, Accountants Unit, Digital Forensic and Scene of Crime Unit, Administrative Unit or any other Unit as may be notified by the Board through notification in the official Gazette.

(4) The tax fraud Investigation Wing Inland Revenue shall consist of a Chief Investigator and as many following officers, as may be notified by the Board-

(a) Senior investigators, investigators, Junior investigators or any other officer of Inland Revenue with any other designation;

(b) a Senior Forensic Analyst and as many Forensic Analysts and Junior Forensic Analysts; and

(c) a Senior Data Analyst and as many Data Analysts and Junior Data Analysts.

(5) The Board may, by notification in the official Gazette, --

(a) specify the functions and jurisdiction of the Tax Fraud Investigation Wing Inland Revenue and its Units and its officers; and

⁴²⁹ New section inserted by Finance Act, 2024.

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(b) confer the powers of authorities specified in section 30 upon the tax fraud Investigation Wing Inland Revenue and its officers at clause (a) of sub-section 4.

(6) Nothing contained in this section shall prevent the authorities appointed under section 30 or any other authority or officer conferred with the power and functions of authorities appointed under section 30 from conducting investigation and prosecution proceedings under Chapter-VII of the Act.]

⁴³⁰[30B. Directorate General ⁴³¹[...] Internal Audit.]— The Directorate General ²[...] Internal Audit shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors and Assistant Directors and such other officers as the Board, may by notification in the official Gazette, appoint.

⁴³²[30C. ⁴³³[Inland Revenue Services Academy].--The ⁴³⁴[Inland Revenue Services Academy]] shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors and Assistant Directors and such other officers as the Board, may by notification in the official Gazette, appoint.

⁴³⁵[30CA. Directorate General of Digital Initiatives.-- The Directorate General of Digital Initiatives shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors and Assistant Directors and such other officers as the Board may, by notification in the official Gazette, appoint.]

⁴³⁶[30D. Directorate General of Valuation ⁴³⁷[...].--The Directorate General of Valuation ⁵[...] shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors and Assistant Directors and such other officers as the Board, may by notification in the official Gazette, appoint.

⁴³⁸[30DD. Directorate of Post Clearance Audit.-- The Directorate of Post clearance Audit shall consist of a Director and as many

⁴³⁰ Section 30B inserted by Finance Act, 2005.

⁴³¹ Words "of inspection and" omitted by Finance Act, 2007.

⁴³² Section 30C inserted by Finance Act, 2005.

⁴³³ Marginal heading substituted by Finance Act, 2022.

⁴³⁴ Words substituted by Finance Act, 2022.

⁴³⁵ Section 30CA substituted by Finance Act, 2023

⁴³⁶ Section 30D inserted by Finance Act, 2005.

⁴³⁷ Words "and Post Clearance Audit" omitted by Finance Act, 2007.

⁴³⁸ Section 30DD inserted by Finance Act, 2007.

Additional Directors, Deputy Directors, Assistant Directors and such other officers as the Board may, by notification in the official Gazette, appoint.]

⁴³⁹[30DDD. Directorate General of Input Output Co-efficient Organization.- The Directorate General of Input Output Coefficient Organization (IOCO)-Inland Revenue shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors, Assistant Directors and such other officers as the Board may, by notification in the official Gazette, appoint.]

⁴⁴⁰[30DDDA. Directorate-General of law.- (1) The Directorate-General of law shall consist of a Director General and as many Directors, Additional Directors, Deputy Directors, Assistant Directors, Law Officers and such other officers as the Board may, by notification in the official Gazette, appoint. (2) The Board may, by notification in the official Gazette, specify the functions, jurisdiction and powers of the Directorate-General of law.]

⁴⁴¹[30E. Powers and Functions of Directorate, etc.– The Board may, by notification in the official Gazette, specify the functions, jurisdiction and powers of the Directorates General as specified in the preceding sections and their officers by notification in the official Gazette.]

31. Powers.– An officer of ⁴⁴²[Inland Revenue] appointed under section 30 shall exercise such powers and discharge such duties as are conferred or imposed on him under this Act; and he shall also be competent to exercise all powers and discharge all duties conferred or imposed upon any officer subordinate to him:

Provided that, notwithstanding anything contained in this Act or the rules, the Board may, by general or special order, impose such limitations or conditions on the exercise of such powers and discharge of such duties as it deems fit.

⁴⁴³[32. Delegation of powers.– ⁴⁴⁴[(1) The Board or the Chief Commissioner, with the approval of the Board, may, by an order and subject to such limitations or conditions as may be specified therein, empower by name or designation –

⁴³⁹ New section 30DDD added through Finance Act, 2016.

⁴⁴⁰ New section 30DDDA added through Tax Laws (Amendment) Act, 2024.

⁴⁴¹ Section 30E inserted by Finance Act, 2005.

⁴⁴² Substituted for “sales tax” by Finance Act, 2010 w.e.f June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No.III of 2010, dated February 6, 2010, published in the Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259

⁴⁴³ Section 32 substituted by Finance Act, 1996.

⁴⁴⁴ Sub Section (1) substituted by Finance Act, 2010 w.e.f. June 5, 2010. Earlier clause (a) to (d) substituted by Finance (2) omitted by the Finance Act, 2010

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- [(a) any Additional Commissioner Inland Revenue or Deputy Commissioner Inland Revenue to exercise any of the powers of a Commissioner Inland Revenue under this Act; and
- (b) any Deputy Commissioner Inland Revenue or Assistant Commissioner Inland Revenue to exercise any of the powers of an Additional Commissioner Inland Revenue under this Act;
- (c) any Assistant Commissioner Inland Revenue to exercise any of the powers of a Deputy Commissioner Inland Revenue under this Act; and
- (d) any other officer of Inland Revenue to exercise any of the powers of an Assistant Commissioner Inland Revenue under this Act.]

⁴⁴⁵[(2) ***]

(3) The officer to whom any powers are delegated under this section shall not further delegate such powers.]

⁴⁴⁶[**32A.** ⁴⁴⁷**[Audit by Special Audit Panels].**— ⁴⁴⁸[(1) The Board may appoint as many special audit panels as may be necessary, comprising two or more members from the following, –

- (a) an officer or officers of Inland Revenue;
- (b) a firm of chartered accountants as defined under the Chartered Accountants Ordinance, 1961 (X of 1961);
- (c) a firm of cost and management accountants as defined under the Cost and Management Accountants Act, 1966 (XIV of 1966); or
- (d) any other person as directed by the Board,

to conduct audit of a registered person or persons, including audit of refund claims and forensic audit and the scope of such audit shall be determined by the Board or the Commissioner Inland Revenue on a case-to-case basis. In addition, the Board may, where it considers appropriate, also get such audit

⁴⁴⁵ Sub Section (2) omitted by the Finance Act, 2010.

⁴⁴⁶ Section 32A inserted by Finance Act, 1998.

⁴⁴⁷ Substituted for the words "Special Audit by Chartered Accountants or Cost Accountants" by Finance Act, 2015

⁴⁴⁸ Substituted for sub-section (1) by Finance Act, 2015

Sales Tax Act, 1990

conducted jointly with similar audits being conducted by provincial administrations of sales tax on services.]

(2) Notwithstanding that records of a registered person have been audited by an officer appointed under section 30, the Board or a⁴⁴⁹[Commissioner] may direct⁴⁵⁰[special audit panel] appointed under sub-section (1) to audit the records of any registered person.

(3) ⁴⁵¹[Every member of special audit panel] appointed under sub-section (1), shall have the powers of an officer of⁴⁵²[Inland Revenue] under sections 25, 37 and 38.

⁴⁵³[(4) Each special audit panel shall be headed by a chairman who shall be an officer of Inland Revenue.

(5) If any one member of the special audit panel, other than the chairman, is absent from conducting an audit, the proceedings of the audit may continue and the audit conducted by the special audit panel shall not be invalid or be called in question merely on the ground of such absence.

(6) The Board may prescribe rules in respect of constitution, procedure and working of special audit panel.]

⁴⁵⁴[32AA. ***]

45532B. Appointment of experts and auditors. — (1) The Board or the Commissioner may appoint as many experts as it or the Commissioner considers necessary for the purposes of this Act, including for the purposes of assistance in audit, investigation, litigation or valuation.

(2) The Board may appoint as many auditors as it may deem fit, through direct engagement or through a third party including a pay roll firm for the purposes of this Act, and confer such powers as may be deemed necessary to assist the authorities mentioned in clauses (a) to (f) of sub-section (1) of section 30 of this Act and clauses (a) to (f) of sub-section (1) of section 29

⁴⁴⁹ Substituted for “Collector” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010 dated February 6, 2010, published in the Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary part I at pages 229 to 259.

⁴⁵⁰ Substituted for the words “an auditor” by Finance Act, 2015

⁴⁵¹ Substituted for the words “An Auditor” by Finance Act, 2015

⁴⁵² Substituted for “sales tax” by Finance Act, 2010 w.e.f. June 5, 2010. The same was made by Finance (Amendment) Ordinance, 2010, promulgated as ordinance No. III of 2010, dated February 6, 2010, published in the Gazette of Pakistan Extraordinary part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part-I at Pages 229 to 259.

⁴⁵³ Sub-sections (4), (5) and (6) inserted by Finance Act, 2015.

⁴⁵⁴ Section 32 AA omitted by Finance Act, 2008, earlier it was inserted by Tax Laws Amendment Ordinance, 2000, dated may 24, 2000.

⁴⁵⁵ after section 32A, new section (32B) inserted through Finance Act, 2025

of the Federal Excise Act, 2005, as per the terms, conditions, limitations and restrictions as may be prescribed.

Chapter-VII

456[OFFENCES, PENALTIES AND PUNISHMENT]

[33. Offences, Penalties and Punishment.]—⁴⁵⁷[...] Whoever commits any offence described in column (1) of the Table below shall, in addition to and not in derogation of any punishment to which he may be liable under any other law, be liable to the penalty mentioned against that offence in column (2) thereof: –

TABLE

Offences	Penalties ⁴⁵⁸ [and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
1. Where any person fails to furnish a return within the due date.	Such person shall pay a penalty of ⁴⁵⁹ [ten] thousand rupees: Provided that in case a person files a return within ⁴⁶⁰ [ten] days of the due date, he shall pay a penalty of ⁴⁶¹ [two] hundred rupees for each day of default.	26
⁴⁶² 1A. Where any online marketplace, payment intermediary or courier fails to furnish prescribed monthly statement within due date	Such person shall be liable to pay: (i) Penalty of three lac rupees for the first default if he fails to furnish the prescribed statement for two consecutive months; (ii) Penalty of one million rupees for each subsequent default within one year.	26
1B. Where any online marketplace, courier allow use of its services in the course of e-	Such person shall be liable to pay: (i) Penalty of five lac rupees for first default;	14

⁴⁵⁶ marginal heading substituted through Finance Act, 2025.

⁴⁵⁷ Bracket and figure “one” omitted by Finance Act, 2008.

⁴⁵⁸ in section 33, in the Table, in column (2), after the expression “Penalties”, the expression “and Punishment” inserted through Finance Act, 2025.

⁴⁵⁹ Substituted for the word “five” by Finance Act, 2019.

⁴⁶⁰ Substituted for the word “fifteen” by Finance Act, 2015.

⁴⁶¹ Substituted for the word “one” by Finance Act, 2019.

⁴⁶² after S. No. 1, new S. No. 1A and 1B entries relating thereto in columns (1), (2) and (3) is inserted through Finance Act, 2025.

Sales Tax Act, 1990

Offences	Penalties ⁴⁵⁸ [and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
commerce by unregistered persons	(ii) Penalty of one million rupees for each subsequent default.	
2. Any person who fails to issue an invoice when required under this Act.	Such person shall pay a penalty of five thousand rupees or three <i>per cent</i> of the amount of the tax involved, whichever is higher.	23
3. Any person who un-authorizedly issues an invoice in which an amount of tax is specified.	Such person shall pay a penalty of ten thousand rupees or five <i>per cent</i> of the amount of the tax involved, whichever is higher.	3, 7 and 23
4. Any person who fails to notify the changes of material nature in the particulars of registration of taxable activity.	Such person shall pay a penalty of five thousand rupees.	14
5. Any person who fails to deposit the amount of tax due or any part thereof in the time or manner laid down under this Act or rules or orders made there under.	<p>Such person shall pay a penalty of ten thousand rupees or five <i>per cent</i> of the amount of the tax involved, whichever is higher:</p> <p>Provided that, if the amount of tax or any part thereof is paid within ⁴⁶³[ten] days from the due date, the defaulter shall pay a penalty of five hundred rupees for each day of default:</p> <p>Provided further that no penalty shall be imposed when any miscalculation is made for the first time during a year:</p> <p>Provided further that if the amount of tax due is not paid even after the expiry of a period of sixty days of issuance of the notice for such payments by an officer of ⁴⁶⁴[Inland Revenue, not below the rank of Assistant Commissioner Inland Revenue], the defaulter shall, further be liable, upon conviction by a Special Judge, to</p>	3, 6, 7 and 48

⁴⁶³ Substituted for the word "fifteen" by Finance Act, 2015.

⁴⁶⁴ Substituted for "Sales tax", not below the rank of Assistant Collector of sales tax" by Finance Act, 2010

Sales Tax Act, 1990

Offences	Penalties ⁴⁵⁸ [and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
	imprisonment for a term which may extend to three years, or with fine which may extend to amount equal to the amount of tax involved, or with both.	
6. Any person who repeats erroneous calculation in the return during a year whereby amount of tax less than the actual tax due is paid.	Such person shall pay a penalty of five thousand rupees or three <i>per cent</i> of the amount of the tax involved, whichever is higher.	7 and 26
7. Any person who is required to apply for registration under this Act fails to make an application for registration before making taxable supplies.	<p>Such person shall pay a penalty of ten thousand rupees or five <i>per cent</i> of the amount of tax involved, whichever is higher:</p> <p>Provided that such person who is required to get himself registered under this Act, fails to get registered within sixty days of the commencement of taxable activity, he shall, further be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to three years, or with fine which may extend to an amount equal to the amount of tax involved, or with both.</p>	14
8. Any person who fails to maintain records required under this Act or the rules made there under.	Such person shall pay a penalty of ten thousand rupees or five <i>per cent</i> of the amount of tax involved, whichever is higher.	22 and 24
<p>9. Where a registered person who, without any reasonable cause, in non compliance with the provisions of section 25,</p> <p>--</p> <p>(a) fails to produce the record on receipt of first notice;</p>	<p>such person shall pay a penalty of five thousand rupees;</p> <p>such person shall pay a penalty of ten thousand rupees; and</p> <p>such person shall pay a penalty of fifty thousand rupees.</p>	25

Sales Tax Act, 1990

Offences	Penalties ⁴⁵⁸ [and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
(b) fails to produce the record on receipt of second notice; and (c) fails to produce the record on receipt of third notice.		
10. Any person who fails to furnish the information required by the Board through a notification issued under sub-section (5) of section 26.	Such person shall pay a penalty of ten thousand rupees.	26
11. ⁴⁶⁵ [Omitted] 12. Any person who denies or obstructs the access of an authorized officer to the business premises, registered office or to any other place where records are kept, or otherwise refuses access to the stocks, accounts or records or fails to present the same when required under section 25, 38 ⁴⁶⁶ [38A or 40B].	Such person shall pay a penalty of twenty five thousand rupees or one hundred per cent of the amount of tax involved, whichever is higher. ⁴⁶⁷ [Without prejudice to above, he shall also be liable,] upon conviction by a Special Judge, to imprisonment for a term which may extend to five years, or with fine ⁴⁶⁸ [which may extend to an amount equal to the amount of tax evaded or sought to be evaded], or with both.	25, 38 ⁴⁶⁹ [38A and 40B]
⁴⁷⁰ 13. (i) Any person who commits or, causes to commit tax fraud as defined under sub-clauses (a), (b), (c), (d), (e) or (f) of clause (37) of section 2.	(i) Such person shall be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend upto five years. Such person shall also be liable to pay the amount equal to the loss of tax caused as confirmed by the Special Judge from such amount reported under sub section (11) of section 37B, including one hundred	2(37)

⁴⁶⁵ S. No. 11, and entries relating thereto is omitted through Finance Act, 2025.

⁴⁶⁶ Substituted for "or 38A" by Finance Act, 2009

⁴⁶⁷ Words substituted by Finance Act, 2024.

⁴⁶⁸ Words substituted by Finance Act, 2024.

⁴⁶⁹ Substituted for "or 38A" by Finance Act, 2009

⁴⁷⁰ S. No. 13 and entries relating thereto is substituted through Finance Act, 2025.

Sales Tax Act, 1990

Offences	Penalties ⁴⁵⁸ [and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
(ii) Any person who commits or, causes to commit tax fraud as defined under sub-clauses (g), (h), (i), (j) or (k) of clause (37) of section 2	<p>percent penalty of tax loss and default surcharge under section 34 of the Act.</p> <p>(ii) Such person shall be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend upto five years. Such person shall also be liable to pay the amount equal to the loss of tax caused as confirmed by the Special Judge from such amount reported under sub section (11) of section 37B, including one hundred percent penalty of tax loss and default surcharge under section 34 of the Act.</p>	
⁴⁷¹ 13A. Any person who abets or connives in committing tax fraud as defined in section 2(37) or any offence warranting prosecution under the Act.	Such person shall be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to five years or with fine which may extend to ten million rupees, or with both.	2(1), 2(37), 50A”;
14. Where any person violates any embargo placed on removal of goods in connection with recovery of tax.	Such person shall pay a penalty of twenty five thousand rupees or ten <i>per cent</i> of the amount of the tax involved, whichever is higher. ⁴⁷² [Without prejudice to above, he shall also be liable], upon conviction by a Special Judge, to imprisonment for a term which may extend to one year, or with fine ⁴⁷³ [which may extend to an amount equal to the amount of tax evaded or sought to be evaded], or with both.	48
15. Any person who obstructs the authorized officer in	Such person shall pay a penalty of twenty five thousand rupees or one	31 and General

⁴⁷¹S. No. 13A and entries relating thereto inserted through Finance Act, 2025.

⁴⁷² Words substituted by Finance Act, 2024.

⁴⁷³ Words substituted by Finance Act, 2024.

Sales Tax Act, 1990

Offences	Penalties ⁴⁵⁸ [and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
the performance of his official duties.	hundred <i>per cent</i> of the amount of tax involved, whichever is higher.	
16. Any person who fails to make payment in the manner prescribed under section 73 of this Act.	Such person shall pay a penalty of five thousand rupees or three <i>per cent</i> of the amount of tax involved, whichever is higher.	73
17. Any person who fails to fulfil any of the conditions, limitations or restrictions prescribed in a Notification issued under any of the provisions of this Act.	Such person shall pay a penalty of five thousand rupees or three <i>per cent</i> of the amount of tax involved, whichever is higher.	71 and General
18. Where any officer of ⁴⁷⁴ [Inland Revenue] authorized to act under this Act, acts or omits or attempts to act or omit in a manner causing loss to the sales tax revenue or otherwise abets or connives in any such act.	Such officer of ⁴⁷⁵ [Inland Revenue] shall be liable, upon conviction by a Special Judge, to imprisonment for a term which may extend to three years, or with fine ⁴⁷⁶ [which may extend to an amount equal to the amount of tax evaded or sought to be evaded], or with both.	General
19. Any person who contravenes any of the provision of this Act ⁴⁷⁷ [or the rules made thereunder] for which no penalty has, specifically, been provided in this section.	Such person shall pay a penalty of five thousand rupees or three <i>per cent</i> of the amount of tax involved, whichever is higher.]	General.]
⁴⁷⁸ [20. ***]		
⁴⁷⁹ [21. Where any person repeats an offence for which a penalty is provided under this Act	Such person shall pay twice the amount of penalty provided under the Act for the said offence	General.

⁴⁷⁴ Words "Sales Tax" substituted for Inland Revenue by Finance (Amended) Ordinance, 2010.

⁴⁷⁵ Substituted for "Sales Tax" by Finance Act, 2011

⁴⁷⁶ Words substituted by Finance Act, 2024.

⁴⁷⁷ Words added through Finance Act, 2016.

⁴⁷⁸ Serial No. 20 omitted by Finance Act, 2008.

⁴⁷⁹ Serial No. 21 and 22 inserted by Finance Act, 2006.

Sales Tax Act, 1990

Offences	Penalties ⁴⁵⁸ [and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
22. ⁴⁸⁰ [Omitted]		
481[23. Any person who manufactures, possesses, transports, distributes, stores or sells ⁴⁸² [goods or class of goods as specified by the Board under sub-section (1) of section 40C] with counterfeited tax stamps, banderoles, stickers, labels or barcodes or without tax stamps, banderoles, stickers, labels or barcodes	<p>(i) Such [specified goods] shall be liable to outright confiscation ⁴⁸³[as may be prescribed] ⁴⁸⁴[***]. Any person committing the offence shall pay a penalty of twenty-five thousand rupees or one hundred per cent of the amount of tax involved, whichever is higher. ⁴⁸⁵[Without prejudice to above, he shall also be liable], upon conviction by a Special Judge, to simple imprisonment for a term which may extend to three years, or with additional fine ⁴⁸⁶[which may extend to an amount equal to the amount of tax evaded or sought to be evaded], or with both.</p> <p>(ii) In case of transport of [specified goods] with counterfeited tax stamps, banderoles, stickers, labels or barcodes, or without tax stamps, banderoles, stickers, labels or barcodes, permanent seizure of the vehicle used for transportation of non-conforming or counterfeit [specified goods]; and</p> <p>(iii) In case of repeat sale of [specified goods] without or with counterfeited, tax stamps, banderoles, stickers, labels or barcodes, the premises used for such sale ⁴⁸⁷[shall be liable to be sealed by an officer of Inland Revenue in the manner as may be prescribed.]</p>	40C(2)]
488[“24. Any person, who is integrated for monitoring,	Such person shall pay a penalty of five hundred thousand rupees or two hundred per cent of the amount	sub-section (9A) of section 3 and section 40C.

⁴⁸⁰ S. No. 22, and entries relating thereto omitted through Finance Act, 2025.

⁴⁸¹ S.No. 23 and entries relating thereto in columns (1), (2) and (3) inserted through Finance Act, 2017

⁴⁸²Expression substituted by Finance Act, 2023

⁴⁸³ Words inserted by Finance Act, 2024.

⁴⁸⁴ Expression omitted by Finance (Supplementary) Act, 2022.

⁴⁸⁵ Words substituted by Finance Act, 2024.

⁴⁸⁶ Words substituted by Finance Act, 2024.

⁴⁸⁷ Words substituted by Finance Act, 2024.

⁴⁸⁸ New serial numbers “24”, “25”, “26” and “27” inserted through Tax Laws (Amendment) Act, 2020, dated 30-3-2020.

Sales Tax Act, 1990

Offences	Penalties ⁴⁵⁸[and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
	<p>of tax involved, whichever is higher. [Without prejudice to above, he shall also be liable], upon conviction by a Special Judge, to simple imprisonment for a term which may extend to two years, or with additional fine which may extend to two million rupees, or with both.</p> <p>⁴⁹¹[Notwithstanding above, the business premises of such person shall be liable to be sealed by an officer of Inland Revenue in the manner prescribed.]</p> <p>Any person who abets commissioning of such offence, shall be liable, upon conviction by a Special Judge, to simple imprisonment for a term which may extend to one year, or with additional fine which may extend to two hundred thousand rupees, or with both.</p>	
25.	<p>Any person, who is required to integrate his business for monitoring, tracking, reporting or recording of sales, production and similar business transactions with the Board or its computerized system, fails to get</p> <p>Such person shall be liable to pay a penalty up to one million rupees, and if continues to commit the same offence after a period of ⁴⁹²[two] months after imposition of penalty as aforesaid, his business premises ⁴⁹³[shall be liable to be sealed by an officer of Inland Revenue in the manner as may be prescribed.]</p>	⁴⁹⁴ [***] section 40C

⁴⁸⁹ Words added by Finance Act, 2022.

⁴⁹⁰ Words added by Finance Act, 2022.

⁴⁹¹ Paragraph under serial number 24 inserted by Finance (Supplementary) Act, 2022.

⁴⁹² The word substituted by Finance Act, 2020.

⁴⁹³ Words substituted by Finance Act, 2024.

⁴⁹⁴ Expression omitted by Finance Act, 2022.

Sales Tax Act, 1990

Offences	Penalties ⁴⁵⁸ [and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
himself registered under the Act, and if registered, fails to integrate in the manner as required under law.		
⁴⁹⁵ [25A A person required to integrate his business as stipulated under ⁴⁹⁶ [section 23], ⁴⁹⁷ [or sub-section (4) of section 40C,] who fails to get himself registered under the Act, and if registered, fails to integrate in the manner as required under the law and rules made thereunder ⁴⁹⁸ [or fail to issue electronic invoices after integration.]	<p>Such person shall be liable to pay:</p> <ul style="list-style-type: none"> (i) penalty of five hundred thousand rupees for first default; (ii) penalty of one million rupees for second default after fifteen days of order for first default; (iii) penalty of two million rupees for third default after fifteen days of order for second default; (iv) penalty of three million rupees for fourth default after fifteen days of order for third default: <p>Notwithstanding above, the business premises of such person shall be liable to be sealed by an officer of Inland Revenue in the manner prescribed:</p> <p>Provided that if the retailer integrates his business with the Board's Computerized System before imposition of penalty for second default, penalty for first default shall be waived by the Commissioner.]</p>	Sub-section (9A) of section 3 ⁴⁹⁹ [and sub-section (4) of section 40C]
⁵⁰⁰ [25AA. Any licensed integrator who is authorized to provide electronic invoicing system for integration of registered persons fails to integrate such registered persons in the manner as	Such person shall be liable to pay penalty of rupees one million or one percent of the total value of the sales suppressed, whichever is higher.	sub-section (5) of section 40C.]

⁴⁹⁵ Serial number substituted by Finance Act, 2022.

⁴⁹⁶ The expression "section 23" substituted through Finance Act, 2025;

⁴⁹⁷ Expression inserted by Finance Act, 2024.

⁴⁹⁸ the words "or fails to issue electronic invoices after integration" added through Finance Act, 2025.

⁴⁹⁹ Expression inserted by Finance Act, 2024.

⁵⁰⁰ New serial number 25AA inserted by Finance Act, 2024.

Sales Tax Act, 1990

Offences	Penalties ⁴⁵⁸[and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
required under this Act and rules made thereunder.		
⁵⁰¹ 25B. Where any person fails to generate an e-bilty, or tampers with, misuses, or forges such document in contravention of sub-section (6) of section 40C.	Such person shall be liable to pay penalty of fifty thousand rupees and recovery of any tax evaded through such contravention	sub-section (6) of 40C.”.
26. Any person, being a manufacturer or importer of an item which is subject to tax on the basis of retail price, who fails to print the retail price in the manner as stipulated under the Act.	<p>Such person shall pay a penalty of ten thousand rupees or five <i>per cent</i> of the amount of tax involved, whichever is higher:</p> <p>Further, such goods shall also be liable to confiscation ⁵⁰²[as may be prescribed.] However, the adjudication authority, after such confiscation, may allow redemption of such goods on payment of fine which shall not be less than twenty percent of the total retail price of such goods.</p>	sub-section (27) of section 2 and clause (a) of sub-section (2) of section 3.
27. Any person, being owner of the goods, which are brought to Pakistan in violation of section 40D.	<p>Such person shall pay a penalty of ten thousand rupees or five <i>per cent</i> of the amount of tax involved, whichever is higher:</p> <p>Further, such goods shall also be liable to confiscation ⁵⁰³[as may be prescribed]. However, the adjudication authority, after such confiscation, may allow redemption of such goods on payment of fine which shall not be less than twenty percent of value, or retail price in case of items falling in Third Schedule, of such goods.</p>	section 40D”;
504[28. Any person who is required to share information under section 56AB, fails to do so in the	Such person shall pay a penalty of twenty five thousand rupees for first default and fifty thousand rupees for each subsequent default	56AB]

⁵⁰¹ S. No. 25B and entries relating thereto inserted through Finance Act, 2025.

⁵⁰² Words inserted by Finance Act, 2024.

⁵⁰³ Words inserted by Finance Act, 2024.

⁵⁰⁴ New serial number 28 added by Finance Act, 2020.

Offences	Penalties ⁴⁵⁸ [and Punishment]	Section of the Act to which offence has reference
(1)	(2)	(3)
manner as required under the law		

⁵⁰⁵[33A***].

506[34. Default Surcharge.]— (1) Notwithstanding the provisions of section 11, if a registered person does not pay the tax due or any part thereof, whether wilfully or otherwise, in time or in the manner specified under this Act, rules or notifications issued thereunder or claims a tax credit, refund or makes an adjustment which is not admissible to him, or incorrectly applies the rate of zero *per cent* to supplies made by him, he shall, in addition to the tax due, pay default surcharge at the rate mentioned below:—

(a) ⁵⁰⁷[...] the person liable to pay any amount of tax or charge or the amount of refund erroneously made, shall pay default surcharge at the rate of ⁵⁰⁸[twelve percent per annum or KIBOR plus three percent per annum, whichever is higher], of the amount of tax due or the amount of refund erroneously made; ⁵⁰⁹[and]

⁵¹⁰[(b)***]

(c) in case, the default is on account of tax fraud, the person who has committed tax fraud shall pay default surcharge at the rate of two *per cent* per month, of the amount of tax evaded or the amount of refund fraudulently claimed, till such time the entire liability including the amount of default surcharge is paid.

(2) For the purpose of calculation of default surcharge, –

(a) in the case of inadmissible input tax credit or refund, the period of default shall be reckoned from the date of adjustment of such credit or, as the case may be, refund is received; and

⁵⁰⁵ Section 33A omitted by Finance Act, 2022.

⁵⁰⁶ Section 34 substituted by Finance Act, 2005. Earlier it was also substituted by Finance Act, 1996.

⁵⁰⁷ Words and comma “for the first six months of default,” omitted by Finance Act, 2008.

⁵⁰⁸ Words twelve substituted by Finance Act, 2018.

⁵⁰⁹ Word inserted by Finance Act, 2008.

⁵¹⁰ Clause (b) omitted by Finance Act, 2008.

Sales Tax Act, 1990

(b) in the case of non-payment of tax or part thereof, the period of default shall be reckoned from the 16th day of a month (following the due date of the tax period to which the default relates) to the day preceding the date on which the tax due is actually paid.

Explanation.— For the purpose of this section tax due does not include the amount of penalty.

⁵¹¹[34A. Exemption from penalty and ⁵¹²[default surcharge].--

The Federal Government may, by a notification in the official Gazette, or the ⁵¹³[Board] by a special order published in Gazette for reasons to be recorded in writing, exempt any person or class of persons from payment of the whole or part of the penalty and ⁵¹⁴[default surcharge] imposed under sections 33 and 34 subject to such conditions and limitations as may be specified in such notification or, as the case may be, special order.]

⁵¹⁵[35. ***]

⁵¹⁶[35A. ***]

⁵¹⁷[36. ***]

37. Power to summon persons to give evidence and produce documents in inquiries under the Act.— (1) Any officer of ⁵¹⁸[Inland Revenue] shall have powers to summon any person whose attendance he considers necessary either to tender evidence or to produce documents or any other thing in any inquiry which such officer is making for any of the purposes of this Act.

(2) Any person summoned under sub-section (1) shall be bound to attend either in person or by an authorised agent, as the officer of ⁴[Inland Revenue] may direct;

⁵¹¹ Section 34A substituted by Finance Ordinance 2001. Earlier it was inserted by Sales Tax (Amendment) Act, 1999 which comes into force from the first day of December, 1998. Earlier the same was amendment was made by Sales Tax (Second Amendment) Ordinance, 1988, dated 01-12-1998.

⁵¹² Substituted for “additional tax” by Finance Act, 2005

⁵¹³ Substituted for “Central Board of revenue” by Finance Act, 2007

⁵¹⁴ Substituted for “additional tax” by Finance Act, 2005

⁵¹⁵ Section 35 omitted by Finance Act, 1996.

⁵¹⁶ Section 35A omitted by Finance Act, 1996. Earlier it was inserted by Finance Act, 1992.

⁵¹⁷ Section 36 omitted by Finance Act, 2012. Earlier it was substituted by Finance Act, 1996. Before this it was substituted by the Finance Act, 1994.

⁵¹⁸ Substituted for “sales tax” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009 published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

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Provided that a person who is exempted from personal appearance in a court under section 132 and 133 of the Code of Civil Procedure (Act V of 1908), shall not be required to appear in person.

(3) Any inquiry before an officer of ⁵¹⁹[Inland Revenue] shall be deemed to be a judicial proceeding within the meaning of section 193 and ⁵²⁰[228] of the Pakistan Penal Code (Act XLV of 1860).

⁵²¹(4) For the purpose of an inquiry under this Act, the officer of Inland Revenue shall have the powers of a civil court trying a suit under the Code of Civil Procedure, 1908 (Act No. V of 1908), in respect of the following matters, namely:—

- (a) summoning and enforcing the attendance of any person and examining him on oath; and
- (b) requiring the discovery and production of documents and receiving evidence on affidavits.

⁵²²**37A. Power to inquire, investigate offences warranting prosecution under this Act and Arrest of a person.**— (1) Notwithstanding anything contained in Section 11E of this Act, an officer of Inland Revenue not below the rank of assistant commissioner or any other officer authorized by the Board in this behalf on the basis of material evidence pointing to the commission of tax fraud or an offence warranting prosecution under this act may initiate an inquiry upon approval by the Commissioner.

(2) For the purpose of an inquiry under this Act, the officer of Inland revenue shall have the powers of a civil court trying a suit under the Code of Civil Procedure, 1908 (Act No. V of 1908), in respect of the following matters, namely: —

- (a) summoning and enforcing the attendance of any person and examining on oath; and
- (b) requiring the discovery and production of documents and receiving evidence on affidavits.

⁵¹⁹ Substituted for “sales tax” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009 published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁵²⁰ Substituted for the figure “223” by Finance Act, 1994

⁵²¹ new sub-section (4) is added through Finance Act, 2025.

⁵²² section 37A and 37B substituted through Finance Act, 2025.

(3) The officer of inland revenue shall complete the inquiry while exercising the powers under the provisions of section 37, 38, 38A, 38B, 40 or any other section of the Act, wherever required within six months.

(4) During inquiry proceedings, the officer of inland revenue shall give an opportunity of being heard to the person whose actions alleged to have caused tax fraud warranting prosecution under this Act, confronting the person the details of tax fraud committed or caused to be committed by such person for explanation.

(5) The officer of inland revenue shall submit inquiry report along with reasons to be recorded in writing indicating the amount involved in tax fraud worked out as a result of such inquiry to the Commissioner to obtain prior approval for investigation or the closure of inquiry without any further investigation.

(6) The Commissioner, on the basis of inquiry report under sub-section (5) and after recording reasons in writing, shall either —

- (i) approve initiation of investigation, or
- (ii) require the officer of Inland Revenue to submit such further information or documents as he may direct for his decision; or
- (iii) close the inquiry by rejecting the report or accepting the report, as the case may be.

(7) After approval of investigation under sub-section (6), the officer of inland revenue shall complete investigation within three months and prepare investigation report for submission before the competent court.

(8) The three-member committee notified by the Chairman, may authorize the Commissioner to issue warrant of arrest of a person, if it is satisfied on the basis of facts brought before it, that

- (a) the tax fraud falls within the ambit of sub-clauses (a), (b), (c), (d), (e) and (f) of clause (37) of section 2;
- (b) the amount involved in tax fraud exceeds fifty million rupees; and

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(c) it has been established during the course of investigation by the Inquiry Officer that—

- (i) the accused is intentionally or willfully not joining the investigation after three duly served notices;
- (ii) the accused is attempting to abscond; or
- (iii) there are sufficient grounds that the accused would temper with the evidence.

(9) Notwithstanding anything contained in sub-section (8), the officer of inland revenue may arrest a person alleged to have committed a tax fraud after obtaining an arrest warrant from the Special Judge in a case of a fraud falling within the ambit of the subclauses of clause (37) of section 2 during the course of investigation if:-

- (i) the accused is intentionally or willfully not joining the investigation after three duly served notices;
- (ii) the accused attempting to abscond; or
- (iii) there are sufficient grounds that the accused would temper with the evidence.

(10) Where the person suspected of tax fraud or any offence warranting prosecution under this Act is a company, every director or officer of that company whom the officer of inland revenue has reason to believe is personally responsible for actions of the company contributing the tax fraud or any offence warranting prosecution under this Act shall be liable to arrest; provided that any arrest under this sub-section shall not absolve the company from the liabilities of payment of tax, default surcharge and penalty imposed under this Act.

(11) Notwithstanding anything contained in this Act, where any person has committed a tax fraud or any offence warranting prosecution under this Act, the Commissioner may, either before or after the inquiry or investigation, compound the offence if such person pays the amount of tax evaded or sought to be evaded as determined in the inquiry or the investigation along with default surcharge and penalty as provided under this Act.

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(12) Any person accused of an offence who is arrested under this Act shall at the time of arrest be informed of the grounds of arrest in writing on the basis of which he has been arrested.

(13) All arrests made under this Act shall be carried out in accordance with the relevant provisions of the Code of Criminal Procedure, 1898 (Act V of 1898):

Provided that no arrest under this section shall be made before the completion of inquiry under sub-section (1) of this section.

(14) The accused arrested may approach the competent court for his release on bail under the provisions contained in sections 497 and 498 of the Code of Criminal Procedure, 1898 (Act V of 1898).

(15) The purpose of prosecution under the provisions of sections 37A and 37B of this Act shall remain to —

(a) create sufficient deterrence against tax fraud; and

(b) provide for retribution for commission of tax fraud.;

37B. Procedure to be followed on arrest of a person.— (1) Where an officer of Inland Revenue arrests a person under Section 37A, he shall immediately intimate the fact of the arrest of that person to the Special Judge who may direct such Officer to produce that person at such time and place and on such date as the Special Judge considers expedient and such Officer shall act accordingly.

(2) Notwithstanding anything contained in the sub-section (1), any person arrested under this Act shall be produced before the Special Judge or, if there is no Special Judge within a reasonable distance, to the nearest Judicial Magistrate, within twenty-four hours of such arrest, excluding the time necessary for the journey from the place of arrest to the Court of the Special Judge or, as the case may be, of such Magistrate.

(3) Where a person is produced under sub-section (2) before the Special Judge, he may, on the request of such person, after perusing the record, if any and after giving the prosecution an opportunity of being heard, admit him to bail on his executing a bond, with or without sureties, or refuse to admit him to bail and direct his detention at such place as he deems fit:

Provided that nothing herein contained shall preclude the Special Judge from cancelling the bail of any such person at a subsequent stage if, for any reason, he considers such cancellation necessary, but before passing such order he shall afford such person an opportunity of being heard, unless for reasons to be recorded he considered that the affording of such opportunity shall defeat the purposes of this Act.

(4) When such person is produced under sub-section (2) before a Judicial Magistrate, such Magistrate may, after authorising his detention in such custody at such place and for such period as he considers necessary or proper for facilitating his earliest production before the Special Judge, direct his production before the Special Judge on a date and time to be fixed by him or direct such person to be forthwith taken to, and produced before, the Special Judge and he shall be so taken.

(5) Nothing in sub-section (3) or sub-section (4) shall preclude the Special Judge or the Judicial Magistrate from remanding any such person to the custody of an officer of Inland Revenue] holding investigation against that person if such officer makes a request in writing to that effect, and the Special Judge or the Judicial Magistrate, after perusing the record, if any, and hearing such person, is of the opinion that for the completion of inquiry or investigation it is necessary to make such order:

Provided that in no case the period of such custody shall exceed fourteen days.

(6) When any person is arrested under this Act, an officer of Inland Revenue shall record the fact of arrest and other relevant particulars in the register specified in sub-section (10) and shall immediately proceed to investigate into the charge against such person and if he completes the investigation within twenty-four hours of his arrest, excluding the time necessary for journey as aforesaid, he may, after producing such person before the Special Judge or the nearest Judicial Magistrate, make a request for his further detention in his custody.

(7) While holding an investigation under sub-section (6), an officer of Inland Revenue shall exercise the same powers as are exercisable by an officer in charge of a police station under the Code of Criminal Procedure, 1898 (Act V of 1898), but such officer shall exercise such powers subject to the foregoing provisions of this section while holding an investigation under this Act.

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(8) If an officer of Inland Revenue, after holding an investigation as aforesaid, is of the opinion that there is no sufficient evidence or reasonable ground for suspicion against such person, he shall release him on his executing a bond, with or without sureties, and shall direct such person to appear, as and when required, before the Special Judge, and make a report to the Special Judge for the discharge of such person and shall make a full report of the case to his immediate superior.

(9) The Special Judge to whom a report has been made under sub-section, (8) may, after the perusal of record of the investigation, and hearing the prosecution, agree with such report and discharge the accused or, if he is of the opinion that there is sufficient ground for proceedings against such person, proceed with his trial and direct the prosecution to produce evidence.

(10) An officer of Inland Revenue empowered to hold investigation under this section shall maintain a register to be called "Register of Arrests and Detentions" in the prescribed form in which he shall enter the name and other particulars of every person arrested under this Act, together with the time and date of arrest, the details of the information received, the details of things, goods or documents, recovered from his custody, the name of the witnesses and the explanation, if any, given by him and the manner in which the investigation has been conducted from day to day; and, such register or authenticated copies of its aforesaid entries shall be produced before the Special Judge, whenever such Officer is so directed by him.

(11) After completing the investigation, an officer of Inland Revenue shall, as early as possible, submit to Special Judge a report in the same form and manner in which the officer in charge of a police station submits a report, before a court.

(12) Magistrate of the first class may record any statement or confession during investigation under this Act, in accordance with the provisions of Section 164 of the Code of Criminal Procedure, 1898 (Act V of 1898).

(13) Without prejudice to the foregoing provisions of this section, Board, with the approval of the Federal Minister-in-charge, may, by notification in the official Gazette, authorize any other officer working under the Board to exercise the powers and perform the functions of an officer of Inland Revenue under this section, subject to such conditions, if any, that it may deem fit to impose.

⁵²³[**37C. Special Judges.**— (1) The Federal Government may by notification in the official Gazette, appoint as many Special Judges as it considers necessary and, where it appoints more than one Special Judge, it shall specify in the notification the headquarter of each Special Judge and the territorial limits within which he shall exercise jurisdiction under this Act.

(2) No person shall be appointed as a Special Judge unless he is or has been a Sessions Judge.]

⁵²⁴[**37D. Cognizance of Offences by Special Judges.**— (1) Notwithstanding anything contained in this Act or any other law for the time being in force, a Special Judge may, within the limits of his jurisdiction, take cognizance of any offence punishable under this Act:

- (a) Upon a report in writing made by an officer of Inland Revenue or by any other officer especially authorized in this behalf by the Federal Government; or
- (b) Upon receiving a complaint or information of facts constituting such offence made or communicated by any person; or
- (c) Upon his own knowledge acquired during any proceeding before him under this act or under any other law for the time being in force.

(2) Upon the receipt of report under clause (a) of sub-section (1), the Special Judge shall proceed with trial of the accused.

(3) Upon the receipt of a complaint or information under clause (b), or acquired in the manner referred to in clause (c) of sub-section (1), the Special Judge may, before issuing a summon or warrant for appearance of the person complained against, hold a preliminary inquiry for the purpose of ascertaining the truth or falsehood of the complaint, or direct any magistrate or any officer of Inland Revenue or any police officer to hold such inquiry and submit a report, and such Magistrate or officer shall conduct such inquiry and make report accordingly.

(4) If, after conducting such inquiry or after considering the report of such Magistrate or officer, the Special Judge is of the opinion that—

⁵²³ Section 37C inserted by Finance Ac, 2010 earlier a different section 37C was omitted by Finance Act, 2005 which was inserted by Finance Act, 1997.
⁵²⁴ Section 37D to 37I inserted by Finance Act, 2010.

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- (a) there is no sufficient ground for proceeding, he may dismiss the complaint, or
- (b) there is sufficient ground for proceeding, he may proceed against the person complained against in accordance with law.

(5) A special Judge or a Magistrate or an officer holding inquiry under sub-section (3) may hold such inquiry, as early as possible, in accordance with the provision of section 202 of the Code of Criminal Procedure, 1898 (Act V of 1898).

37E. Special Judge, etc. to have exclusive jurisdiction.—

Notwithstanding anything contained in this Act or in any other law for the time being in force,—

- (a) no court other than the Special Judge having jurisdiction, shall try an offence punishable under this Act;
- (b) no other court or officer, except in the manner and to the extent specifically provided for in this Act, shall exercise any power, or perform any function under this Act;
- (c) no court, other than the High Court, shall entertain, hear or decide any application, petition or appeal under chapters XXXI and XXXII of the Code of Criminal Procedure, 1898 (Act V of 1898), against or in respect of any order or direction made under this Act; and
- (d) no court, other than the Special Judge or the High Court, shall entertain any application or petition or pass any order or give any direction under chapters XXXVII, XXXIX, XLIV or XLV of the aforesaid Code.]

37F. Provisions of Code of Criminal Procedure, 1898, to apply.—

- (1) The provision of the Code of Criminal procedure, 1898 (Act V of 1898), so far as they are not inconsistent with the provisions of this Act, shall apply to the proceedings of the court of a Special Judge and such court shall be deemed to be a court of Sessions for the purpose of the said Code and the provisions of Chapter XXIIA of the aforesaid Code, so far as

applicable and with the necessary modifications, shall apply to the trial of cases by the Special Judge under this Act.

(2) For the purposes of sub-section (1), the Code of Criminal Procedure, 1898 (Act V of 1898), shall have effect as if an offence punishable under this Act were one of the offences referred to in sub-section (1) of section 337 of the said Code.

37G. Transfer of cases.— (1) Where more than one Special Judge are appointed within the territorial jurisdiction of a High Court, the High Court, and where not more than one Special Judge is so appointed, the Federal Government, may by order in writing direct the transfer, at any stage of the trial, of any case from the court of one Special Judge to the Court of another Special Judge for disposal, whenever it appears to the High Court or, as the case may be, the Federal Government, that such transfer may promote the ends of justice or tend to the general convenience of the parties or witnesses.

(2) In respect of a case transferred to a Special Judge under sub-section (1), such Special Judge shall not by reason of the said transfer, be bound to recall and rehear any witness whose evidence has been recorded in the case before the transfer and may act upon the evidence already recorded or produced before the court which tried the case before the transfer.]

37H. Place of Sittings.— A Special Judge shall ordinarily hold sittings at his headquarters but, keeping in view the general convenience of the parties or the witnesses, he may hold sittings at any other place.

37I. Appeal to the High Court.— (1) Any person, including the Federal Government, the Board, the Commissioner or Director of Intelligence and Investigation or any other officer authorized in this behalf by the Board, aggrieved by any order passed or decision made by a Special Judge under this Act or under the Code of Criminal Procedure, 1898 (Act V of 1898), may, subject to the provisions of Chapters XXXI and XXXII of

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the said Code, within Sixty days from the date of the order or decision, prefer an appeal to the High Court.

(2) Except as otherwise provided in sub-section (1), the provisions of the Limitation Act, 1908 (IX of 1908), shall apply to an appeal preferred under sub-section (1).]

⁵²⁵**[38. Authorised officers to have access to premises, stocks, accounts and records – (1) Any officer authorised in this behalf by the Board ⁵²⁶[or the Commissioner ⁵²⁷[***]] shall have free access ⁵²⁸[including real-time electronic access] to business or manufacturing premises, registered office or any other place where any stocks, business records or documents required under this Act are kept or maintained belonging to any registered person or a person liable for registration or whose business activities are covered under this Act or who may be required for any inquiry or investigation in any tax fraud committed by him or his agent or any other person; and such officer may, at any time, inspect the goods, stocks, records, data, documents, correspondence, accounts and statements, utility bills, bank statements, information regarding nature and sources of funds or assets with which his business is financed, and any other records or documents, including those which are required under any of the Federal, Provincial or local laws maintained in any form or mode and may take into his custody such records, statements, diskettes, documents or any part thereof, in original or copies thereof in such form as the authorised officer may deem fit against a signed receipt.**

(2) The registered person, his agent or any other person specified in sub-section (1) shall be bound to answer any question or furnish such information or explanation as may be asked by the authorised officer.

(3) The department of direct and indirect taxes or any other Government department, local bodies, autonomous bodies, corporations or such other institutions shall supply requisite information and render necessary assistance to the authorised officer in the course of inquiry or investigation under this section.]

⁵²⁹**[(4) For the purpose of sub-section (1), the Board may make rules relating to electronic real-time access for audit or a survey of persons liable to tax.]**

⁵²⁵ Section 38 Substituted by Finance Act, 1996.

⁵²⁶ Words inserted by Finance Act, 2010 w.e.f. June 5, 2010.

⁵²⁷ The words “or the Collector” were omitted by Finance Act, 2009.

⁵²⁸ Words inserted by Finance Act, 2020.

⁵²⁹ New sub-section (4) inserted by Finance Act, 2020.

⁵³⁰**[38A. Power to call for information.]**— The ⁵³¹[Commissioner] may, by notice in writing, require any person, including a banking company, to furnish such information or such statement in connection with any investigation or inquiry in cases of tax fraud, as may be specified in such notice ⁵³²[:]

⁵³³[Provided that the ⁵³⁴[Commissioner] may require any regulatory authority to provide information concerning the licenses and authorizations issued by it.]

⁵³⁵[38B. Obligation to produce documents and provide information.]— (1) Notwithstanding anything contained in this Act or any other law for the time being in force, any person required to maintain the record under the Act, on demand by an officer, not below the rank of ⁵³⁶[an Assistant] ⁵³⁷[Commissioner Inland Revenue], by notice in writing, as and when specified in the notice, shall,—

- (a) produce for examination, such documents or records which the officer of ⁵³⁸[Inland Revenue] considers necessary or relevant to the audit, inquiry or investigation under the Act;
- (b) allow the officer of ⁵³⁹[Inland Revenue] to take extracts from or copies of such documents or records; and
- (c) appear before the officer of ⁵⁴⁰[Inland Revenue] and answer any question put to him concerning the documents and records relating to the audit or inquiry or investigation referred to in clause (a) above.

(2) An officer of ⁵⁴¹[Inland Revenue] conducting an audit, inquiry or, as the case may be, an investigation under the Act, may require in writing any person, department, company or organization to furnish such information as is held by that person, department, company or organization,

⁵³⁰ Section 38A inserted by Finance Act, 2004.

⁵³¹ Substituted for “Collector” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁵³² Substituted for full stop by Finance Act, 2007

⁵³³ Proviso inserted by Finance Act, 2007.

⁵³⁴ Substituted for “Collector” by Finance Act, 2010 w.e.f. June 5, 2010

⁵³⁵ Section 38B inserted by Finance Act, 2006.

⁵³⁶ Substituted for “a Deputy” by Finance Act, 2011

⁵³⁷ Substituted for “Collector of Sales Tax” by Finance Act, 2010 w.e.f. June 5, 2010

⁵³⁸ Substituted for “Sales Tax” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the Gazette of Pakistan Extra Ordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009 published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁵³⁹ Substituted for “Sales Tax” by Finance Act, 2010 w.e.f. June 5, 2010

⁵⁴⁰ Substituted for “Sales Tax” by Finance Act, 2010 w.e.f. June 5, 2010

⁵⁴¹ Substituted for “Sales Tax” by Finance Act, 2010 w.e.f. June 5, 2010

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which, in the opinion of the officer of ⁵⁴²[Inland Revenue], is relevant to such audit, inquiry or investigation.

(3) The Board may require, in writing, any person, department, company or organization, as the case may be, to provide any information or data held by that person, department, company or organization, which, in the opinion of the Board, is required for purposes of formulation of policy or administering the Customs, Sales Tax, Federal Excise or Income Tax.

(4) Every person, department, company or organization shall furnish the information requisitioned by the Board or the officer of Sales Tax under sub-section (2) or (3), within the time specified in the notice issued by the Board or, as the case may be, the officer of ⁵⁴³[Inland Revenue].]

⁵⁴⁴(5) Notwithstanding anything contained in any other law for the time being in force, the Commissioner may, by notice in writing, require any Internet Service Providers, Telecommunication Companies and Pakistan Telecommunication Authority, to furnish subscriber's information pertaining to the Internet Protocols in connection with any inquiry or investigation in cases of tax fraud, as may be specified in such notice.

⁵⁴⁵[39. ***]

⁵⁴⁶[40. **Searches under warrant.**—(1) Where any officer of ⁵⁴⁷[Inland Revenue] has reason to believe that any documents or things which in his opinion, may be useful for, or relevant to, any proceedings under this Act are kept in any place, he may after obtaining a warrant from the magistrate, enter that place and cause a search to be made at any time.

(2) The search made ⁵⁴⁸[in his presence] under sub-section (1) shall be carried out in accordance with the relevant provisions of the Code of Criminal Procedure, 1898 (V of 1898).]

⁵⁴⁹[40A. ***]

⁵⁴² Substituted for "Sales Tax" by Finance Act, 2010 w.e.f. June 5, 2010

⁵⁴³ Substituted for "Sales Tax" by Finance Act, 2010 w.e.f. June 5, 2010

⁵⁴⁴ in section 38B, after sub-section (4), new sub-section (5) added through Finance Act, 2025.

⁵⁴⁵ Section 39 omitted by Finance act, 1996.

⁵⁴⁶ Section 40 substituted by Finance Act, 2004.

⁵⁴⁷ Substituted for "Sales Tax" by Finance Act, 2010 w.e.f. June 5, 2010

⁵⁴⁸ The word and comma, inserted by the Finance Act, 2005

⁵⁴⁹ Section 40A omitted by Finance Act, 2006.

⁵⁵⁰**[40B. Posting of [Inland Revenue] Officer.]**— Subject to such conditions and restrictions, as deemed fit to impose, the ⁵⁵¹[Board], ⁵⁵²[omitted..] may post Officer of ⁶[Inland Revenue] to the premises of registered person or class of such persons to monitor production, sale of taxable goods and the stock position ⁵⁵³[.] ⁵⁵⁴[omitted..]

⁵⁵⁵**[40C. Monitoring or Tracking by Electronic or other means.]**— (1) Subject to such conditions, restrictions, and procedures, as it may be fit to impose or specified, the Board may, by notification in the official Gazette, specify any registered person or class of registered persons or any good or class of goods in respect of which monitoring or tracking of production, sales, clearances, stocks or any other related activity may be implemented through electronic or other means as may be prescribed

(2) From such date as may be prescribed by the Board, no taxable goods shall be removed or sold by the manufacturer or any other person without affixing tax stamp, band role stickers, labels, ⁵⁵⁶[bar code ⁵⁵⁷**[production monitoring, video analytics,]** etc. in any such form, style and manner as may be prescribed by the Board in this behalf.]

⁵⁵⁸[3) Such tax stamps, banderols, stickers, labels, barcodes ⁵⁵⁹**[monitoring equipment]** etc., shall be acquired by the registered person referred to in sub-section (2) from a licensee appointed by the Board for the purpose, against price approved by the Board, which shall include the cost of equipment installed by such licensee in the premises of the said registered person.]

⁵⁶⁰**[(4) Notwithstanding anything contained in this Act or any other law for the time being in force, the provisions of section 83C of the Customs Act, 1969 (IV of 1969) shall *mutatis mutandis* apply.; and**

(5) ⁵⁶¹**[Omitted]**

⁵⁶²**[40D. Provisions relating to goods supplied from tax-exempt areas.]**—(1) The conveyance carrying goods supplied from the tax exempt

⁵⁵⁰ Section 40B inserted by Finance Act, 2003.

⁵⁵¹ Substituted for “Central Board of revenue” by Finance Act, 2007

⁵⁵² Words “or Chief Commissioner” omitted by Finance Act, 2018.

⁵⁵³ Colon omitted and full stop inserted by Finance Act, 2018.

⁵⁵⁴ Proviso and explanation omitted by Finance Act, 2018.

⁵⁵⁵ Section 40C inserted by Finance Act, 2013.

⁵⁵⁶ Word and comma inserted by Finance Act, 2015

⁵⁵⁷ after the expression “bar codes,”, the expression “production monitoring, video analytics,” inserted through Finance Act, 2025.

⁵⁵⁸ Sub-section (3) added by Finance Act, 2015.

⁵⁵⁹ after the expression “bar codes,”, the expression “monitoring equipment” inserted through Finance Act, 2025.

⁵⁶⁰ sub-sections (4) substituted through Finance Act, 2025.

⁵⁶¹ sub-sections (5) omitted through Finance Act, 2025.

⁵⁶² New Section “40D” inserted through Tax Laws (Amendment) Act, 2020, dated 30-3-2020.

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areas, shall be accompanied by such documents in respect of the goods carried as may be prescribed under rules.

(2) The Regional Tax Office having jurisdiction may establish check-posts on the routes originating from tax-exempt areas for the purpose of examining the goods carried and the documents related thereto. An officer not below the rank of Inspector, Inland Revenue, as authorized by the Commissioner, Inland Revenue, and assigned to such check-posts, may stop vehicle on such routes as coming from tax-exempt areas and examine documents for ascertaining their validity and conformity to the goods carried.

(3) In the absence of the prescribed documents or any discrepancy in such documents, the goods so carried shall be seized along with the vehicle carrying the goods by the officer as aforesaid under proper acknowledgment.

(4) The notices to the owner of the goods and the vehicle to show cause against imposition of penalty shall be issued within fifteen days of the seizure as aforesaid.

(5) For the purposes of this section, the expression “tax-exempt areas” means Azad Jammu and Kashmir, Gilgit-Baltistan,⁵⁶³[Border Sustenance Markets and] Tribal Areas as defined in Article 246 of the Constitution of the Islamic Republic of Pakistan and such other areas as may be prescribed.”;]

⁵⁶⁴[40E. Licensing of brand name.- (1) Manufacturers of the specified goods shall be required to obtain brand licence for each brand or stock keeping unit (SKU) in such manner as may be prescribed by the Board.

(2) Any specified brand and SKU found to be sold without obtaining a licence from the Board shall be deemed counterfeit goods and liable to outright confiscation and destruction in the prescribed manner and such destruction and confiscation shall be without prejudice to any other penal action which may be taken under this Act.]

⁵⁶³ Expression inserted by Finance Act, 2021.

⁵⁶⁴ New section 40E inserted by Finance Act, 2021.

⁵⁶⁵[41. ***

42. ***]

Chapter-VIII

⁵⁶⁶[APPEALS]

⁵⁶⁷[43. ***

⁵⁶⁸[43A. Omitted]

44. ***]

⁵⁶⁹[45. ***]

⁵⁷⁰[45A. **Power of the Board** ⁵⁷¹[and ⁵⁷²[Commissioner]] to call for records.-- (1) The Board may, of its own motion ⁵⁷³[, or otherwise] call for and examine the record of any departmental proceedings under this Act or the rules made there under for the purpose of satisfying itself as to the legality or propriety of any decision or order passed therein by an Officer of ⁵⁷⁴[Inland Revenue], it may pass such order as it may think fit:

Provided that no order imposing or enhancing any penalty or fine requiring payment of a greater amount of [Sales Tax] than the originally levied shall be passed unless the person affected by such order has been given an opportunity of showing cause and of being heard.

(2) No proceeding under ⁵⁷⁵[this section] shall be initiated in a case where an appeal under Section ⁵⁷⁶[45B] or Section 46 is pending.

(3) No order shall be made under this Section after the expiry of ⁵⁷⁷[five] years from the date of original decision or order of the sub-ordinate officer referred to in sub-section (1).

⁵⁶⁵ Sections 41 and 42 omitted by Finance Act, 1996

⁵⁶⁶ Heading of chapter Adjudication substituted for cases by finance act 1996

⁵⁶⁷ Sections 43 and 44 omitted by Finance Act, 1996

⁵⁶⁸ New section 43A added through Tax Laws (Amendment) Act, 2024.

⁵⁶⁹ Section 43A omitted through Finance Act, 2025.

⁵⁷⁰ Section 45A added by Finance Act, 1993.

⁵⁷¹ Substituted for "Collector and Collector (Adjudication)" by Finance Act, 2005. Earlier these were substituted for "and Collector" by Finance Act, 2003.

⁵⁷² Substituted for "Collector" by Finance Act, 2010 w.e.f. June 05, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, published in the Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extra Ordinary Part I at pages 229 to 259.

⁵⁷³ Words inserted by Finance Act, 2015.

⁵⁷⁴ Substituted for "Sales Tax" by Finance Act, 2010 w.e.f. June 5, 2010

⁵⁷⁵ Substituted for "sub-section (1)" by Finance Act, 2008

⁵⁷⁶ Substituted for the figure "45" by Finance Ordinance, 2002

⁵⁷⁷ Substituted for "three" by Finance Ordinance, 2000

⁵⁷⁸[(4) The ⁵⁷⁹[Commissioner] may, *suo moto*, call for and examine the record of any proceeding under this Act or the rules made thereunder for the purpose of satisfying himself as to the legality or propriety of any decision or order passed by an officer of ⁵⁸⁰[Inland Revenue] subordinate to him, and pass such order as he may deem fit.]]

⁵⁸¹[**45B. Appeals.**—⁵⁸²[(1) Any person, other than an State Owned Enterprises (SOE), aggrieved by any decision or order passed under sections 10,11A,11D, 11E, 11F,21,33, 34 and 66 of this Act, by an officer of Inland Revenue may, within thirty days of the date of receipt of such decision or order prefer appeal to the Commissioner Inland Revenue (Appeals):

Provided that an appeal preferred after the expiry of thirty days may be admitted by the Commissioner Inland Revenue (Appeals) if he is satisfied that the appellant has sufficient cause for not preferring the appeal within the specified period:

Provided further that registered person shall have an option to directly file an appeal before Appellate Tribunal Inland Revenue without availing right of Appeal under this section.

⁹[****]

⁵⁸³[(1A) An appeal under sub-section (1) shall—

- (a) be in the prescribed form;
- (b) be verified in the prescribed manner;
- (c) state precisely the grounds upon which the appeal is made;
- (d) be accompanied by the prescribed fee specified in sub-section (1B); and
- (e) be lodged with the Commissioner (Appeals) within the time set out in sub-section (1).

[(1B) The prescribed fee shall be—

- (a) in the case of an appeal against an assessment—

⁵⁷⁸ Sub-section (4) substituted by Finance Act, 2005

⁵⁷⁹ Substituted for the word “Collector” by Finance Act, 2010

⁵⁸⁰ Substituted for the words “Sales Tax” by Finance, Act, 2010

⁵⁸¹ Section 45B inserted by Finance Ordinance, 2002

⁵⁸² Section 45B substituted through Finance Act, 2025.

⁵⁸³ New sub-sections (1A and 1B) inserted by Finance Act, 2020.

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- (i) where the appellant is a company, five thousand rupees; or
- (ii) where the appellant is not a company, two thousand and five hundred rupees; and
- (b) in any other case—
 - (i) where appellant is a company, five thousand rupees; or
 - (ii) where the appellant is not a company, one thousand rupees.]

⁵⁸⁴⁵⁸⁵[(1C) Where in a particular case, the Commissioner (Appeals) is of the opinion recovery of tax levied under this act, shall cause undue hardship to the taxpayer, he, after affording opportunity of being heard to the commissioner or officer of Inland revenue against whose orders appeal has been made, may stay the recovery of such tax for a period not exceeding thirty days in aggregate.]

(2) The ⁵⁸⁶[Commissioner Inland Revenue] (Appeals) may, after giving both parties to the appeal an opportunity of being heard, pass such order as he thinks fit, confirming, varying, altering, setting aside or annulling the decision or order appealed against ⁵⁸⁷[:]

⁵⁸⁸[Provided that such order shall be passed not later than ⁵⁸⁹[one hundred and twenty] days from the date of filing of appeal or within such extended period as the ⁵⁹⁰[Commissioner] (Appeals) may, for reasons to be recorded in writing fix:

Provided further that such extended period shall, in no case, exceed ⁵⁹¹[sixty] days ⁵⁹²[:]

⁵⁹³[Provided further that any period during which the proceedings are adjourned on account of a stay order or Alternative Dispute Resolution proceedings or the time taken through adjournment by the petitioner not

⁵⁸⁴ Existing sub-section (1A) re-numbered as (1C) by Finance Act, 2020.

⁵⁸⁵ Inserted through Finance Act, 2013

⁵⁸⁶ Substituted for "Collector of Sales Tax" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance Amendment Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁵⁸⁷ Colon inserted through Finance, Act, 2005

⁵⁸⁸ Two provisos inserted by Finance Act, 2005

⁵⁸⁹ Substituted for "ninety" by Finance Act, 2008.

⁵⁹⁰ Substituted for "Collector" by Finance Act, 2010 w.e.f. June 05, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010 published in the Gazette of Pakistan

⁵⁹¹ Substituted for "one hundred and twenty" by Finance Act, 2009, earlier it was substituted for "ninety" by Finance Act, 2008.

⁵⁹² Substituted for full stop by Finance Act, 2009

⁵⁹³ Proviso inserted by Finance Act, 2009

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exceeding thirty days shall be excluded from the computation of aforesaid periods.]

(3) In deciding an appeal, the ¹[Commissioner of Inland Revenue] (Appeals) may make such further inquiry as may be necessary provided that he shall not remand the case for *de novo* consideration.

⁵⁹⁴[(4) ***]

⁵⁹⁵[(5) The Commissioner (Appeals) shall not admit any documentary material or evidence which was not produced before the Officer Inland Revenue unless the Commissioner (Appeals) is satisfied that the appellant was prevented by sufficient cause from producing such material or evidence before the Officer Inland Revenue.]

46. Appeals to Appellate Tribunal.—⁵⁹⁶(1) Any person including an officer of inland revenue not below the rank of Additional Commissioner aggrieved by an order of the Commissioner (Appeals) under this Act or the rules made thereunder; or any person other than SOE aggrieved by an order passed by officer of inland revenue when second proviso to section 45B applies, may within thirty days of the receipt of such order, prefer an appeal to the Appellate Tribunal:

Provided that where sub-section (11) of section 134A of Income Tax Ordinance, 2001 (XLIX of 2001) shall apply, an SOE may prefer an appeal under this sub-section.

⁵⁹⁷[(2) The Appellate Tribunal may admit, hear and dispose of the appeal as per procedure laid down in sections ⁵⁹⁸[131 and 132 of the Income tax Ordinance, 2001(XLIX of 2001, and rules made thereunder.]

⁵⁹⁹⁶⁰⁰[(2A)***]

⁶⁰¹[(3) ***

(4) ***

(5) ***

⁵⁹⁴ Sub-section (4) omitted by Finance Act, 2006.

⁵⁹⁵ New sub-section (5) inserted by Finance Act, 2020.

⁵⁹⁶ Section 46 sub-section (1) substituted through Finance Act, 2025

⁵⁹⁷ Sub-Section (2) substituted by Finance Act, 2009.

⁵⁹⁸ Substituted for “194A, 194B and 194C of the customs Act, 1969 (IV of 1969)” by Finance Act, 2010.

⁵⁹⁹ Sub Section (2A) inserted by Finance Act w.e.f. June 5, 2010.

⁶⁰⁰ Sub-section (2A) omitted by Tax Laws (Amendment) Act, 2024.

⁶⁰¹ Sub-sections (3), (4), (5), (6), (7), (8) and (9) omitted by Finance Act, 2009.

(6) ***

(7) ***

(8) ***

(9) ***]

⁶⁰²**[47. Reference to the High Court.-** ⁶⁰³(1) Within sixty days of communication of the order of the Appellate Tribunal, the aggrieved person or the Commissioner may submit a reference in the prescribed form along with a statement of the case and complete record of the Appellate Tribunal to the High Court, stating any question of law arising out of such order.

(2) Provisions of section 133 of the Income Tax Ordinance, 2001 (XLIX of 2001) and rules made thereunder relating to a reference to the High Court shall, mutatis mutandis, apply to references to the High Court under this Act.]

⁶⁰⁴**[47A. Alternative dispute resolution.-** (1) Notwithstanding any other provision of this Act, or the rules made thereunder, an aggrieved person in connection with any dispute pertaining to-

- (a) the liability of tax of fifty million rupees or above against the aggrieved person or admissibility of refund, as the case may be;
- (b) the extent of waiver of default surcharge and penalty; or
- (c) any other specific relief required to resolve the dispute,

may apply, except where criminal proceedings have been initiated, to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application:

Provided that where the aggrieved person is a state-owned enterprise (SOE), the limit of tax liability of fifty million rupees or above mentioned in clause (a) shall not apply and it shall be mandatory for such aggrieved SOE to apply to the Board for the appointment of a committee for the resolution of any dispute under this section:

⁶⁰² Section 47 substituted by Tax Laws (Amendment) Act, 2024.

⁶⁰³ Section 47 sub-section (1) substituted through Finance Act, 2025.

⁶⁰⁴ Section 47A substituted by Tax Laws (Amendment) Act, 2024.

Provided further that no suit, prosecution, or other legal proceedings shall lie against the SOE in relation to the dispute resolved under this section.

Explanation.- State-owned enterprise shall have the same, meaning as assigned thereto in the State-Owned Enterprises (Governance and Operations) Act, 2023 (VII of 2023).

(2) Provisions of section 134A of the Income Tax Ordinance, 2001 (XLIX of 2001) and rules made thereunder relating to alternative dispute resolution shall, mutatis mutandis, apply to applications for alternative dispute resolution under this Act.]

⁶⁰⁵[**47AB. Saving.**—The period of limitation provided in clause (c) of sub-section (1) of section 46 and sub-section (1) of section 47 shall continue to apply where any decision of the commissioner (Appeals) or the Appellate Tribunal is received prior to the date of commencement of the Tax Laws (Amendment) Act, 2024 (V of 2024).]

Chapter-IX

RECOVERY OF ARREARS

48. Recovery of arrears of tax.--(1) ⁶⁰⁶[Subject to sub-section (1A), where] any amount of tax ⁶⁰⁷[...] is due from any person, the officer of ⁶⁰⁸[Inland Revenue] may:-

- (a) deduct the amount from any money owing to person from whom such amount is recoverable and which may be at the disposal or in the control of such officer or any officer of Income Tax, Customs or Central Excise Department;
- (b) require by a notice in writing any person who holds or may subsequently hold any money for or on account of the person from whom tax may be recoverable to pay to such officer the amount specified in the notice;

⁶⁰⁵ New section inserted by Finance Act, 2024.

⁶⁰⁶ Words etc. “levied, penalty imposed or demand raised under any bond or other instrument executed under this Act” omitted by Finance Ordinance, 2002.

⁶⁰⁷ Substituted for “where” by Finance Act, 2007.

⁶⁰⁸ Substituted for “Sales Tax” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

- (c) stop removal of any goods from the business premises of such person till such time the amount of tax is paid or recovered in full;
- ⁶⁰⁹[(ca) require by a notice in writing any person to stop clearance of imported goods or manufactured goods or attach bank accounts;]
- (d) seal the business premises till such time the amount of tax is paid or- recovered in full;
- (e) attach and sell or sell without attachment any movable or immovable property of the registered person from whom tax is due ⁶¹⁰[; and]
- (f) ⁶¹¹[...] recover such amount by attachment and sale of any moveable or- immovable property of the guarantor, person, company, bank or financial institution, where a guarantor or any other person, company, bank or financial institution fails to make payment under such guarantee, bond or instrument ⁶¹²[:]

Provided that the Commissioner Inland Revenue or any officer of Inland Revenue shall not issue notice under this section or the rules made thereunder for recovery of any tax due from a taxpayer if the said taxpayer has filed an appeal under section 45B ⁶¹³[or, as the case may be, section 46] in respect of the order under which the tax sought to be recovered has become payable and the appeal has not been decided by the Commissioner (Appeals), subject to the condition that ⁶¹⁴[ten] per cent of the amount of tax due has been paid by the taxpayer.]

⁶¹⁵[(1A) If any arrears of tax, default surcharge, penalty or any other amount which is adjudged or payable by any person and which cannot be recovered in the manner prescribed above, the Board or any officer authorized by the Board, may, write off the arrears in the manner as may be prescribed by the Board.]

⁶⁰⁹ Clause (ca) inserted by Finance Act, 1999.

⁶¹⁰ Semi-colon and the word ““ and” at the end of clause (e) and thereafter clause (f) inserted by Finance Act, 1997. Earlier it was omitted by Finance Act, 1996. Originally it was inserted by Finance Act, 1994.

⁶¹¹ Word “may” omitted by Finance Act, 2007.

⁶¹² For the full stop a colon substituted and thereafter proviso added through Finance Act, 2017

⁶¹³ Expression inserted by Tax Laws (Amendment) Act, 2024.

⁶¹⁴ Word ten substituted by Finance Act, 2018.

⁶¹⁵ Sub-section (1A) inserted by Finance Act, 2007.

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(2) For the purpose of recovery of tax, penalty or any other demand raised under this Act, the officer of ⁶¹⁶[Inland Revenue] shall have the same powers which under the Code of Civil Procedure 1908 (V of 1908), a Civil Court has for the purpose of recovery of an amount due under a decree.

⁶¹⁷[(3) The provision of sub-sections (1) and (2) shall *mutatis mutandis* apply regarding assistance in collection and recovery of taxes in pursuance of a request from a foreign jurisdiction under a tax treaty, bilateral or a multilateral convention, and inter-governmental agreement or similar agreement or mechanism.]

Chapter-X

MISCELLANEOUS

⁶¹⁸[**49. Sales of taxable activity or transfer of ownership.**--(1) In case of termination of taxable activity or part thereof or its sale or transfer of ownership to a non-registered person, the possession of taxable goods or part thereof by the registered person shall be deemed to be a taxable supply and the registered person shall be required to account for and pay the tax on the taxable goods held by him:

Provided that if the tax payable by such registered person remains unpaid, the amount of unpaid tax shall be the first charge on the assets of the business and shall be payable by the transferee of business.

⁶¹⁹[(2) In the case of sale or transfer of ownership of a taxable activity or part thereof to another registered person as an ongoing concern, the taxable goods or part thereof shall be transferred to the new owner through a zero-rated invoice and the sales tax chargeable thereon shall be accounted for and paid by the registered person to whom such taxable activity or part thereof is transferred.]

⁶²⁰[**49A. Liquidators.** – (1) Every person (hereinafter referred to as a “liquidator”) who is –

- (a) a liquidator of a company;

⁶¹⁶ Substituted for “Sales Tax” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁶¹⁷ New sub-section inserted by Finance Act, 2021.

⁶¹⁸ Section 49 Substituted by Finance Act, 1996

⁶¹⁹ Sub-section (2) substituted through Finance Act, 2016.

⁶²⁰ Section 49A inserted by Finance Act, 2004.

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- (b) a receiver appointed by a Court or appointed out of Court;
- (c) a trustee for a bankrupt; or
- (d) a mortgagee in possession;

shall, within fourteen days of being appointed or taking possession of an asset in Pakistan, whichever occurs first, give written notice thereof to the ⁶²¹[Commissioner]. (2) The ⁴[commissioner] shall, within three months of being notified under sub-section (1), notify the liquidator, in writing, of the amount which appears to the ¹[Commissioner] to be sufficient to provide for any sales tax which is or will become payable by the person whose assets are in the possession of the liquidator.

(3) A liquidator shall not, without leave of the ¹[Commissioner]. Part with any asset held as liquidator until the liquidator has been notified under sub-section (2).

(4) A liquidator: –

- (a) shall set aside, out of the proceeds of sale of any asset by the liquidator, the amount notified by the ¹[Commissioner] under sub-section (2), or such amount as is subsequently agreed to by the ¹[Commissioner]: and
- (b) shall be liable to the extent of the amount set aside for the Sales tax liability of the person who owned the asset.

(5) A liquidator shall be personally liable to the extent of any amount required to be set-aside under sub-section (4) for the tax referred to in sub-section (2) if, and to the extent that, the liquidator fails to comply with the requirements of this section.

(6) Where the proceeds of sale of any asset are less than the amount notified by the ⁶²²[Commissioner] under sub-section (2), the application of sub-sections (4) and (5) shall be limited to the proceeds of sale.

⁶²¹ Substituted for “Collector” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁶²² Substituted for “Collector” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

(7) This section shall have effect notwithstanding anything contained in any other law for the time being in force.]

50. Power to make rules.—⁶²³[(1) The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this Act ⁶²⁴[, including rules for charging fee for processing of return, claims and other documents and for preparation of copies thereof.]

⁶²⁵[(2) All rules made under sub-section (1) or any other provisions of this Act, shall be collected, arranged and published along with general orders and departmental instructions and rulings, if any, at appropriate intervals and sold to the public at reasonable price ⁶²⁶[or may be placed regularly on the official website maintained by the Board.]

⁶²⁷[(50A. **Computerized system.**—(1) The Board may prescribe the use of computerized system for carrying out the purposes of this Act, including the receipt of applications for registration, returns and such other declarations or information required to be provided under this Act and the rules made thereunder, from such date and for such registered persons or class of persons as the Board may, by notification in the official Gazette, specify.

(2) The Board may make rules for regulating the conduct and transaction of business in relation to the submission of returns or other information to the Board by the persons required to transmit or receive any information through the computerized system, including ⁶²⁸[matters such as grant of] authorization, suspension and cancellation of authorization and for security of the information transmitted or received through the computerized system.]

⁶²⁹[(3) Unless otherwise proved, the information received in the computerized system from or on behalf of any registered person shall, for all official and legal purposes, be deemed to have been furnished by and received from such registered person.

(4) The business information gathered through computerized system shall be confidential to be used only for official and legal purposes and no unauthorized person shall claim for any access to such information.]

⁶²³ Brackets and figure inserted by Finance Act, 2008.

⁶²⁴ Comma and words inserted by Finance Act, 1994

⁶²⁵ Sub-section (2) inserted by Finance Act, 2008.

⁶²⁶ Words inserted by Finance Act, 2021.

⁶²⁷ Section 50A inserted by Finance Act, 2006.

⁶²⁸ Substituted for “their” by Finance Act, 2007

⁶²⁹ Sub-section (3) and (4) inserted by Finance Act, 2007.

⁶³⁰[**50B. Electronic scrutiny and intimation.**— (1) The Board may implement a computerized system for the purpose of automated scrutiny, analysis and cross-matching of returns and other available data relating to registered persons and to electronically send intimations to such registered persons about any issue detected by the system.

(2) The intimation sent by the computerized system under sub-section (1) shall be in the nature of an advice or advance notice, aimed at allowing the registered person to clarify the issue, rectify any mistake or take other corrective action before any legal or penal action is initiated.

(3) The computerized system shall be so implemented so as to keep record of the issues detected, intimations sent, responses received and actions taken, and to present such information to the officer of Inland Revenue and to the Board in the prescribed manner.

(4) The Board may prescribe procedures and specifications for the smooth and efficient operation of the computerised system.]

51. Bar of suits, prosecution and other legal proceedings.— (1) No suit shall be brought in any Civil Court to set aside or modify any order passed, any assessment made, any tax levied, any penalty imposed or collection of any tax made under this Act.

(2) No suit, prosecution or other legal proceeding shall lie against the Federal Government or against any public servant in respect of any order passed in good faith under this Act.

⁶³¹[(3) Notwithstanding anything in any other law for the time being in force, no investigation or inquiry shall be undertaken or initiated by any governmental agency against any officer or official for anything done in his official capacity under this Act, rules, instructions or direction made or issued thereunder without the prior approval of the Board.]

52. Appearance by authorised representative.— A registered person required to appear before the Appellate Tribunal or an officer of ⁶³²[Inland Revenue] in connection with any proceedings under this Act may, in writing, authorise any person⁶³³[having such qualification as may be prescribed] to represent him or appear on his behalf.

⁶³⁰ Section 50B inserted by Finance Act 2014

⁶³¹ Sub section (3) inserted by Finance Act, 2004.

⁶³² Substituted for "Sales Tax Act" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁶³³ Words inserted by Sales Tax (Amendment) Ordinance, 2000, dated September 5, 2000

⁶³⁴[**52A. e-intermediaries to be appointed.**— (1) Subject to such conditions, limitations and restrictions, the Board may, by a notification in the official Gazette, appoint a person to electronically file return under Chapter V and such other documents electronically, as may be prescribed from time to time, on behalf of a person registered under section 14.

(2) A person registered under section 14 may authorize an e-intermediary to electronically file return or any other documents, as specified in sub-section (1).

(3) The return or such other documents filed by an e-intermediary on behalf of a registered person shall be deemed to have been filed by that registered person.

(4) Where this Act requires anything to be done by the registered person and if such thing is done by an e-intermediary authorized by the registered person under sub-section (2), unless the contrary is proved, shall be deemed to have been done with the knowledge and consent of such registered person so that in any proceedings under this Act, the registered person shall be liable as if the thing has been done by him.

(5) Where an e-intermediary, authorized by a registered person under sub-section (2) to act on his behalf, knowingly or wilfully submits a false or incorrect information or document or declaration with an intent to avoid payment of tax due or any part thereof or claiming a tax credit or a refund that is not due to the registered person, such e-intermediary shall be jointly and severally responsible for recovery of the amount of tax short paid or the amount refunded in excess as a result of such incorrect or false information or document or declaration, without prejudice to any other action that may be taken against him under the relevant provisions of the law.

(6) The Board may, by notification in the official Gazette, prescribe rules for the conduct and transaction of business of e-intermediaries, including their appointment, suspension and cancellation of appointment, subject to such conditions as specified therein.]

⁶³⁴ Section 52A inserted by Finance Act, 2006.

53. Estate of deceased person.— The tax liability of a deceased registered person under the Act shall be the first charge on his estate in the hands of his successors.

54. Estate in bankruptcy.— (1) If a registered person is declared bankrupt, the tax liability under this Act shall pass on to the estate in bankruptcy if it continues to operate the business.

(2) If tax liability is incurred by an estate in bankruptcy, the tax is deemed to be a current expenditure in the operations of the estate in bankruptcy and shall be paid before the claims preferred by other creditors are settled.

⁶³⁵**[55. Removal of difficulties.**— If any difficulty arises in giving effect to the provisions of this Act or the rules made or notifications issued there under, the Board may through a general order or otherwise, issue instructions or directions, not inconsistent with the provisions of this Act, for such actions to be taken by an officer of Inland Revenue or any other person as it considers necessary or expedient for the purpose of removing the difficulty.]

⁶³⁶**[56. Service of orders; decisions etc.**— (1) subject to this Act , any notice, order or requisition required to be served on a resident individual, other than in a representative capacity for the purposes of this Act shall be treated as properly served on the individual if –

- (a) personally served on the individual or, in the case of an individual under a legal disability or a non-residents individual the representative of the individual;
- (b) sent by register post or courier service specified in clause (b) of sub-section (2) or to the individual's usual or last known address in Pakistan; ⁶³⁷[..]
- (c) served on the individual in the manner prescribed for service of a summons under the code of civil procedure, 1908(Act V of 1908) ⁶³⁸[; or

⁶³⁵ Substituted vide Finance Ordinance, 2001

⁶³⁶ Section 56 substituted vide Finance Act, 2010

⁶³⁷ The words "or" omitted through Finance Act, 2017

⁶³⁸ Semi colon substituted for the full stop and new clause (d) inserted through Finance Act, 2017

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(d) sent electronically through email or to the e-folder maintained for the purpose of e-filing of sales tax-cum-Federal excise returns by the ⁶³⁹[registered person].]

(2) Subject to this Act, any notice order or requisition required to be served on any person, other than a resident individual to whom sub-section (1) applies, for the purposes of this Act, shall be treated as properly served on person if –

- (a) personally served on the representative of the person;
- (b) sent by registered post or courier service to the person's registered office or address for service of notices under this Act, in Pakistan or where the person does not have such office or address, the notice is sent by registered [Post to any office or place of business of the person in Pakistan; ⁶⁴⁰[..]
- (c) served on the Person in the manner prescribed for service of a summons under the code of civil procedure, 1908(Act V of 1908) ⁶⁴¹[; or
- (d) sent electronically through email or to the e-folder maintained for the purpose of e-filing of sales tax-cum-Federal excise returns by the ³[registered person].]

(3) Where an association of persons is dissolved, any notice, order or requisition required to be served under this Act, on the association or a member of the association may be served on any person who was the principal officer or a member of the association immediately before such dissolution.

(4) Where, business stands discontinued, any notice, order or requisition required to be served under this Act, on the person discontinuing the business may be served on the person personally or on any individual who was the person's representative at the time of discontinuance.

(5) The validity of service of a notice under this Act shall not be called into question after the notice has been complied with in any manner.]

⁶³⁹ The words substituted by Finance Act, 2020.

⁶⁴⁰ The words "or" omitted through Finance Act, 2017

⁶⁴¹ Semi colon substituted for the full stop and new clause (d) inserted through Finance Act, 2017

⁶⁴²[**56A. Agreement for the exchange of information** ⁶⁴³[or assistance in recovery of taxes].—(1) The Federal Government may enter into bilateral or multilateral agreements with provincial governments or with governments of foreign countries for the exchange of information, including electronic exchange of information, with respect to sales tax imposed under this Act or any other law of Pakistan and under the corresponding laws of such countries and may, by notification in the official Gazette, make such provisions as may be necessary for implementing such agreements.

⁶⁴⁴[(1A) Notwithstanding anything contained in this Act, the Board shall have power to share data or information including real time data videos, images received under the provisions of this Act with any other Ministry or Division of the Federal Government or Provincial Government, subject to such limitations and conditions as may be specified by the Board.]

(2) The provisions of section 107 of the Income Tax Ordinance, 2001 (XLIX of 2001) shall, *mutatis mutandis*, apply to the provisions of this section.

⁶⁴⁵[(3) The Federal Government may enter into bilateral or multilateral convention, and inter-governmental agreement or similar agreement or mechanism for assistance in the recovery of taxes.]

56AB. Real-time access to information and databases.—(1) Notwithstanding anything contained in any law for the time being in force, including but not limited to the National Database and Registration Authority Ordinance, 2000 (Ordinance VIII of 2000), and the Emigration Ordinance, 1979 (Ordinance XVIII of 1979), arrangements shall be made to provide real-time access of information and database to the Board in the prescribed form and manner by—

- (a) the National Database and Registration Authority with respect to information pertaining to National Identity Card (NIC), Pakistan Origin Card, Overseas Identity Card, Alien Registration Card, and other particulars contained in the Citizen Database;

⁶⁴² Sections 56A, 56B and 56C added by Finance Act, 2015

⁶⁴³ Words inserted by Finance Act, 2021.

⁶⁴⁴ New sub-section (1A) inserted by Finance Act, 2021.

⁶⁴⁵ New sub-section (3) inserted by Finance Act, 2021.

⁶⁴⁶ New section 56AB inserted by Finance Act, 2020.

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- (b) the Federal Investigation Agency and the Bureau of Emigration and Overseas Employment with respect to details of international travel;
- (c) the Islamabad Capital Territory and Provincial and local land record and development authorities with respect to record-of-rights including digitized edition of record-of-rights, periodic record, record of mutations and report of acquisition of rights;
- (d) the Islamabad Capital Territory and Provincial Excise and Taxation Departments with respect to information regarding registration of vehicles, transfer of ownership and other associated record;
- (e) all electricity suppliers and gas transmission and distribution companies with respect to particulars of a consumer, the units consumed and the amount of bill charged or paid:

Provided that where the connection is shared or is used by a person other than the owner, the name and NIC of the owner and the user shall also be furnished:

Provided further that all electricity suppliers and gas transmission and distribution companies shall make arrangements by the 1st day of January, 2021 for allowing consumers to update the ratio of sharing of a connection or the particulars of users, as the case may be; and

- (f) any other agency, authority, institution or organization, notified by the Board.

(2) The Board shall make arrangements for laying the infrastructure for real-time access to information and database under sub-section (1) and aligning it with its own database in the manner as may be prescribed.

(3) Until real-time access to information and database is made available under sub-section (1), such information and data shall be provided periodically in such form and manner as may be prescribed.

(4) Subject to section 56B, all information received under this section shall be used only for tax purposes and kept confidential.]

⁶⁴⁷**[56B. Disclosure of information by a public servant.—**(1) Any information acquired under any provision of this Act shall be confidential and no public servant ⁶⁴⁸[, expert or auditors appointed under section 32B] shall disclose any such information, except as provided under section 216 of the Income Tax Ordinance, 2001 (XLIX of 2001).

(2) Notwithstanding anything contained in sub-section (1) and the Freedom of Information Ordinance, 2002 (XCVI of 2002), any information received or supplied in pursuance of bilateral or multilateral agreements with government of foreign countries for exchange of information under section 56A shall be confidential.]

56C. Prize schemes to promote tax culture.- ¹[(1) The Board may prescribe prize schemes to encourage the general public to make purchases only from registered persons issuing tax invoices.]

⁶⁴⁹[(2) The Board may prescribe procedure for “mystery shopping” in respect of invoices issued by tier-1 retailers integrated with FBR online system randomly and in case of any discrepancy, all the relevant provisions of this Act shall apply accordingly.]

⁶⁵⁰**[57. Rectification of Mistake.—**(1) The officer of Inland Revenue, Commissioner, the Commissioner (Appeals) or the Appellate Tribunal may, by an order in writing, amend any order passed by him to rectify any mistake apparent from the record on his or its own motion or any mistake brought to his or its notice by a taxpayer or, in the case of the Commissioner (Appeals) or the Appellate Tribunal, the Commissioner.

(2) No order under sub section (1) which has the effect of increasing an assessment, reducing a refund or otherwise applying adversely to the taxpayer shall be made unless the taxpayer has been given a reasonable opportunity of being heard.

(3) Where a mistake apparent on the record is brought to the notice of the officer of Inland Revenue, Commissioner or Commissioner (Appeals), as the case may be, and no order has been made under sub section (1), before the expiration of the Financial year next following the date on which the mistake was brought to their notice, the mistake shall be treated as rectified and all the provisions of this Act shall have effect accordingly.

⁶⁴⁷ Section 56B substituted through Finance Act, 2016.

⁶⁴⁸ expression “, expert or auditors appointed under section 32B” inserted through Finance Act, 2025.

⁶⁴⁹ Existing sub-section renumbered as sub-section (1) and new sub-section (2) inserted by Finance Act, 2021.

⁶⁵⁰ Section 57 is substituted by Finance Act, 2013.

(4) No order under sub-section (1) shall be made after five years from the date of the order sought to be rectified.]

⁶⁵¹[**58. Liability for payment of tax in case of private companies or business enterprises.**—(1) Notwithstanding anything contained in the Companies Act, 2017 (XIX of 2017), where any private company or business enterprise is wound up and any tax chargeable on the company or business enterprise, whether before, or in the course, or after its liquidation, in respect of any tax period cannot be recovered from the company or business enterprise, every person who was an owner of, or partner in, or director of, or a shareholder, owning not less than ten per cent of the paid-up capital, in the company or business enterprise, as the case may be, during the relevant period shall jointly and severally with such persons, be liable for the payment of such tax.

(2) Any director or partner who pays tax under sub-section (1) shall be entitled to recover the tax paid from the company or a share of the tax from any other director or partner, as the case may be.

(3) A shareholder who pays tax under sub-section (1) shall be entitled to recover the tax paid from the company or from any other shareholder, owning not less than ten percent of the paid up capital, in proportion to the shares owned by that other shareholder.”; and

(4) The provisions of this Act shall apply to any amount due under this section as if it were tax due under an order for assessment made under this Act.]

⁶⁵²[**58A. Representatives.**— (1) For the purpose of this Act and subject to sub-sections (2) and (3), the expression “representative” in respect of a registered person, means: —

- (a) where the person is an individual under a legal disability, the guardian or manager who receives or is entitled to receive income on behalf, or for the benefit of the individual;
- (b) where the person is a company (other than a trust, a Provincial Government, or local authority in Pakistan), a director or a manager or secretary or agent or accountant or any similar officer of the company;

⁶⁵¹ Section 58 substituted by Finance Act, 2019.

⁶⁵² Section 58A and 58B inserted by Finance Act, 2008

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- (c) where the person is a trust declared by a duly executed instrument in writing whether testamentary or otherwise, any trustee of the trust;
- (d) where the person is a Provincial Government, or local authority in Pakistan, any individual responsible for accounting for the receipt and payment of money or funds on behalf of the Provincial Government or local authority;
- (e) where the person is an association of persons, a director or a manager or secretary or agent or accountant or any similar officer of the association or, in the case of a firm, any partner in the firm;
- (f) where the person is the Federal Government, any individual responsible for accounting for the receipt and payment of moneys or funds on behalf of the Federal Government; or
- (g) where the person is a public international organization, or a foreign government or political sub-division of a foreign government, any individual responsible for accounting for the receipt and payment of moneys or funds in Pakistan on behalf of the organization, government, or political subdivision of the government.

(2) Where the Court of Wards, the Administrator General, the Official Trustee, or any receiver or manager appointed by, or under, any order of a Court receives or is entitled to receive income on behalf, or for the benefit of any person, such Court of Wards, Administrator General, Official Trustee, receiver, or manager shall be the representative of the person for the purposes of this Act.

(3) ⁶⁵³[subject to sub-section (4), where a person is a non-resident person, the representative of the said person for the purpose of this Act, for a financial year in which the relevant tax period falls, shall be any person in Pakistan]: --

- (a) who is employed by, or on behalf of, the non-resident person;
- (b) who has any business connection with the non-resident person;

⁶⁵³ The expression substituted by and Explanation added by Finance Act, 2020.

- (c) from or through whom the non-resident person is in receipt of any income, whether directly or indirectly;
- (d) who holds, or controls the receipt or disposal of any money belonging to the non-resident person;
- (e) who is the trustee of the non-resident person; or
- (f) who is declared by the ⁶⁵⁴[Commissioner] by an order in writing to be the representative of the non-resident person.

¹*[Explanation.—* For the purposes of this sub-section, non-resident person shall have the same meaning assigned thereto under the Income Tax Ordinance, 2001 (XLIX of 2001).]

(4) No person shall be declared as the representative of a non-resident person unless the person has been given an opportunity by the ¹[Commissioner] of being heard.]

58B. Liability and obligations of representatives.— (1) Every representative of a person shall be responsible for performing any duties or obligations imposed by or under this Act on the person, including the payment of tax.

(2) Subject to section 58 and sub-section (5) of this section, any tax that, by virtue of sub-section (1), is payable by a representative of a registered person shall be recoverable from the representative only to the extent of any assets of the registered person that are in the possession or under the control of the representative.

(3) Every representative of a registered person who pays any tax owing by the registered person shall be entitled to recover the amount so paid from the registered person or to retain the amount so paid out of any moneys of the registered person that are in the representative's possession or under the representative's control.

(4) Any representative, or any person who apprehends that he may be assessed as a representative, may retain out of any money payable by him

⁶⁵⁴ Substituted for "Collector" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

to the person on whose behalf he is liable to pay tax (hereinafter in this section referred to as the “principal”), a sum equal to his estimated liability under this Act, and in the event of disagreement between the principal and such a representative or a person as to the amount to be so retained, such representative or person may obtain from the ⁶⁵⁵[Commissioner] a certificate stating the amount to be so retained pending final determination of the tax liability, and the certificate so obtained shall be his authority for retaining that amount.

(5) Every representative shall be personally liable for the payment of any tax due by the representative in a representative capacity if, while the amount remains unpaid, the representative: –

- (a) alienates, charges or disposes of any moneys received or accrued in respect of which the tax is payable; or
- (b) disposes of or parts with any moneys or funds belonging to the person that is in the possession of the representative or which comes to the representative after the tax is payable, if such tax could legally have been paid from or out of such moneys or funds.

(6) Nothing in this section shall relieve any person from performing any duties imposed by or under this Act on the person which the representative of the person has failed to perform.]

⁶⁵⁶[**58C. Inspection of audit firm– Where** in case of a registered person, whose accounts are subject to audit under the Companies Act, 2017 (XIX of 2017), Chief Commissioner Inland Revenue has reason to believe that the audited accounts do not reflect the true and fair view of sales and purchases and related sales tax liability, he or she may with the approval of the Board, refer the audit firm, who has issued audit certificate to that registered person, for inspection to Audit Oversight Board.]

⁶⁵⁷[**59. Tax paid on stocks acquired before registration.**– The tax ⁶⁵⁸[. . .] paid on goods purchased by a person who is subsequently required to be registered under section 14 due to new liabilities or levies or gets voluntary registration under ⁶⁵⁹[this Act or the rules made thereunder], shall be treated as input tax, provided that such goods were purchased by him

⁶⁵⁵ Substituted for “Collector” by Finance Act, 2010 w.e.f. June 5, 2010

⁶⁵⁶ new section 58C inserted through Finance Act, 2025

⁶⁵⁷Section 59 inserted by Finance Act, 1999. Earlier it was omitted by Finance Act, 1997. Earlier it was substituted through Finance Act, 1996.

⁶⁵⁸ Commas and words “, other than the turnover tax” omitted by Finance Act, 2004.

⁶⁵⁹ Substituted for “section 18” by Finance Act, 2004

from a registered person against an invoice issued under section 23 during a period of thirty days before making an application for registration and constitute his verifiable unsold stock on the date of compulsory registration or on the date of application for registration or for voluntary registration:

Provided that where a person imports goods, the tax paid by him thereon during a period of ninety days before making an application for registration shall be treated as an input tax subject to the condition that he holds the bill of entry relating to such goods and also that these are verifiable unsold or un-consumed stocks on the date of compulsory registration or on the date of application for registration or for voluntary registration.]

⁶⁶⁰[**60. Powers to deliver certain goods without** payment of tax.– Subject to such conditions, limitations or restrictions as it thinks fit to impose, ⁶⁶¹[Federal Government] may authorise the ⁶⁶²[import] of goods or class of goods, without payment of the whole or any part of the tax payable thereon to the following persons, namely: –

(i) registered importers importing such goods temporarily with a view to subsequent exportation;

⁶⁶³[(ii) registered manufacturer-cum-exporters who import raw materials and intermediary products for further manufacture of goods meant for export;]

⁶⁶⁴[(iii) ***]

61. Repayment of tax in certain cases.– Subject to such conditions, limitations or restrictions as it thinks fit to impose, the Board may authorise the repayment in whole or in part of the tax paid on ⁶⁶⁵[...] any goods of such class or description as it may determine, which have been used in the production, manufacture, processing, repair or refitting in Pakistan of goods of such class or description as it may determine.

⁶⁶⁶[**61A. Repayment of tax to persons registered in Azad Jammu and Kashmir.**– Subject to such conditions, limitations or restrictions as it may deem fit to impose, the Board may authorize the repayment in whole or in part of the input tax paid on any goods acquired in or imported into Pakistan

⁶⁶⁰ Section 60 Substituted by Finance Act, 1998.

⁶⁶¹ Words substituted by Finance Act, 2018.

⁶⁶² Substituted for “delivery” by Finance Act, 1999.

⁶⁶³ Clause (ii) substituted by the Finance Act, 1999.

⁶⁶⁴ Clause (iii) omitted by Finance Act, 1999.

⁶⁶⁵ Words “the importation of” omitted by Finance Ordinance, 2002

⁶⁶⁶ Section 61A inserted by Finance Act, 2008.

by the persons registered in Azad Jammu and Kashmir as are engaged in making of zero-rated supplies.]

62. Drawback allowable on re-export.— When any goods which have been imported into Pakistan and on which tax has been paid on importation are re-exported outside Pakistan and such goods as are capable of being identified, seven-eighth of such tax shall, except as otherwise hereinafter provided, be repaid as drawback, and the provisions of Customs Act, 1969 (IV of 1969), relating to drawback of customs duties shall, so far as may be apply to such tax, as they apply for the purposes of that Act:

Provided that no such drawback shall be repaid unless the re-export is made within a period of two years from the date of importation as shown in the records of the Custom House:

Provided further that the Board may, on sufficient cause being shown, in any case extend the said period by a further period of one year.

63. Drawback on goods taken into use between importation and re-exportation.— Notwithstanding anything contained in section 62, the repayment of sales tax as drawback in respect of goods which have been taken into use between importation and re-exportation shall be subject to such orders, conditions or limitations as may be passed or imposed by the Board in each case,-

- (a) modifying the amount of tax which shall be repaid as drawback on any such goods or class of goods; or
- (b) prohibiting the repayment of tax as drawback on any such goods or class of such goods; or
- (c) varying the condition for the grant of drawback on any such goods or class of such goods by restricting the period after importation within which the goods must be re-exported.

64. Power to declare what goods are identifiable and to prohibit drawback in case of specified foreign territory.— The Federal Government may, from time to time, by notification in the official Gazette, prohibit the payment of drawback upon the exportation of goods or any specified goods or class of goods to any specified foreign port or territory.

65. Exemption of tax not levied or short levied as a result of general practice.— Notwithstanding anything contained in this Act, if in

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respect of any supply the ⁶⁶⁷[Federal Government] is satisfied that inadvertently and as a general practice: –

- (a) tax has not been charged in any area on any supply which was otherwise taxable, or according to the said practice the amount charged was less than the amount that should have actually been charged;
- (b) the registered person did not recover any tax prior to the date it was discovered that the supply was liable to tax; and
- (c) the registered person started paying the tax from the date when it was found that the supply was chargeable to tax;

It may, by a notification in the official Gazette, direct that the tax not levied or short levied as a result of that inadvertent practice, shall not be required to be paid for the period prior to the discovery of such inadvertent practice.

66. Refund to be claimed within one year.— No refund of tax claimed to have been paid or over paid through inadvertence, error or misconstruction ⁶⁶⁸[or refund on account of input adjustment not claimed within the relevant tax period,] shall be allowed, unless the claim is made within one year of the date of payment ⁶⁶⁹[:]

⁶⁷⁰[Provided that in a case where a registered person did not deduct input tax within the relevant tax period, the ⁶⁷¹[Commissioner] may, after satisfying himself that input tax adjustment is due and admissible, allow the registered person to take such adjustment in the tax period as specified by the ⁴[Commissioner]:]

⁶⁷²[Provided ⁶⁷³[further] that in a case where the refund has become due on account of any decision or judgement of any officer of ⁶⁷⁴[Inland Revenue] or court or the Tribunal, the period of one year shall be reckoned

⁶⁶⁷ Words substituted by Finance Act, 2018.

⁶⁶⁸ Words inserted by Finance Act, 1998.

⁶⁶⁹ Substituted for the full-stop by Finance Ordinance, 2001

⁶⁷⁰ Proviso inserted by Finance Ordinance, 2002.

⁶⁷¹ Substituted for "Collector" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁶⁷² Proviso inserted by Finance Ordinance, 2001.

⁶⁷³ Word inserted by Finance Ordinance, 2002.

⁶⁷⁴ Substituted for "sales tax" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

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from the date of judgement or decision of such officer, court or Tribunal⁶⁷⁵[:J]

Provided further that the application or claim filed under this section shall be disposed of within a period not exceeding ninety days from the date of filing of such application or claim.]

⁶⁷⁶[Provided also that no refund shall be admissible under this section if incidence of tax has been passed directly or indirectly to the consumer.]

⁶⁷⁷**[67. Delayed Refund.]** Where a refund due under section 10 is not made within ⁶⁷⁸[the time specified in section 10 from the date] of filling of ⁶⁷⁹[refund claim], there shall be paid to the claimant in addition to the amount of refund due to him, a further sum equal to ⁶⁸⁰[KIBOR] per annum of the amount of refund due, from the date following the expiry of [the time specified ⁶⁸¹[as aforesaid], to the day preceding the day of payment of refund:

Provided that where there is reason to believe that a person has claimed the refund which is not admissible to him, the provision regarding the payment of such additional amount shall not apply till the investigation of the claim is completed and the claim is either accepted or rejected ⁷[:]

⁶⁸²[Provided further that where a refund due in the consequence of any order passed under section 66 is not made within forty five days of date of such order, there shall be paid to the claimant in addition to the amount of the refund due to him, a further sum equal to KIBOR per annum of the amount of refund, due from the date of the refund order.]

⁶⁸³[67A. Payment of refund through sales tax refund bonds.] (1) Notwithstanding anything contained in section 67, the sales tax refunds payable under this Act may also be paid through sales tax refund bonds to be issued by FBR Refund Settlement Company ⁶⁸⁴[] Limited, in book-entry form through an establishment licensed by the Securities and Exchange Commission of Pakistan as a central depository under the Securities Act,

⁶⁷⁵ Substituted for full stop by Finance Act, 2005

⁶⁷⁶ Proviso inserted by Finance Act, 2011.

⁶⁷⁷ Section 67 substituted by Finance Act, 1996.

⁶⁷⁸ Substituted for "thirty days" by Finance Act, 1997

⁶⁷⁹ Substituted for "return" by Finance Act, 2007

⁶⁸⁰ Substituted for "Six percent" by Finance Act, 2009, earlier the word "six" was substituted for "fourteen" by the Finance Act, 2004, before that it was substituted for "ten" by Finance Supplementary (Amendment) Act, 1997. Which came into force on March 28, 1997, prior to this it was substituted by Sales Tax (Second Amendment) Ordinance 1996, dated 2nd November, 1996.

⁶⁸¹ Substituted for the words and figures "in section 10 from the date" by Finance Act, 2007.

⁶⁸² Colon substituted for full stop and new proviso inserted by Finance Act, 2021.

⁶⁸³ New section 67A inserted by Finance Supplementary (Second Amendment) Act, 2019

⁶⁸⁴ The word "private" omitted by Finance Act, 2019.

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2015, (111 of 2015), in lieu of payment to be made through issuance of cheques or bank debit advice.

(2) The Board shall issue a promissory note to FBR Refund Settlement Company⁶⁸⁵[] Limited, hereinafter referred to as the company, incorporating the details of refund claimants and the amount of refund determined as payable to each for issuance of sales tax refund bonds, hereinafter referred to as the bonds, of the same amount.

(3) The bonds shall be issued in values in multiples of one hundred thousand rupees.

(4) The bonds so issued shall have a maturity period of three years and shall bear annual simple profit at ten per cent.

(5) The bonds shall be traded freely in the country's secondary markets.

(6) The bonds shall be approved security for calculating the statutory liquidity reserve.

(7) The bonds shall be accepted by the banks as collateral.

(8) There shall be no compulsory deduction of Zakat against the bonds and Sahib-e-Nisab may pay Zakat voluntarily according to Shariah.

(9) After period of maturity, the company shall return the promissory note to the Board and the Board shall make the payment of amount due under the bonds, along with profit due, to the bond holders.

(10) The bonds shall be redeemable in the manner as in the preceding sub-section before maturity only at the option of the Board along

⁶⁸⁵ The word "private" omitted by Finance Act, 2019.

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with simple profit payable at the time of redemption in the light of general or specific policy to be formulated by the Board.

(11) The refund under sub-section (1) shall be paid in the aforesaid manner to the claimants who opt for payment in such manner.

(12) The ⁶⁸⁶[Board, with the approval of the Federal Minister-in-charge,] may notify procedure to regulate the issuance, redemption and other matters relating to the bonds, as may be required.]

68. Liability of the registered person for the acts of his agent.–

When any person is expressly or impliedly authorised by a registered person to be his agent for all or any of the purposes of this Act, the registered person shall be responsible for the act done by his agent.

⁶⁸⁷[**69. Issuance of duplicate of sales tax documents.–** An officer of ⁶⁸⁸[Inland Revenue not below the rank of Assistant Commissioner] may, on payment of one hundred rupees, issue an attested duplicate of any sales tax document as is available with the department or has been filed under this Act or rules made thereunder to a relevant registered person applying for the same.]

70. Computation of limitation period.– In computing the period of limitation prescribed for any appeal or application under this Act, the day on which the order complained of was served and, if the concerned person was not furnished with a copy of the order, the time requisite for obtaining a copy of such order shall be excluded.

⁶⁸⁹[**71. Special procedure.–** ⁶⁹⁰[(1)] ⁶⁹¹[The Board] may, by notification in the official Gazette, prescribe special procedure for scope and payment of tax, registration, book keeping and invoicing requirements and returns, etc. in respect of such supplies as may be specified therein.]

⁶⁹²[(2) ***]

⁶⁹³[(3) Notwithstanding anything contained in this Act or any other law for the time being in force or any decision of any court, the trade

⁶⁸⁶ The expression substituted for the words “Federal Government” by Finance Act, 2019.

⁶⁸⁷ Section 69 substituted by the Finance Act, 2008.

⁶⁸⁸ Substituted for the words “Sales Tax not below the rank of Assistant Collector” by the Finance Act, 2010

⁶⁸⁹ Section 71 inserted by Finance supplementary (Amendment) Act, 1997, which came into force on March 28, 1997. Earlier the same amendment was made by Sales Tax (Second Amendment) Ordinance, 1996 and by Sales Tax (Amendment) Ordinance, 1997.

⁶⁹⁰ Section 71 re-numbered as sub-section (1) by Finance Act, 1999

⁶⁹¹ The expression “Notwithstanding anything contained in this Act, the Federal Government” substituted through Finance Act, 2019.

⁶⁹² Sub-section (2) omitted by Sales Tax (Amendment) Ordinance, 1999, dated 13th August, 1999. Earlier inserted by Finance Act, 1999.

⁶⁹³ Sub-section (3) inserted by Finance Act, 1999.

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enrolment Certificate Schemes immediately in force before the commencement of the Finance Act, 1999, shall be deemed to be validly made under this Act.]

⁶⁹⁴[**72. Officers of ⁶⁹⁵[Sales Tax] to follow Board's orders, etc.**— All officers of ⁹[Inland Revenue] and other persons employed in the execution of this Act shall observe and follow the orders, instructions and directions of the Board:

Provided that no such orders, instructions or directions shall be given so as to interfere with the discretion of [officers of ⁶[Inland Revenue] in the exercise of their quasi-judicial functions.]

⁶⁹⁶[**72A Reference to the authorities.**— Any reference to the Collector, Additional Collector, Deputy Collector, Assistant Collector, Superintendent, Senior Auditor and an officer of Sales Tax wherever occur in this Act and rules, notifications, clarifications general orders or order made or issued there under, shall be construed as reference to the Commissioner Inland Revenue, Additional Commissioner Inland Revenue," Deputy Commissioner Inland Revenue, Assistant Commissioner Inland Revenue, Superintendent Inland Revenue, Inland Revenue Audit Officer and an officer of Inland Revenue, respectively.]

⁶⁹⁷[**72B. Selection of audit by the Board.**— (1) The Board may select persons or classes of persons for audit of tax affairs through computer ballot which may be random or parametric as the Board may deem fit.

⁶⁹⁸[(1A) Notwithstanding anything contained in this Act or any other law, for the time being in force, the Board shall keep the selection parameters confidential.]

(2) Audit of tax affairs of persons selected under sub-section (1) shall be conducted as per procedure given in section 25 and all the provisions of this Act shall apply accordingly.

⁶⁹⁴Sub-section (3) inserted by Finance Act, 1999.

⁶⁹⁵ Section 72 inserted by Finance Act, 1998.

⁹Substituted for the Words "Sales Tax" by Finance Act, 2010.

⁶⁹⁶ Substituted for "sales" by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁶⁹⁷ Section 72A inserted by Finance Act, 2010 w.e.f. June 5, 2010. The same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (Amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁶⁹⁸ New sub-section (1A) added through Finance Act, 2019.

(3) For the removal of doubt, it is hereby declared that the Board shall be deemed always to have had, the power to select any persons or classes of persons for audit of tax affairs under this section.]

⁶⁹⁹[**72C. Reward to Inland Revenue Officers and Officials.**— (1) In cases involving concealment or evasion of sales tax and other taxes, cash reward shall be sanctioned to the officers and officials of Inland Revenue for their meritorious conduct in such cases and to the informer providing credible information leading to such detection, as may be prescribed by the Board, only after realization of part or whole of a taxes involve in such cases.

(2) The Board may, by notification in the official Gazette, prescribed the procedure in this behalf and specify the apportionment of reward sanctioned under this section for individual performance or to collective welfare of the officers and officials of Inland Revenue.]

⁷⁰⁰[**72D. Reward to whistleblowers.**-- (1) The Board may sanction reward to whistleblowers in cases of concealment or evasion of tax, tax fraud, corruption or misconduct providing credible information leading to such detection of evasion of tax fraud.

(2) The Board may, by notification in the official Gazette, prescribe the procedure in this behalf and also specify the apportionment of reward sanctioned under this section for whistleblowers.

(3) The claim for reward by the whistleblower shall be rejected, if-

- (a) the information provided is of no value;
- (b) the Board already had the information;
- (c) the information was available in public records; or
- (d) no collection of taxes is made from the information provided from which the Board can pay the reward.

(4) For the purpose of this section, “whistleblower” means a person who reports concealment or evasion of sales tax and tax fraud leading to detection or collection of taxes, fraud, corruption or misconduct, to the competent authority having power to take action against the person

⁶⁹⁹Section 72C substituted by Finance Act, 2013.

⁷⁰⁰Section 72D added by Finance Act, 2015.

or a sales tax authority committing fraud, corruption, misconduct, or involved in concealment or evasion of taxes.]

⁷⁰¹[**73. Certain transactions not admissible.**— (1) Notwithstanding anything contained in this Act or any other law for the time being in force, payment of the amount for a transaction exceeding value of fifty thousand rupees ⁷⁰²[in aggregate to a single supplier in a tax period], excluding payment against a utility bill, shall be made by a crossed cheque drawn on a bank or by crossed bank draft or crossed pay order or any other crossed banking instrument showing transfer of the amount of the sales tax invoice in favour of the supplier from the business bank account of the buyer ⁷⁰³[:]]

⁷⁰⁴[Provided that online transfer of payment from the business account of buyer to the business account of supplier as well as payments through credit card shall be treated as transactions through the banking channel, subject to the condition that such transactions are verifiable from the bank statements of the respective buyer and the supplier.]

⁷⁰⁵[Provided further that adjustments made by a registered person in respect of amounts payable and receivable to and from the same party shall be treated as payments satisfying the provisions of this sub-section subject to following conditions, namely:—

- (a) sales tax has been charged and paid by both parties under the relevant provisions of this Act and rules prescribed thereunder, wherever applicable; and
- (b) the registered person has sought prior approval of the Commissioner before making such adjustments.]

(2) The buyer shall not be entitled to claim input tax credit, adjustment or deduction, or refund, repayment or draw-back or zero-rating of tax under this Act if payment for the amount is made otherwise than in the manner prescribed in sub-section (1), provided that payment in case of a transaction on credit is so transferred within one hundred and eighty days of issuance of the tax invoice.

(3) The amount transferred in terms of this section shall be deposited in the business bank account of the supplier, otherwise the supplier shall not be entitled to claim input tax credit, adjustment or

⁷⁰¹ Section 73 substituted by Finance Act, 2004. Earlier it was substituted by Finance Act, 2003, which was inserted by Tax Laws (Amendments) Ordinance, 1999.

⁷⁰² Words inserted by Finance Act, 2024.

⁷⁰³ Substituted for full stop by Finance Act, 2005.

⁷⁰⁴ Proviso inserted by Finance Act, 2005.

⁷⁰⁵ New proviso inserted by Finance Act, 2021.

deduction, or refund, repayment or draw-back or zero-rating of tax under this Act.

Explanation— For the purpose of this section, the term “business bank account” shall mean a bank account utilized by the registered person for business transactions, declared to the ⁷⁰⁶[Commissioner] in whose jurisdiction he is registered ⁷⁰⁷[through Form STR-1 or change of particulars in registration database.]

⁷⁰⁸[“(4)A registered ⁷⁰⁹[person] shall not be entitled to deduct input tax (credit adjustment or deduction of input tax) which is attributable to such taxable supplies exceeding, in aggregate, ⁷¹⁰[the amount in a financial year or in a tax period, as may be prescribed by the Board, with the approval of Federal Government] as are made to certain person who is not a registered person under this Act:

Provided that the aforesaid shall not apply to supplies made to.—

- (a) Federal / provincial / local Government departments, authorities, etc. not engaged in making of taxable supplies;
- (b) Foreign Missions, diplomats and privileged persons; ⁷¹¹[***]
- (c) all other persons not engaged in supply of taxable goods; ⁴[and]
- ⁷¹²(d) persons or classes of person, specified by the Board through notification in the official Gazette subject to such conditions and restrictions as may be specified therein.]

⁷¹³[**74. Condonation of time-limit.**— Where any time or period has been specified under any of the provisions of the Act or rules made there under within which any application is to be made or any act or thing is to be done, the ⁷¹⁴[Board] may, ⁷¹⁵[at any time before or after the expiry of such time or period,] in any case or class of cases, permit such application to be

⁷⁰⁶ Substituted for “Collector” by Finance Act, 2010 w.e.f. June 5, 2010, the same amendment was made by Finance Amendment) Ordinance, 2010, promulgated as Ordinance no. III of 2010, the same amendment was made by Finance (Amendment) Ordinance, 2010, promulgated as Ordinance No. III of 2010, dated February 6, 2010, published in the official Gazette of Pakistan Extraordinary Part I at pages 23 to 53 and this amendment was made through Finance (amendment) Ordinance, 2009, promulgated as Ordinance No. XXII of 2009, dated October 28, 2009, published in the Gazette of Pakistan Extraordinary Part I at pages 229 to 259.

⁷⁰⁷ Words inserted by Finance Act, 2013.

⁷⁰⁸ New sub-section “(4)” inserted through Tax Laws (Amendment) Act, 2020.

⁷⁰⁹ Word substituted by Finance Act, 2020.

⁷¹⁰ the expression “the amount in a financial year or in a tax period, as may be prescribed by the Board, with the approval of Federal Government” substituted through Finance Act, 2025.

⁷¹¹ Word “and” omitted and the word “and” inserted by Finance Act, 2020.

⁷¹² New clause (d) inserted by Finance Act, 2020.

⁷¹³ Section 74 added by the Finance Ordinance, 2002.

⁷¹⁴ Substituted for the words “Central Board of Revenue” by Finance Act, 2007.

⁷¹⁵ Words added by Finance Act, 2022.

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made or such act or thing to be done within such time or period as it may consider appropriate [:]

Provided that the Board may, by notification in the official Gazette, and subject to such limitations or conditions as may be specified therein, empower any [Commissioner] to exercise the powers under this section in any case or class of cases ⁷¹⁶[:

Provided further that regardless of anything stipulated in this section, or any provision of this Act, or any other applicable law currently in force, and notwithstanding any decision, order or judgement issued by any forum, authority or court, the maximum period of extension under this section by the Board or the Commissioner, as the case may be, shall not exceed two years in aggregate:

Provided also that where there are reasons to believe that significant loss to exchequer or taxpayer has been caused by an act of omission or commission by the registered person or by any authority mentioned in section 30, a committee of members as notified by the Board may further condone the limitation specified for a period as it may deem fit, after providing a reasonable opportunity of being heard to the registered person concerned.

Explanation.— For the purpose of this section, the expression “any act or thing is to be done” includes any act or thing to be done by the registered person or by the authorities specified in section 30 of this Act.]

⁷¹⁷[**74A. Validation.**— ⁷¹⁸[(1) All notifications and orders issued and notified in exercise of the powers conferred upon the Federal Government, before the commencement of Finance Act, ⁷¹⁹[2018] shall be deemed to have been validly issued and notified in exercise of those powers.]

⁷²⁰[(2) Notwithstanding any omission, irregularity or deficiency in the establishment of or conferment of powers and functions on the Directorate General (Intelligence and Investigation), Inland Revenue and authorities specified in section 30A, all orders passed, notices issued and actions taken, before commencement of the Finance Act, 2018, in exercise or purported exercise of the powers and functions of the officers of Inland Revenue under this Act by the Director General (Intelligence and Investigation), Inland

⁷¹⁶ in section 74, in the proviso, for the full stop at the end, a colon substituted and thereafter new provisos added through Finance Act, 2025

⁷¹⁷ Section 74A inserted through Finance Act, 2017

⁷¹⁸ Existing provision numbered as sub-section (1) by Finance Act, 2018.

⁷¹⁹ Figure substituted by Finance Act, 2018.

⁷²⁰ New sub-section (2) added by Finance Act, 2018.

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Revenue or the authorities specified in section 30A shall be deemed to have been validly passed, issued and taken under this Act.]

75. Application of the provisions of Act IV of 1969 to Sales Tax.

Tax.— The Federal Government may, by notification in the official Gazette, declare that any of the provision of the Customs Act, 1969 (IV of 1969), relating to the levy of, and exemption from, customs duties, draw-back of duty, warehousing, confiscation, and procedure relating to offences and appeals shall, with such modifications and alterations as it may consider necessary or desirable to adapt them to the circumstances, be applicable in regard to like matters in respect of the tax imposed by section 3.]

⁷²¹[**76. Fee and service charges.**—³[(1) The ⁷²²“Board with approval of the Federal Minister-in-charge”] may, by notification in the official Gazette, subject to such conditions, limitations or restrictions as it may deem fit to impose, levy fee and service charges for valuation, in respect of any other service or control mechanism provided by any formation under the control of the Board, including ventures of public-private partnership, at such rates as may be specified in the notification.]

⁷²³[(2) The Board may authorize and prescribe the manner in which fee and service charges collected under sub-section (1) shall be expended.]

⁷²⁴[**77. Uniform.**— The Board may, by notification in the official Gazette, prescribe rules for wearing of uniform by officers and staff of Inland Revenue Services.]

⁷²¹ New section 76 added through Finance Act, 2019.

⁷²²Words “Federal Government” substituted through Tax Laws (Amendment) Act, 2020, dated 30-3-2020.

⁷²³ Existing sub-section renumbered as sub-section (1) and new sub-section (2) inserted by Finance Act, 2021.

⁷²⁴ New section 77 added by Finance Act, 2022.

SCHEDULES

The
FIRST SCHEDULE
⁷²⁵[***]

The
SECOND SCHEDULE
⁷²⁶[***]

⁷²⁷[***The***
THIRD SCHEDULE
See ⁷²⁸[clause (a)] of sub-section (2) of section 3]

Serial No.	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
1	Fruit juices and vegetable juices	20.09
2	Ice Cream.	⁷²⁹ [2105.0000]
3	Aerated waters or beverages.	22.01 and 20.02
4	Syrups and squashes.	Respective headings
5	Cigarettes.	2402.2000
⁷³⁰ [6	Toilet soap	3401.1100 and 3401.2000]
⁷³¹ [7	Detergents	⁷³² [Respective heading]
8	Shampoo	3305.1000
9	Toothpaste	3306.1010
10	Shaving cream	3307.1000
11	Perfumery and cosmetics	Respective sub-headings of 33.03 and 33.04.]

⁷²⁵ The first schedule omitted by Finance Supplementary (Amendment) Act, 1997, with effect from March 28, 1997.

⁷²⁶ The Second Schedule omitted by Finance Supplementary (Amendment) Act, 1997, with effect from March 28, 1997.

⁷²⁷ The Third Schedule Substituted by Finance Act, 1998, earlier it was inserted by Finance Act, 1996.

⁷²⁸ Substituted for the words, brackets and letter "clause (c)" by Finance Ordinance, 2002

⁷²⁹ Substituted for the figure "21.05" through Finance Act, 2017

⁷³⁰ Serial No.6 and entries relating thereto substituted by Finance Act, 2005, earlier these were inserted by Sales Tax (Amendment) Ordinance, 2002, dated March 21, 2002.

⁷³¹ Serial No.7 to 11 and entries relating thereto added by Finance Act, 2005

⁷³² Expression substituted by Finance Act, 2022.

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Serial No.	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
⁷³³ [12]	***	
13	***]	
⁷³⁴ [14]	Tea	Respective sub-headings of 09.02
15	Powder drinks	21.06
16	Milky drinks	2106.9090]
⁷³⁵ [17]	Toilet paper and tissue paper	4818.1000 and 4818.2000]
⁷³⁶ [18.]	Spices sold in retail packing bearing brand names and trade marks	09.04, 09.06, 09.08 and 09.10
⁷³⁷ [19.]	***	
20.	***]	
21.	Shoe polish and shoe cream	3405.1010]
⁵ [22.]	***]	
⁷³⁸ [23.]	***	
24.	***	
25.	***	
26.	***	
27.	***	
28.	***	
29.	***	
30.	***	
31.	***]	
⁷³⁹ [32.]	***]	
33.	Cement sold in retail packing	Respective heading
34.	***	
35.	***]	

⁷³³ Serial No.12 to 13 and entries relating thereto omitted by Finance Act, 2008

⁷³⁴ Serial No.14 to 16 and entries relating thereto added by Finance Act, 2005

⁷³⁵ Serial No.17 and entries relating thereto added by Finance Act, 2005

⁷³⁶ Serial No.18 to 21 and entries relating thereto added by Finance Act, 2006

⁷³⁷ Serial No.19 to 20 and entries relating thereto omitted by Finance Act, 2008

⁷³⁸ Serial Nos. 23 to 31, 34 and 35 entries relating thereto omitted by Notification No. S.R.O. 895(I)/2013, dated 4th October, 2013.

⁷³⁹ Serial No. 32 and entries relating thereto omitted by Finance Act, 2022.

Sales Tax Act, 1990

Serial No.	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
⁷⁴⁰ [36.	***]/	
⁷⁴¹ [37.	Mineral/bottled water	Respective headings]
⁷⁴² [38.	Household electrical goods, including air conditioners, refrigerators, deep freezers, televisions, recorders and players, electric bulbs, tube-lights, electric fans, electric irons, washing machines and telephone sets.	Respective headings
39.	Household gas appliances, including cooking range, ovens, geysers and gas heaters.	Respective headings
40.	Foam or spring mattresses and other foam products for household use.	Respective headings
41.	Paints, distempers, enamels, pigments, colours, varnishes, gums, resins, dyes, glazes, thinners, blacks, cellulose lacquers and polishes sold in retail packing	Respective headings
42.	Lubricating oils, brake fluids, transmission fluid, and other vehicular fluids sold in retail packing.	Respective headings
43.	Storage batteries excluding those sold to automotive manufacturers or assemblers	Respective headings
44.	Tyres and tubes excluding those sold to automotive	Respective headings

⁷⁴⁰ Serial Nos. 22 and 36 and entries relating thereto omitted Notification No. S.R.O. 681(I)/2013, dated 26th July, 2013.

⁷⁴¹ New Serial number added through Finance Act, 2016

⁷⁴² Serial numbers 38 up to 49 and entries relating thereto added through Finance Act, 2019.

Serial No.	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	manufacturers or assemblers	
45.	Motorcycles	Respective headings
46.	Auto rickshaws	Respective headings
47.	Biscuits in retail packing with brand name	Respective Headings
48.	Tiles	Respective Headings
49.	Auto-parts, in retail packing, excluding those sold to automotive manufacturers or assemblers	Respective Headings]
743[50.	[***] omitted with effect from the 1 st day of December, 2021	Respective heading]
744[51.	DAP	Respective Headings]
74552.	Import of pet food including of dogs and cats sold in retail packing	2309.1000
53.	Import of coffee sold in retail packing	0901.1100, 0901.1200, 0901.2100, 0901.2200, 0901.9000, 2101.1120
54	Import of chocolates sold in retail packing	1704.9010, 1806.2090, 1806.3100, 1806.3200, 1806.9000
55.	Import of cereal bars sold in retail packing	1904.1010, 1904.1090, 1904.2000, 1904.3000, 1904.9000.”;

The
FOURTH SCHEDULE
⁷⁴⁶[***]

⁷⁴⁷[*The*
FIFTH SCHEDULE
[See section 4]

⁷⁴³Serial number 50 omitted by Finance (Supplementary) Act, 2022 w.e.f 1st day of December, 2021.

⁷⁴⁴New serial number 51 added by Finance Act, 2024.

⁷⁴⁵ in the Third Schedule, after serial number 51, in column (1), the following new serial number and entries relating thereto in columns (2) and (3) added through Finance Act, 2025.

⁷⁴⁶Fourth Schedule omitted by Finance Act, 1998.

⁷⁴⁷Fifth Schedule added by Finance Act, 1996.

Serial No.	Description
(1)	(2)
748[1.	***]
2.	Supply to diplomats, diplomatic missions, privileged persons and privileged organizations which are covered under various Acts, Orders, Rules, Regulations and Agreements passed by the Parliament or issued or agreed by the Government of Pakistan.]
749[3.	***]omitted
750[4.	***]]
751[5.	Supplies of raw materials ⁷⁵² [, components and goods for further] manufacture of goods in the Export Processing Zones.]
754[6.	*****]
753[6A.	***]omitted
754[7.	Supplies made to exporters under the Duty and Tax Remission Rules, 2001 subject to the observance of procedures, restrictions and conditions prescribed therein.]
755[8.	Imports or supplies made to Gawadar Special Economic Zone, excluding vehicles falling under heading 87.02 of the Pakistan Customs Tariff, subject to such conditions, limitations and restrictions as the ⁷⁵⁶ [Board] may impose.]
757[8A.	Imports or supplies made by, for or to a qualified investment as specified at Serial No.1 of the First Schedule to the Foreign Investment (Promotion and Protection) Act, 2022 for the period as specified in the Second Schedule to the said Act.]
[9.	***]omitted

⁷⁴⁸ S. Nos. 1 and 6 and entries relating thereto omitted by Finance Act, 2021.

⁷⁴⁹Serial number 3 and entries relating thereto in column (2) omitted by Finance (Supplementary) Act, 2022.

⁷⁵⁰Serial No. 4 and entry relating thereto omitted by Finance Act, 2012

⁷⁵¹ Serial No. 5 added by the Finance Act, 1997.

⁷⁵² Substituted for the words “and components for” by the Sales Tax (Amendment) Ordinance, 1999

⁷⁵³ Serial number(s) 6A and 9 and entries relating thereto in column (2) omitted by Finance (Supplementary) Act, 2022.

⁷⁵⁴Serial No. 7 added by Finance Ordinance, 2001

⁷⁵⁵ Serial No. 8 and entries relating thereto inserted by Finance Act, 2004

⁷⁵⁶Substituted f Revenue” by Finance Act, 2007

⁷⁵⁷ New serial No. 8A added by the Finance Act, 2023

Sales Tax Act, 1990

Serial No.	Description
(1)	(2)
⁷⁵⁸ [10.	*****]
⁶ [11.	****]
12.	<p>The following goods and the raw materials, packing materials, sub-components, components, sub-assemblies and assemblies imported or purchased locally for the manufacture of the said goods, subject to the conditions, limitations and restrictions as ⁷⁵⁹[prescribed by the Board]:--</p> <p>⁷⁶⁰[(i) to (ix) [.....]]</p> <p>⁷⁶¹[(x) ...</p> <p>(xi) ...</p> <p>(xii) ...</p> <p>(xiii) ...</p> <p>(xiv) ...</p> <p>(xv) ...</p> <p>(xi) ...]</p> <p>(xvii) ⁷⁶²[***]</p> <p>(xviii) ⁷⁶³[***]</p> <p>(xix) ⁷⁶⁴[***] omitted.</p> <p>(xx) [***].</p> <p>(xxi) [***]</p> <p>(xxii) [***]</p> <p>(xxiii) [Exercise books (PCT heading 4820.2000)]</p>

⁷⁵⁸ S. Nos. 10 and 11 and entries relating thereto omitted by Finance Act, 2021.

⁷⁵⁹ Substituted for the word "specified in Chapter XIV of the Sales Tax Special Procedure Rules, 2007" through Finance Act, 2019.

⁷⁶⁰ Serial numbers (i) to (ix) omitted through Finance Act, 2016.

⁷⁶¹ Clauses (x) to (xvi) omitted by Finance Act, 2015

⁷⁶² Clauses (xvii), (xx), (xxi), (xxii), (xxiv), (xxv), (xxvi) and (xxvii) of serial number 12 omitted by Finance Act, 2024.

⁷⁶³ Serial number (xviii) omitted through Finance Act, 2016.

⁷⁶⁴ Clause (xix) omitted by Finance (Supplementary) Act, 2022.

Serial No.	Description
(1)	(2)
	<p>(xxiv) [***] (xxv) [***] (xxvi) [***] (xxvii) [***]</p>
765[13.	<p>Supplies of raw materials, components and goods for further manufacture of goods in the Gwadar Free Zone and export thereof, provided that in case of supply to tariff area of Pakistan, tax shall be charged on the value assessed on the Goods Declaration for import</p>
14	<p>Supplies of locally manufactured plant and machinery of the following specifications, to manufacturers in the Gwadar Free Zone, subject to the conditions, restrictions and procedure given below, namely:–</p> <ul style="list-style-type: none"> (i) plant and machinery, operated by power of any description, as is used for the manufacture or production of goods by that manufacturer. (ii) apparatus, appliances and equipment specifically meant or adapted for use in conjunction with the machinery specified in clause (i). (iii) mechanical and electrical control and transmission gear, meant or adapted for use in conjunction with machinery specified in clause (i). (iv) parts of machinery as specified in clauses (i), (ii) and (iii), identifiable for use in or with such machinery. <p><u>Conditions, restrictions and procedures:–</u></p> <ul style="list-style-type: none"> (a) the supplier of the machinery is registered under the Act; (b) proper bill of export is filed showing registration number; (c) the purchaser of the machinery is an established manufacturer located in the Gwadar Free Zone and holds a certificate from the Gwadar Port Authority to that effect; (d) the purchaser submits an indemnity bond in proper form to the satisfaction of the concerned Commissioner Inland Revenue that the machinery

⁷⁶⁵ New serial numbers 13 and 14 inserted by Finance Act, 2020 shall have effect from the 1st June, 2020.

Sales Tax Act, 1990

Serial No.	Description
(1)	(2)
	<p>shall, without prior permission from the said Commissioner, not be sold, transferred or otherwise moved out of the Gwadar Free Zone before a period of five years from the date of entry into the Zone;</p> <p>(e) if the machinery is brought to tariff area of Pakistan outside Gwadar Free Zone, sales tax shall be charged on the value assessed on the Goods Declaration for import; and</p> <p>(f) breach of any of the conditions specified herein shall attract legal action under the relevant provisions of the Act, besides recovery of the amount of sales tax along with default surcharge and penalties involved.]</p>
⁷⁶⁶ [15.	[***] omitted
⁷⁶⁷ 16.	[***] omitted
⁷⁶⁸ [17.	[***] omitted
[18.	[***] omitted
⁷⁶⁹ [19.	[***]
20.	Petroleum Crude Oil (PCT heading 2709.0000)].
⁷⁷⁰ [21.	[***] omitted

⁷⁶⁶ Serial numbers 15 and 18 omitted by Finance (Supplementary) Act, 2022.

⁷⁶⁷ Serial number(s) 16, 17 and 21 omitted by Finance Act, 2024.

⁷⁶⁸ Serial numbers 17 substituted by Finance Act, 2022.

⁷⁶⁹ Serial number 19 omitted by Finance Act, 2022.

⁷⁷⁰ New serial number 21 added by Finance Act, 2022.

⁷⁷¹[*The*
SIXTH SCHEDULE
[See section 13(1)]

Table-1
(Imports or Supplies)

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
⁷⁷² [1.	***] omitted	
[2.	***] omitted	
[3.	***] omitted	
⁷⁷³ [4.	***	
5.	***	
6.	***	
7.	***	
8.	***	
9.	***	
10.	***]	
[11.	***] omitted	
[12.	***] omitted	
⁷⁷⁴ 13.	***] omitted	
14.	Pulses.	0713.1000, ⁷⁷⁵ [0713.2010, 0713.2020, 0713.2090], 0713.3100, 0713.3200, 0713.3300, 0713.3910, 0713.3920, 0713.3990,

⁷⁷¹Sixth Schedule substituted by Finance Act, 2005. Earlier it was substituted by Finance Act, 1998. Originally it was inserted by Finance Act, 1996.

⁷⁷² Serial number(s) 1,2,3,11 and 12 omitted by Finance (Supplementary) Act, 2022.

⁷⁷³ S. Nos. 4 to10 and entries relating thereto omitted by Finance Act, 2006

⁷⁷⁴ Serial number 13 omitted by Finance Act, 2024.

⁷⁷⁵Substituted for the figure and comma “0713.2000” by the Finance Act, 2009

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
		0713.4010, 0713.4020, 0713.5000, 0713.9010, 0713.9020 and 0713.9090
⁷⁷⁶ [15.]	***]	
16.	Red chillies excluding those sold ⁷⁷⁷ [under] brand names and trademarks.	⁷⁷⁸ [0904.2110] and ⁷⁷⁹ [0904.2210]
17.	Ginger excluding those sold ⁷⁸⁰ [under] brand names and trademarks.	⁷⁸¹ [09.10]
18.	Turmeric excluding those sold ⁷⁸² [under] brand names and trademarks.	0910.3000
⁷⁸³ [19.]	Rice, wheat, wheat and meslin flour	Respective heading]
⁷⁸⁴ [20.]	***]	
⁷⁸⁵ [21.]	***] omitted	
⁷⁸⁶ [22.]	***]	
[23.]	***] omitted	
⁷⁷³ [24.]	***]	
⁷⁸⁷ [25.]	***]	
⁷⁹⁵ [26.]	***]	
⁷⁹⁵ [27.]	***]	
⁷⁸⁸ [28.]	***]	

⁷⁷⁶ Serial number 15 omitted by Finance Act, 2024.

⁷⁷⁷ Word substituted by Finance Act, 2023

⁷⁷⁸ Substituted for PCT heading “0904.2010” by the Finance Act, 2012

⁷⁷⁹ Substituted for PCT heading “0904.2020” by the Finance Act, 2012

⁷⁸⁰ Word substituted by Finance Act, 2023

⁷⁸¹ Substituted for the figure “0910.1000” through Finance Act, 2017

⁷⁸² Word substituted by Finance Act, 2023

⁷⁸³ Serial number 19 substituted by Finance (Supplementary) Act, 2022.

⁷⁸⁴ Serial number 20 omitted by Finance (Supplementary) Act, 2022.

⁷⁸⁵ Serial number(s) 21and 23 omitted by Finance (Supplementary) Act, 2022.

⁷⁸⁶ Serial numbers 22,24,26, 27, 29 and 29C omitted by Finance Act, 2021.

⁷⁸⁷ S. No. 25 and the entries relating thereto omitted by the Finance Act, 2013

⁷⁸⁸ Serial No. 28 and entries relating thereto omitted by Finance Act, 2015

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
⁷⁹⁵ [29.]	***]	
⁷⁸⁹ [29A.]	***	
9B.	***]	
⁷⁹⁵ [29C.]	***]	
⁷⁹⁰ [30.]	***]	
31.	Holy Quran, complete or in parts, with or without translation; Quranic Verses recorded on any analogue or digital media; other Holy books.	⁷⁹¹ [4901.9910, 8523.2100, 8523.2910, 8523.2990, ⁷⁹² [8523.4910], ⁷⁹³ [8523.4920], ⁷⁹⁴ [8523.4190] [...], [...], 8523.4190, 8523.5910, 8523.5990, 8523.8010, 8523.8020 and 8523.8090]
⁷⁹⁵ [32.]	Newsprint and books but excluding brochures, leaflets and directories	Respective headings]
33.	Currency notes, bank notes, shares, stocks and bonds.	⁷⁹⁶ [49.07]
⁷⁹⁷ [34.]	***	
35.	***]	
⁷⁹⁸ [36.]	***]	
⁷⁹⁹ [37.]	***]	
38.	Monetary gold.	⁸⁰⁰ [7108.1390] ⁸⁰¹ [and 7108.2090]
⁸⁰² [39.]	***]	

⁷⁸⁹ S. Nos. 29A and 29B omitted by the Finance Act, 2011

⁷⁹⁰ S. No. 30 omitted by the Finance Act, 2011

⁷⁹¹ Substituted for the words and figures "4901.9910 and respective headings of 85.24" by the Finance Act, 2007

⁷⁹² Substituted for PCT heading "8523.4010" by Finance Act, 2012

⁷⁹³ Substituted for PCT heading "8523.4030" by Finance Act, 2012

⁷⁹⁴ Substituted for PCT heading "8523.4090" by Finance Act, 2012

⁷⁹⁵ Serial number 32 substituted by Finance Act, 2022.

⁷⁹⁶ Substituted for the figure "4907.0000" by Finance Act, 2017

⁷⁹⁷ S. Nos. 34 & 35 omitted by the Finance Act, 2011

⁷⁹⁸ Serial number 36 omitted through Finance Act, 2019.

⁷⁹⁹ Serial number 37 omitted through Finance Act, 2019.

⁸⁰⁰ Substituted for the figure "7108.2000" by Finance Act, 2017

⁸⁰¹ The word and figures added by the Finance Act, 2007

⁸⁰² S. No. 39 and entries relating thereto omitted by Finance Act, 2015

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
803[40.	***]	
804[41.	***	
42.	***	
43.	***	
44.	***]	
45.	Dextrose and saline infusion giving sets ⁸⁰⁵ [***] along with empty non-toxic bags for infusion solution, Dextrose and saline infusion giving sets, Artificial parts of the body, Intra-Ocular lenses and Glucose testing equipment.	9018.3910, 9018.3920, 9021.3100, ⁸⁰⁶ [9021.3900] and ⁸⁰⁷ [Respective headings]
808[46.	***]	
47.	Import of articles of household and personal effects including vehicles and also the goods for donation to projects established in Pakistan imported by any of the rulers of Gulf Sheikhdoms who is in possession of residential accommodation in Pakistan and goods including vehicles by the United Arab Emirates dignitaries as are listed in column (2) against heading No. 99.05 in column (1) of the First Schedule to the Customs Act, 1969 (IV of 1969) for their personal use and for donation to welfare projects established in Pakistan subject to the similar conditions as are	99.05

⁸⁰³ S. No. 40 omitted by the Finance Act, 2006

⁸⁰⁴ S. Nos. 41 to 44 omitted by the Finance Act, 2011

⁸⁰⁵ The word "imported" omitted by the Finance Act, 2007

⁸⁰⁶ Substituted for the figures "9201.3900" by the Finance Act, 2007

⁸⁰⁷ Words substituted by Finance Act, 2022.

⁸⁰⁸ Serial number 46 omitted by Finance (Supplementary) Act, 2022.

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	envisaged for the purposes of applying zero-rate of customs duty on such goods under the said Act.	
48.	Goods imported or supplied under grants-in-aid for which a specific consent has been obtained from the ⁸⁰⁹ [Board]; supplies and imports under agreements signed by the Government of Pakistan before the 30th June, 1996, provided the agreements contained the provision for exemption of tax at the time of signing of agreement.	99.03
⁸¹⁰ [49.	***] omitted	
[50.	***] omitted	
[51.	***] omitted	
[52.	***] omitted	
[52A.	***] omitted	
[53.	***] omitted	
[54.	***] omitted	
[55.	***] omitted	
⁸¹¹ [56.	Omitted.]	
[57.	***] omitted	

⁸⁰⁹ Substituted for the words "Central Board of Revenue" by Finance Act, 2007

⁸¹⁰ Serial number(s) 49 to 57 and 58 omitted by Finance (Supplementary) Act, 2022.

⁸¹¹ Serial No. 56 and entries relating thereto omitted by Finance Act, 2015

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
[58.]	***] omitted	
59.	Artificial kidneys, eye cornea, hemodialysis machines, hemodialyzers, A.V. fistula needles, hemodialysis fluids ⁸¹² [,] and powder, blood tubing tines for dialysis and reverse osmosis plants for dialysis, double lumen catheter for dialysis, catheter for renal failure patient and peritoneal dialysis solution, ⁸¹³ [cochlear implants systems] and angioplasty equipment (balloons, catheters, wires and stents), subject to the similar conditions and procedures as are envisaged for the purpose of applying zero-rate of customs duty on these goods under the Customs Act, 1969 (IV of 1969).	99.24 ⁸¹⁴ [, 99.25 ⁸¹⁵ [,99.37] and 99.38]
⁸¹⁶ [60.]	***] omitted	
[61.]	***] omitted	

⁸¹² Substituted for the word "and" by the Finance Act, 2008

⁸¹³ The comma and words inserted by the Finance Act 2014

⁸¹⁴ Substituted for the word and figures "and 99.25" by the Finance Act, 2008

⁸¹⁵ The comma and figure inserted by the Finance Act 2014

⁸¹⁶ Serial number(s) 60, 61 and 63 omitted by Finance (Supplementary) Act, 2022.

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
8 ¹⁷ [62.	***]	
[63.	***] omitted	
8 ¹⁸ [64.	***	
65.	***	
66.	***	
67.	***	
68.	***	
69.	***	
70.	***.]	
8 ¹⁹ [71.	***] omitted	
[72.	***] omitted	
8 ²⁰ [73.	***]	
73A.	***]	
74.	***]	
75.	***]	
76.	***]	
77.	***]	
78.	***]	
79.	***]	
80.	***]	
[81.	***] omitted	
82.	***]	
83.	***]	
[84.	***] omitted	
8 ²¹ [85.	***]	
8 ²² 86.	***] omitted	
87.	***] omitted	
88.	***] omitted	
89.	Exercise books	4820.2000
90.	***] omitted	
91.	***]	
[92.	***] omitted	

⁸¹⁷ S. No. 62 omitted by the Finance Act, 2011

⁸¹⁸ S. Nos. 64 to 70 omitted by the Finance Act, 2011

⁸¹⁹ Serial number(s) 71, 72, 81, 84 and 92 omitted by Finance (Supplementary) Act, 2022.

⁸²⁰ Serial numbers 73 to 80, 82, 83 and 85 omitted by Finance Act, 2021.

⁸²¹ Serial numbers 85, 91 and 93 omitted by Finance Act, 2021.

⁸²² Serial numbers 86, 87, 88, 90 and 96 omitted by Finance Act, 2024.

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
93	***]	
94.	Wheelchairs	8713.1000 and 8713.9000
⁸²³ [95.	***]	
96.	***] omitted	
⁸²⁴ 97.	***] omitted	
98.	***] omitted	
⁸²⁵ [99.	***] omitted	
100.	Construction materials to ⁸²⁶ [Gwadar] Export processing Zone's investors and to Export Processing Zone ³ [Gwadar] for development of Zone's infrastructure	Respective headings
⁸²⁷ [100 A	Materials and equipment ⁸²⁸ [(plant, machinery, equipment, appliances and accessories)] for construction and operation of ³ [Gwadar] Port and development of Free Zone for ³ [Gwadar] Port as imported by or supplied to China Overseas Ports Holding Company Limited (COPHCL) and its operating companies namely (i) China Overseas Ports Holding Company Pakistan (Private) Limited (ii) Gwadar International Terminal Limited, (iii) Gwadar Marin Services Limited and (iv) Gwadar Free Zone Company	Respective Headings

⁸²³ Serial number 95 and entries relating thereto is omitted through Finance Act, 2019.

⁸²⁴ **Serial numbers 97 and 98 omitted by Finance Act, 2024.**

⁸²⁵ Serial number 99 omitted by Finance (Supplementary) Act, 2022.

⁸²⁶ Spellings of “Gawadar” corrected as “Gwadar” by Finance Act, 2017

⁸²⁷ New serial numbers 100A & 100B added through Finance Act, 2016.

⁸²⁸ The expression inserted through Finance Act, 2017

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>Limited, their contractors and sub-contractors; and Ship Bunker Oils bought and sold to the ships calling on/visiting ³[Gwadar] Port, ⁸²⁹[by the aforesaid operating companies] having Concession Agreement with the Gwadar Port Authority, for a period of forty year, subject to the following conditions and procedure, namely,—</p> <p>(A). Conditions and procedure for imports.—</p> <p>(i) This exemption shall be admissible only to China Overseas Ports Holding Company Limited (COPHCL) and its operating companies, their contractors and sub-contractors which hold the Concession Agreement;</p> <p>(ii) Ministry of Ports and Shipping shall certify in the prescribed manner and format as per Annex-I that the imported materials and equipments are bonafide requirement for construction and operation of ⁸³⁰[Gwadar] Port and development of Free Zone for ¹[Gwadar] Port. The authorized</p>	

⁸²⁹ The expression inserted by Finance Act, 2020 shall have effect from the 1st June, 2020.

⁸³⁰ Spellings of “Gawadar” corrected as “Gwadar” by Finance Act, 2017

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>officer of that Ministry shall furnish all relevant information online to Pakistan Customs against a specific user ID and password obtained under section 155D of the Customs Act, 1969 (IV of 1969). In already computerized Collectorate or Customs station, where the computerized system is not operational, the Project Director or any other person authorized by the Collector in this behalf shall enter the requisite information in the Customs Computerized System on daily basis, whereas entry of the data obtained from the customs stations which have not yet been computerized shall be made on weekly basis, provided that this condition shall not apply to ship bunker oils; and</p> <p>(iii) The goods so imported ⁸³¹[and also those already imported under Notification No. S.R.O. 115(I)/2008, dated</p>	

⁸³¹ The expression inserted and words substituted by Finance Act, 2020 shall have effect from the 1st June, 2020.

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>the 6th February, 2008] shall not be sold or disposed of without prior approval of the FBR and payment of sales tax leviable at the ¹[applicable rate on residual value], provided that this condition shall not apply to ship bunker oils.</p> <p>(B). Conditions and procedure for local supply.—</p> <p>(i) This exemption shall be admissible only to China Overseas Ports Holding Company Limited (COPHCL) and its operating companies, their contractors and sub-contractors which hold Concession Agreement;</p> <p>(ii) for claiming exemption on goods which are otherwise taxable in Pakistan, the operating companies will purchase the materials and equipment for the construction of</p>	

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>⁸³²[Gwadar] Port and development of Free Zone for ¹[Gwadar] Port from the sales tax registered persons only;</p> <p>(iii) invoice of the exempt supply, containing the particulars required under section 23 of the aforesaid Act, shall for each supply be issued by the registered person to the operating company mentioning thereon that the said invoice is being issued under this notification;</p> <p>(iv) a monthly statement summarizing all the particulars of the supplies made in the month against invoices issued to the operating companies shall be prepared in triplicate by the registered persons making the exempt supplies and shall be signed by the authorized person of the</p>	

⁸³² Spellings of "Gawadar" corrected as "Gwadar" by Finance Act, 2017

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>registered person. All three copies of the said signed monthly statement shall be got verified by the registered person from the person authorized to receive the supplies in the office of operating company, confirming that supplies mentioned in the monthly statement have been duly received;</p> <p>(v) after verification from the operating company, original copy of the monthly statement will be retained by the registered person, duplicate by the operating company and the triplicate provided by the registered person to the Collector of Sales Tax having jurisdiction, by twentieth day of the month following the month in which exempt supplies to the operating companies were made; and</p>	

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	(vi) the registered person making the exempt supplies shall keep the aforesaid record for presentation to the sales tax department as and when required to do so.	
¹ [100B]	Supplies made by the businesses to be established in the Gwadar Free Zone for a period of twenty-three years within the Gwadar Free Zone, subject to the condition that the sales and supplies outside the Gwadar Free Zone and into the territory of Pakistan shall be subjected to sales tax.	Respective headings
⁸³³ [100C]	Vehicles imported by China Overseas Ports Holding Company Limited (COPHCL) and its operating companies namely (i) China Overseas Ports Holding Company Pakistan (Private) Limited (ii) Gwadar International Terminal Limited, (iii) Gwadar Marine Services Limited and (iv) Gwadar Free Zone Company Limited, for a period of twenty-three years for construction, development and operations of Gwadar Port and Free Zone Area subject to limitations,	Respective headings

⁸³³ New S.No. 100C and entries relating thereto inserted through Finance Act, 2017

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	conditions prescribed under PCT heading 9917 (3)]	
8 ³⁴ [100 D	Machinery, equipment, materials and goods imported either for exclusive use within the limits of Gwadar Free Zone, or for making exports therefrom, subject to the conditions that such machinery, equipment, materials and goods, are imported by investors of Gwadar Free Zone, and all the procedures, limitations and restrictions as are applicable on such goods under the Customs Act, 1969 (Act IV of 1969) and rules made thereunder shall, <i>mutatis mutandis</i> , apply provided that if any of such goods is taken out of the Zone for purpose other than the export, the tax on the same shall be paid by the importer.]	Respective headings
8 ³⁵ [101.	***]	
8 ³⁶ [102.	***] omitted	
8 ³⁷ [103.	***]	
[104.	***] omitted	
[105.	***] omitted	
8 ³⁸ [106.	***]	
107.	Import and supply of iodized salt bearing brand names and	2501.0010

⁸³⁴ New serial number 100D inserted by Finance Act, 2020 shall have effect from the 1st June, 2020.

⁸³⁵ Serial number 101 omitted by Finance Act, 2021.

⁸³⁶ Serial number(s) 102, 104 and 105 omitted by Finance (Supplementary) Act, 2022.

⁸³⁷ Serial number 103 omitted by Finance Act, 2021.

⁸³⁸ Serial numbers 106 and 108 omitted by Finance Act, 2021.

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	trademarks whether or not sold in retail packing.	
[108.]	[***]	
839[109.]	[***] omitted	
[110.]	[***] omitted	
111.	840[.....] omitted	[.....]
112.	<p>Following cardiology/cardiac surgery, neurovascular, electrophysiology, endosurgery, endoscopy, oncology, urology, gynaecology, disposables and other equipment:--</p> <p>A. ANGIOPLASTY PRODUCTS</p> <ol style="list-style-type: none"> 1. Coronary Artery Stents 2. Drugs Eluting Coronary Artery Stents 3. Coronary Artery Dilatations Catheters (Balloons) 4. PTCA Guide Wire 5. PTCA Guiding Catheters 6. Inflation Devices/Priority Packs 7. 841[Optical Coherence Technology (OCT) System 8. OCT Catheters 9. Intravascular Ultrasound (IVUS) 10. Fractional Flow Reserve (FFR/IFR) System 	Respective headings

⁸³⁹ Serial number(s) 109 and 110 omitted by Finance (Supplementary) Act, 2022.

⁸⁴⁰ Serial No. 111, expression "White crystalline sugar" omitted through Finance Act, 2016.

⁸⁴¹ New sub-serial No(s) 7 to.25 under entry A of S.No. 112 and entries relating thereto added by Finance Supplementary (Amendment) Act, 2018.

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>11. IVUS/FFR/IFR Catheters and wires</p> <p>12. Support Micro Catheters (Straight and Angled)</p> <p>13. Drug Coated Angioplasty Balloon</p> <p>14. Coronary and Peripheral Micro Coils</p> <p>15. Thrombectomy Device</p> <p>16. Thrombus Aspiration Catheters</p> <p>17. Covered Stents (Coronary/Peripheral)</p> <p>18. Vessel Closure Devices</p> <p>19. Embolic Protection Devices</p> <p>20. Renal Stents</p> <p>21. Vena-cava Filters</p> <p>22. Coronary and Peripheral Snares</p> <p>23. Atherectomy Devices</p> <p>24. IABP Consoles & Catheters</p> <p>25. Intracardiac Echocardiography Machine & Catheters]</p> <p>B. ANGIOGRAPHY PRODUCTS</p> <p>1. Angiography Catheters</p> <p>2. Sheaths</p> <p>3. Guide Wires</p> <p>4. Contrast Lines</p> <p>5. Pressure Lines</p> <p>6. Mannifolds</p>	

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>7. ⁸⁴²[Wrist Bands for Radial Vessel Closure]</p> <p>C. CONTRAST MEDIA FOR ANGIOGRAPHY/ANGIOPLASTY</p> <ol style="list-style-type: none"> 1. Angiography Accessories 2. ASD Closure Devices 3. ASD Delivery Systems 4. VSD Closure Devices 5. VSD Delivery System 6. Guide Wires 7. Sizing Balloons 8. Sizing Plates 9. PDA Closure Devices 10. PDA Delivery System <p>D. TEMPORARY PACEMAKERS (with leads, connectors and accessories)</p> <p>E. PERMANENT PACEMAKER. (with leads, connectors and accessories)</p> <p>F. HEART FAILURE DEVICES (with leads, connectors and accessories)</p> <p>G. IMPLANTABLE CARDIOVERTERS</p>	

⁸⁴² New sub-serial No. 7 under entry B of S.No. 112 and entries relating thereto added by Finance Supplementary (Amendment) Act, 2018.

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>(with leads, connectors and accessories)</p> <p>H. CARDIAC ELECTRO-PHYSIOLOGY PRODUCTS</p> <ol style="list-style-type: none"> 1. Electrophysiology catheters 2. Electrophysiology cables 3. Electrophysiology connectors 4. ⁸⁴³[Excimer Laser System with Accessories 5. Laser Sheath, Occlusion Balloons, Dilator Sheaths (Rotation & Manual) 6. Intra Cardiac Echocardiography (ICE) System and Accessories 7. Lead Locking Devices and Accessory Kit 8. Remote EP Monitoring Device and Accessories 9. Ablation catheters 10. 3-D Cardiac Mapping System 11. Cryoballoon System and Accessories] <p>I. LEAR CARDIOLOGY PRODUCTS</p> <ol style="list-style-type: none"> 1. Radioactive isotopes 	

⁸⁴³ New sub-serial No(s) 4 to 11 under entry H of S.No. 112 and entries relating thereto added by Finance Supplementary (Amendment) Act, 2018.

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>I. Cold kits (cardiolotic MAA, DTPA etc.)</p> <p>J. CARDIAC SURGERY PRODUCTS</p> <ol style="list-style-type: none"> 1. Oxygenators 2. Cannulas 3. Prosthetic Heart Valves 4. Luminal shunts for heart surgery 5. Artificial limbs and appliances 6. ⁸⁴⁴[High-Flow, Low-Profile Percutaneous Heart Pump PHP Console and Catheters 7. Tandem Heart / Tandem Lung and Accessories 8. Ventricular Assist Device System <ul style="list-style-type: none"> (a) Heart Mate-II (b) Heart Mate-III (c) Centri Meg LEOV 9. Beating Heart Surgery stabilizers & Coronary Shunts 10. Minimally invasive surgery equipment & Instruments 11. RF Ablation equipment for AF (Surgical) 12. Heart Lung Machines] 	

⁸⁴⁴ New sub-serial No(s) 6 to 12 under entry J of S.No. 112 and entries relating thereto added by Finance Supplementary (Amendment) Act, 2018.

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>K. EQUIPMENT</p> <ol style="list-style-type: none"> 1. Cardiac Angiography Machine 2. Echocardiography Machines 3. ETT Machines 4. Gamma Camera for Nuclear Cardiology Studies 5. ⁸⁴⁵[Left Ventricular Assist Device / System (LVAD) and Catheters 6. MitraClipTranscatheter Mitral Valve System 7. MitraClip Guide Catheter, Clip and Delivery System 8. Patent Foramen Ovale (PFO) Closure Device 9. Left Atrial Appendage (LAA) Occluder 10. Transcatheter Aortic / Heart Valve System (TAVI/TAVR) 11. Cerebral Retrievable Stents 12. Aortic Stent Grafts 13. Embolization Coils, Delivery System, Filling Coil 14. Abdominal Aortic Aneurysm (EVAR) System and Accessories/ thoracic EVAR/ extension 	

⁸⁴⁵ New sub-serial No(s) 5 to 18 under entry K of S.No. 112 and entries relating thereto added by Finance Supplementary (Amendment) Act, 2018.

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>15. Insertable Cardiac Monitor (ICM)</p> <p>16. Carotid Stents</p> <p>17. Vascular Clips</p> <p>18. MRI Compatible Cardiac Monitor, Infusion Pump, Anesthesia Machine with Accessories]</p> <p>L. PERIPHERAL INTERVENTIONS EQUIPMENT</p> <p>Disposables and other equipment for peripheral interventions including stents (including carotid and wall stents), balloons, sheaths, catheters, guide wires, filter wires, coils, needles, valves (including rotating homeostatic valves), connecting cables, inflation devices adapters</p> <p>⁸⁴⁶“Drug Eluting Peripheral Stents”].</p>	
⁸⁴⁷ [113.	***] omitted	
[114.	***[omitted	
⁸⁴⁸ [115.	***]	
[116.	***] omitted	
[117.	***] omitted	
⁸⁴⁹ 118.	[omitted]	[.....]
119.	⁸⁵⁰ [.....] omitted	[.....]

⁸⁴⁶ Words “Drug Eluting Peripheral Stents” under entry L of S.No. 112 added by Finance Supplementary (Amendment) Act, 2018.

⁸⁴⁷ Serial number(s) 113, 114, 116, and 117 omitted by Finance (Supplementary) Act, 2022.

⁸⁴⁸ Serial number 115 omitted by Finance Act, 2021.

⁸⁴⁹ S.No. 118 omitted by Finance Supplementary (Second Amendment) Act, 2019

⁸⁵⁰ Serial No. 119, expression “Tubular day..” omitted through Finance Act, 2016.

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
⁸⁵¹ 120.	***]	
121.	Blood Bag CPDA-1 with blood transfusion set pack in aluminium foil with set. ⁸⁵² [Explanation.— For removal of doubt, it is clarified that the blood transfusion sets not packed in aluminum foil imported with blood bags CPDA-1, in corresponding quantity in same consignment are also exempt]	Respective headings
122.	Urine drainage bags	Respective headings
⁸⁵³ [123.	***]	
[124.	***]	
[125.	***]	
⁸⁵⁴ [126.	***] omitted	
127.	***] omitted	
⁸⁵⁵ [128.	***]	
129.	***] omitted	
⁸⁵⁶ [130.	***] omitted	
[131.	***] omitted	
[132.	***] omitted	
133.	Pesticides and their active ingredients registered by the Department of Plant Protection under the Agricultural Pesticides Ordinance, 1971(II of 1971), stabilizers,	38.08

⁸⁵¹ Serial number 120 omitted by Finance Act, 2024.

⁸⁵² Explanation added by Finance Act, 2023

⁸⁵³ Serial numbers 123 to 125 omitted by Finance Act, 2021.

⁸⁵⁴ Serial number(s) 126, 127 and 129 omitted by Finance (Supplementary) Act, 2022.

⁸⁵⁵ Serial number 128 omitted by Finance Act, 2021.

⁸⁵⁶ Serial number(s) 130 to 132 omitted by Finance (Supplementary) Act, 2022.

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	emulsifiers and solvents, namely:–	
	Xylol (xylenes)	2707.3000
	- Beta Pinene / Agrotin 527 / Terpenic derivative	2902.1990
	Toluene	2902.3000
	Mixed xylene isomers	2902.4400
	Naphthalene	2902.9010
	Solvesso-100, 150, 200	2902.9090
	⁸⁵⁷ [..]	³ [..]
	⁸⁵⁸ [..]	⁴ [..]
	Methanol (methyl alcohol)	2905.1100
	Propylene glycol (propane-1, 2-diol)	2905.3200
	- Adhesives Polyvinyl Acetate	2905.4900
	- Polyvinyl Alcohol	
	Ingredients for pesticides	2906.2910
	Other ingredients for pesticides	2906.2990
	- Solvenon MP / 1-Methoxy 2-Propanol	2909.4910
	- Methylglycol Acetate	
	Methanal (formaldehyde)	2912.1100
	Cyclo-hexanone and methyl-cyclo-hexanones	2914.2200
	- Cyclohexanon	2914.2990
	- Cyclohexanone Mixed petroleum Xylene (1,2 & 1,3 & 1,4 dimethyl benzene and ethyle benzene)	
	Acetic anhydride	2915.2400
	Ingredients for pesticides	2916.3920
	Diocyl orthophthalates	2917.3200

⁸⁵⁷ The words “ingredients for pesticides” and the figure “2903.3040” omitted by Finance Act, 2017

⁸⁵⁸ The words “Cadusafos Technical Material” and figure “2903.6900” omitted by Finance Act, 2017

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	859[..]	¹ [..]
	860[..]	² [..]
	861[..]	³ [..]
	Endosulfan Technical Material	2920.9020
	Other ingredients for pesticides	2920.9090
	Diethylamine and its salts	2921.1200
	Ingredients for pesticides	2921.4310
	Other Ingredients for pesticides	2921.4390
	Ingredients for pesticides	2921.5110
	862[..]	¹ [..]
	Dimethyl Formamide (DMF)	2924.1990
	863[..]	² [..]
	Other Ingredients for pesticides	2924.2990
	Alpha cyano, 3-phenoxybenzyl (-) cis, trans 3-(2,2-diclord vinyl) 2,2 dimethyl cyclopropane carboxylate	2926.9010
	(S) Alpha cyano, 3- phenoxybenzyl (S)-2-(4, chloro phenyl)-3 mehtyl butyrate	2926.9020
	Cyano, 3-phenony benzyl 2,2,3,3 tetra methyl cyclopropane carboxalate	2926.9030
	- Cypermethrin, Alpha Cypermethrin, Beta- Cypermethrin, Zeta- Cypermethrin, Lambda Cylalothrin, Deltamethrin, Fenpropathrin, Esfenvalerate, Bifenthrin Technical Material- Acetamiprid, Imidacloprid Technical Material-	2926.9050

⁸⁵⁹ The words “ingredients for pesticides” and the figure “2918.9010” omitted by Finance Act, 2017

⁸⁶⁰ The words “ingredients for pesticides” and the figure “2919.0010” omitted by Finance Act, 2017

⁸⁶¹ The words “other ingredients for pesticides” and the figure “2919.0090” omitted by Finance Act, 2017

⁸⁶² The words “Diethylamine and its salts” and the figure “2922.1300” omitted by Finance Act, 2017

⁸⁶³ The words “ingredients for pesticides” and the figure “2924.2930” omitted by Finance Act, 2017

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	Monomehypo, Chlorothalonil Technical Material- Bromoxynil Technical Material	
	Other nitrite compounds- Cyfluthrin, Beta Cyfluthrin Technical Material	2926.9090
	2-N, N-Dimethyl amino-I sodium thiosulphate, 3-thiosulfourpane	2930.2010
	Ingredients for pesticides	2930.2020
	2- N,N-dimethyamino 1,3 disodium thiosulphate propane	2930.9010
	Other organosulphur compounds - Ethion, Methamidophos Technical Material - Dimethylsulfoxid	⁸⁶⁴ [Respective headings]
	Ingredients for pesticides	⁸⁶⁵ [Respective headings]
	Other Ingredients for pesticides	⁸⁶⁶ [Respective headings]
	Ingredients for pesticides	⁸⁶⁷ [Respective headings]
	2,3 Dihydro 2-2 dimethyl-7 benzo furanyl methyl-carbamate	2932.9910
	Other ingredients for pesticides - Carbosulfan Technical Material	2932.9990
	Fipronil	2933.1900
	Ingredients for pesticides	⁸⁶⁸ [Respective headings]
	Other Ingredients for pesticides	2933.3990
	- Chlorpyrifos, Triazophos, Diazinon Technical Material	2933.5950

⁸⁶⁴ For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁶⁵ For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁶⁶ For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁶⁷ For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁶⁸ For expression, words “respective headings” substituted by Finance Act, 2022.

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	Other Ingredients for pesticides	2933.5990
	Pyrimethanine	2933.6910
	Ingredients for pesticides	2933.6940
	- Atrazine Technical Material	2933.6990
	Isatin (lactam of istic acid)	2933.7910
	1-Vinyl-2-pyrrol-idone	2933.7920
	- Triazophos Technical Material	2933.9910
	Ingredients for pesticides	2934.1010
	Ingredients for pesticides	2934.9920
	-Methyl benzimidazol – 2 – ylcarbamate.	2938.9010
	-Dicopper chloride trihydroxide	
	Ingredients for pesticides	⁸⁶⁹ [2939.8010]
	- Abamectin, Emamectin Technical Material	⁸⁷⁰ [Respective headings]
	Other Ingredients for pesticides	2941.9090
	Sulphonic acid (Soft)	⁸⁷¹ [Respective headings]
	Other surface active agents	⁸⁷² [Respective headings]
	Catonic	⁸⁷³ [Respective headings]
	Non ionic surface active agents	⁸⁷⁴ [Respective headings]
	Other organic surface active agents	⁸⁷⁵ [Respective headings] 3402.9000
	Chemical preparations	⁸⁷⁶ [3824.9999]
	Solvent C-9	2707.5000
	⁸⁷⁷ [White spirit	2710.1240
	Solvent oil	2710.1250]
⁸⁷⁸ [134.	***] omitted	
[135.	***] omitted	

⁸⁶⁹ Substituted for the figure “2939.9910” by Finance Act, 2017

⁸⁷⁰ For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁷¹ For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁷² For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁷³ For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁷⁴ For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁷⁵ For expression, words “respective headings” substituted by Finance Act, 2022.

⁸⁷⁶ Substituted for the figure “3824.9099” by Finance Act, 2017

⁸⁷⁷ New entries inserted by Finance Act, 2021.

⁸⁷⁸ Serial number(s) 134 to 136 omitted by Finance (Supplementary) Act, 2022.

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
[136.	***] omitted	
⁸⁷⁹ [137.	Paper weighing 60 g/m ² , art paper, printing paper and art card for printing of Holy Quran imported by Federal or Provincial Governments and Nashiran-e-Quran as per quota determined by IOCO	4802.5510, 4810.1990, 4810.1910, 4802.6990 and 4810.2900.]
⁸⁸⁰ [138.	***] omitted	
[139.	***] omitted	
[140.	***] omitted	
[141.	***] omitted	
[142.	***] omitted	
143.	(i) Hearing aids (all types and kinds) (ii) Hearing assessment equipment; (a) Audiometers (b) Tympanometer (c) ABR (d) Oto Acoustic Omission	9937
144.	Liquefied Natural Gas imported by fertilizer manufacturers for use as feed stock	2711.1100
145.	Plant, machinery, equipment including dumpers and special purpose motor vehicles, if not manufactured locally, imported by M/s China State Construction Engineering Corporation Limited (M/s CSCECL) for the construction of Karachi – Peshawar Motorway (Sukkur – Multan Section) and M/s China Communication Construction	Respective heading

⁸⁷⁹ S.No. 137 and entries relating thereto substituted by Finance Act, 2022.

⁸⁸⁰ Serial number(s) 138 to 142 omitted by Finance (Supplementary) Act, 2022.

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>Company (M/s CCCC) for the construction of Karakorum Highway (KKH) Phase-II - (Thakot - Havellian Section) subject to the following conditions:</p> <ul style="list-style-type: none"> (i) that the exemption under this serial number shall only be available to contractors named above; (ii) that the equipment and construction machinery imported under this serial number shall only be used for the construction of the respective allocated projects; (iii) that the importer shall furnish an indemnity bond, in the prescribed manner and format as set out in Annex-A, at the time of import to the extent of sales tax exempted under this serial number on consignment to consignment basis; (iv) that the Ministry of Communications shall certify in the prescribed manner and format as set out in Annex-B that the imported equipment and construction machinery are bona fide 	

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>requirement for construction of Sukkur – Multan Section (392.0 km) of Karachi – Peshawar Motorway or for the construction of Karakorum Highway(KKH) Phase-II - Thakot to Havellian Section (118.057 km) as the case may be;</p> <p>(v) for the clearance of imported goods through Pakistan Customs Computerized System the authorized officer of the Ministry shall furnish all relevant information, as set out in Annex-B, online against a specific user ID and password obtained under section 155D of the Customs Act, 1969 (IV of 1969). In Collectorates or Customs stations where the Pakistan Customs Computerized System is not operational, the Director Reforms and Automation or any other person authorized by the Collector in this behalf shall enter the requisite information in the Pakistan Customs Computerized System</p>	

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>on daily basis, whereas entry of the data obtained from the customs stations which have not yet been computerized shall be made on weekly basis;</p> <p>(vi) that the equipment and construction machinery, imported under this serial number, shall not be re-exported, sold or otherwise disposed of without prior approval of the FBR. In case goods are sold or otherwise disposed of with prior approval of FBR the same shall be subject to payment of sales tax as may be prescribed by the FBR;</p> <p>(vii) in case the equipment and construction machinery, imported under this serial number, is sold or otherwise disposed of without prior approval of the FBR in terms of para (vi) above, the same shall be subject to payment of statutory rates of sales tax as were applicable at the time of import;</p> <p>(viii) notwithstanding the condition at para (vi)</p>	

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	<p>and (vii) above, equipment and construction machinery, imported under this serial number, may be surrendered at any time to the Collector of Customs having jurisdiction, without payment of any sales tax, for further disposal as may be prescribed by the FBR;</p> <p>(ix) the indemnity bond submitted in terms of para (iii) above by the importer shall be discharged on the fulfillment of conditions stipulated at para (vi) or (vii) or (viii) above, as the case may be; and</p> <p>(x) that violation of any of the above mentioned conditions shall render the goods liable to payment of statutory rate of sales tax leviable on the date of clearance of goods in addition to any other penal action under relevant provisions of the law.</p>	
⁸⁸¹ [146.	***] omitted	

⁸⁸¹ Serial number 146 omitted by Finance (Supplementary) Act, 2022.

Sales Tax Act, 1990

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
147.	Goods supplied to German Development Agency (Deutsche Gesellschaft für Internationale Zusammenarbeit) GIZ	Respective heading
148.	Imported construction materials and goods imported by M/s China State Construction Engineering Corporation Limited (M/s CSCECL), whether or not locally manufactured, for construction of Karachi-Peshawar Motorway (Sukkur-Multan Section) subject to fulfilment of same conditions, limitations and restrictions as are specified under S. No. 145 of this table, provided that total incidence of exemptions of all duties and taxes in respect of construction materials and goods imported for the project shall not exceed ten thousand eight hundred ninety-eight million rupees including the benefit of exemption from duties and taxes availed before 30th June, 2018 under the provisions of the Sales Tax Act, 1990, the Customs Act, 1969, the Federal Excise Act, 2005 and the Income Tax Ordinance, 2001 and Notifications issued thereunder;	Respective heading
882[149.]	***] omitted	

⁸⁸² Serial number 149 and 150 omitted by Finance (Supplementary) Act, 2022.

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Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
[150]	***] omitted	
⁸⁸³ [151.]	⁸⁸³ ***] omitted	
152.	Supplies of electricity, as made from the day of assent to the Constitution (Twenty-fifth Amendment) Act, 2018, till ⁸⁸⁴ [30th June, 2026], to all residential and commercial consumers in tribal areas, and to such industries in the tribal areas which were set and started their industrial production before 31st May, 2018, but excluding steel and ghee or cooking oil industries	2716.0000
885[153.]	***]	
⁸⁸⁶ [154.]	Dietetic foods intended for consumption by children suffering from inherent metabolic disorder subject to the conditions that the importer shall acquire approval and quota from Ministry of National Health Services, Regulations and Coordination.	Respective heading
⁸⁸⁷ [155.]	***] omitted	
⁸⁸⁸ [156.]	Import of CKD kits by local manufacturers of following Electric Vehicles:– (i) Road Tractors for semi-trailers (Electric Prime Movers)	Respective heading]

⁸⁸³ Serial number 151 omitted through Finance Act, 2025.

⁸⁸⁴ Expression substituted by Finance Act, 2025.

⁸⁸⁵ Serial number 153 omitted by Finance Act, 2021.

⁸⁸⁶ New serial numbers 154 to 156 inserted by Finance Act, 2020.

⁸⁸⁷ Serial number 155 omitted by Finance (Supplementary) Act, 2022.

⁸⁸⁸ Serial number 156 substituted by Finance (Supplementary) Act, 2022.

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
	(ii) Electric Buses (iii) Three Wheeler Electric Rickshaw (iv) Three Wheeler Electric Loader (v) Electric Trucks (vi) Electric Motorcycle	
⁸⁸⁹ [157.	Import of CKD (in kit form) of following electric vehicles (4 wheelers) by local manufacturers till 30 th June, 2026: (i) Small cars/SUVs with 50 Kwh battery or below; and (ii) Light commercial vehicles (LCVs) with 150 kwh battery or below	Respective headings
⁸⁹⁰ [158.	***] omitted	
⁸⁹¹ [159.	***] omitted	
⁹¹⁰ [160.	***] omitted	
161.	Import of plant, machinery, equipment and raw materials for consumption of these items within Special Technology Zone by the Special Technology Zone Authority, zone developers and zone enterprises	Respective headings
162.	Import of raw materials, components, parts and plant and machinery by registered persons authorized under	Respective headings]

⁸⁸⁹ New serial numbers 157 to 162 inserted by Finance Act, 2021.

⁸⁹⁰ Serial number 158 omitted by Finance (Supplementary) Act, 2022.

⁸⁹¹ Serial numbers 159 & 160 omitted by Finance Act, 2023

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	Export Facilitation Scheme, 2021 notified by the Board with such conditions, limitations and restrictions.	
⁸⁹² 163.	<p>Goods imported by various agencies of the United Nations, diplomats, diplomatic missions, privileged persons and privileged organizations which are covered under various Acts and, Orders, rules and regulations made thereunder; and agreements by the Federal Government:</p> <p>Provided that such goods are charged to zero-rate of customs duty under the Customs Act, 1969 (IV of 1969), and the conditions laid therein.</p> <p>Provided further that exemption under this serial shall be available with effect from the 15th day of January, 2022.</p>	99.01, 99.02, 99.03 and 99.06
⁸⁹³ 164.	***] omitted	
165.	Goods imported by or donated to hospitals run by the non-profit making institutions subject to the similar restrictions, limitations, conditions and procedures as are envisaged for the purpose of applying zero-rate of customs duty on such goods under the Customs Act, 1969, (IV of 1969).	99.13 and 99.14,
166.	Goods excluding electricity and natural gas supplied to	Respective headings

⁸⁹² New serial number(s) 163 to 174 added by Finance Act, 2022.

⁸⁹³ Serial number 164 omitted through Finance Act, 2025.

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	hospitals run by the charitable hospitals of fifty beds or more.	
167.	Goods temporarily imported into Pakistan, meant for subsequent exportation charged to zero-rate of customs duty subject to the similar restrictions, limitations, conditions and procedures as are envisaged for the purpose of applying zero-rate of customs duty on such goods under the Customs Act, 1969 (IV of 1969).	99.19, 99.20 and 99.21
168.	Fertilizers ⁸⁹⁴ [excluding DAP]	Respective headings
⁸⁹⁵ 169.	***] omitted	
170.	***] omitted	
171.	Seeds for sowing	Respective heading
172.	Machinery, equipment and materials imported either for exclusive use within the limits of Export Processing Zone or for making exports therefrom, and goods imported for warehousing purpose in Export Processing Zone, subject to the conditions that such machinery, equipment, materials and goods are imported by investors of Export Processing Zones, and all the procedures, limitations and restrictions as are applicable on such goods under the Customs Act, 1969 (IV of 1969) and rules made thereunder shall mutatis mutandis, apply.	Respective headings
173.	Goods produced or manufactured in and exported	Respective headings

⁸⁹⁴ Words added by Finance Act, 2023

⁸⁹⁵ Serial numbers 169, 170 and 174 omitted by Finance Act, 2024.

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	from Pakistan which are subsequently imported in Pakistan within one year of their exportation, provided conditions of section 22 of the Customs Act, 1969 (IV of 1969), are complied with.	
174.	***]	
⁸⁹⁶ [175.	Import of all goods received, in the event of a natural disaster or other catastrophe, as gifts and relief consignments or any goods received as gift or donation from a foreign government or organization by the Federal or Provincial Governments or any public sector organization. Subject to the recommendations of the Minister Incharge and concurrence by the Federal Board of Revenue subject to condition that the concerned Ministry shall verify the genuineness of such cases and furnish an undertaking to the effect that donated goods shall not be sold, utilized or 9908(i) and 9911.". disposed of otherwise than for the purpose for which the same have been imported.	9908(i) and 9911
176.	POL products: (i) MS (Petrol) (ii) High Speed Diesel Oil (iii) Kerosene (iv) Light Diesel Oil	2710.1210, 2710.1931, 2710.1911 and 2710.1921
177.	Supply of electricity to Azad Jammu and Kashmir	Respective headings

⁸⁹⁶ Serial number(s) 175 to 180 inserted by Finance Act, 2024.

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178.	Import of gold under entrustment scheme under SRO 760(I)/2013	Respective heading
179.	Import of cystagon, cysta drops and trientine capsules ⁸⁹⁷ [omitted]	3004.9099
180.	Bovine semen	0511.1000.]
⁸⁹⁸ [181.	Import or lease of aircrafts and parts thereof by Pakistan International Airlines Corporation Limited (PIACL)	8802.1200 8802.3000 8802.4000";

⁸⁹⁷ the expression “(for personal use only)” omitted through Finance Act, 2025.

⁸⁹⁸ S.No. 181 and entries relating thereto in columns (1), (2) and (3) added through Finance Act, 2025

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⁸⁹⁹[Annex-I
[See serial No. 100A & 100B]

Header Information													
NTN/FTN of Importer							Approval No.						
(1)							(2)						
Details of materials and equipments (to be filled in by the authorized officer of the Ministry of Ports and Shipping)							Goods imported (Collectorate of import)						
HS code	Description	Specs	Customs duty rate (applicable)	Rate of sales tax	WHT	Quantity	UOM	Quantity imported	Collectorate	CRN/ Mach No.	Date of CRN/ Mach No.		
(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		

Header Information													
NTN/FTN of Importer							Approval No.						
(1)							(2)						
Details of materials and equipments (to be filled in by the authorized officer of the Ministry of Ports and Shipping)							Goods imported (Collectorate of import)						
HS code	Description	Specs	Customs duty rate (applicable)	Rate of sales tax	WHT	Quantity	UOM	Quantity imported	Collectorate	CRN/ Mach No.	Date of CRN/ Mach No.		
(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)		

NOTE 1.—

Before certifying, the authorized officer of the Ministry of Ports and Shipping shall ensure that the goods are genuine and bona fide requirement for construction and operation of Gwadar Port and development of Free Zone for Gwadar Port.

Signature _____

Designation _____

NOTE 2.— In case of clearance through Pakistan Customs Computerized System, the above information shall be furnished online against a specific user I.D. and password obtained under section 155D of the Customs Act, 1969 (IV of 1969).

⁸⁹⁹ Annexure-I inserted through Finance Act, 2016.

INDEMNITY BOND

(On appropriately stamped non-judicial paper)

THIS DEED OF INDEMNITY is made on the _____ date of _____ BETWEEN Messrs _____ having registered office at _____ (hereinafter called "the importers" which means and includes their successors, administrators, executors and assignees) of the one part, AND the President of Pakistan through the Collector of Customs _____ (hereinafter called the "Collector of Customs"), of the other part.

WHEREAS the Federal Government, by its decision contained in serial number 145 or serial number 148 of this table, as the case may be, and subject to the conditions given in the said serial number 145 or serial number 148 of this table, as the case may be, has been pleased to direct that such equipment and construction machinery, as are not manufactured locally, shall be exempt from the whole of sales tax leviable thereon, in accordance with the said serial number 145 or serial number 148 of this table, as the case may be, if imported for :-

- (i) construction of Sukkur – Multan Section (392.0 km) of Karachi – Peshawar Motorway or
- (ii) for the construction of Karakorum Highway (KKH) Phase-II - Thakot to Havellian Section (118.057 km).

AND WHEREAS M/S. _____ having registered office at _____ (hereinafter called the importers) have imported the equipment and/or construction machinery mentioned in the said serial number 145 or serial number 148 for purposes of construction of above mentioned project(s) in accordance with the conditions given in the said serial number 145 or serial number 148 of this table, as the case may be;

NOW, THEREFORE, in consideration of the release of the equipment and/or construction machinery without recovery of leviable sales tax, the importers bind themselves to pay on demand to the Government of Pakistan the sum of Rs. _____ being the sales tax and charges leviable on the machinery, if the importers fail to fulfill the condition (vi) or (vii) or (viii) of the said serial number 145 or serial number 148 of this table, as the case may be.

⁹⁰⁰ New Annexures A, B, C & D inserted by Finance Act, 2018.

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The importers further agree and bind themselves that the amount covered by this Bond shall be recovered as arrears of sales tax under section 202 of the Customs Act, 1969. This Bond shall become void when the Collector of Customs is satisfied that the importers have fulfilled all the conditions of the said serial number 145 or serial number 148 of this table, as the case may be.

Signed by importers on this _____ day of _____ 201_.

Managing Director
(Name and permanent address)
Collector of Customs (On behalf
of President)

Witness _____

(signature, name, designation and full address)

Witness _____

(signature, name, designation and full address)

Note: The bond shall be written on appropriate non-judicial stamp paper and shall be witnessed by a Government servant in BPS 17 or above, an Oath Commissioner, a Notary Public or an officer of a Schedule Bank.

Annex-B [See condition 145 (iv) and (v)]

NTN or FTN of Importer		Approval No.		
(I)		(II)		
Details of input goods (to be filled by the authorized officer of the Regulatory Authority) to be imported				
Description and specifications.	Quantity/UOM	L/C No. or bank contract No. and B/L.	IGM No. Date & Index No.	Remarks, if any.
(1)	(2)	(3)	(4)	(5)

CERTIFICATE BY THE AUTHORIZED OFFICER OF REGULATORY AUTHORITY:

It is hereby certified that the description, quantity and other details mentioned above are true and correct. Goods imported are in commensuration with the project requirement and are *bona fide* requirement of the project. It is further certified that the above items shall not be used for any other purpose except for the project.

Signature: _____
Name & Designation: _____
Official Stamp: _____
Date: _____

Note: -For the purposes of this serial number 145, the expression "not manufactured locally" shall mean the goods which are not listed in the locally manufactured items in the Customs General Order issued by the Federal Board of Revenue from time to time.

Annex-C
[See condition 146(b)]

INDEMNITY BOND

(On appropriately stamp non-judicial paper attested by a Government servant in BPS 17 or above, an Oath Commissioner, a Notary Public or an officer of a Scheduled Bank)

THIS DEED OF INDEMNITY is made on the _____ date of _____ BETWEEN Messrs _____ having registered office at _____ (hereinafter called "the importers" which means and includes their successors, administrators, executors and assignees) of the one part, AND the President of the Islamic Republic of Pakistan through the Collector of Customs _____ (hereinafter called the "Collector of Customs"), of the other part.

WHEREAS the Federal Government, by its decision contained in serial number 146 and subject to the conditions given in the said serial number 146, has been pleased to direct that such equipment shall be exempt from the whole of sales tax leviable thereon, in accordance with the said serial number 146, if imported for Lahore Orange Line Metro Train Project.

AND WHEREAS M/S._____, the importers have imported the equipment mentioned in the said serial number 146 for the above mentioned project in accordance with the conditions given in the said serial number 146;

NOW, THEREFORE, in consideration of the release of the equipment without recovery of leviable sales tax, the importers bind themselves to pay on demand to the Government of Pakistan the sum of Rs. _____ being the sales tax and charges leviable on the equipment, if the importers fail to

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fulfill the condition (f) or (g) or (h) of the said serial number 146, as the case may be.

The importers further agree and bind themselves that the amount covered by this Indemnity Bond shall be recovered as arrears of sales tax under section 202 of the Customs Act, 1969. This Bond shall stand revoked automatically when the Collector of Customs is satisfied that the importers have fulfilled all the conditions of the said serial number 146.

Signed by importers on this _____ day of _____ 201_.

Managing Director or person next in hierarchy duly authorized by MD

(Name and permanent address)

Collector of Customs

(On behalf of President)

Witness(1) _____

(signature, name, designation and full address)

Witness(2) _____

(signature, name, designation and full address)

Annex-D

[See conditions 146 (c) and (e)]

NTN or FTN of Importer	Approval No.			
Details of equipment (to be filled by the authorized officer of the Regulatory Authority) to be imported				
Description and specifications.	Quantity/UOM	L/C No. or bank contract No. and B/L.	IGM No. Date & Index No.	Remarks, if any.
(1)	(2)	(3)	(4)	(5)

CERTIFICATE BY THE AUTHORIZED OFFICER OF REGULATORY AUTHORITY:

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It is hereby certified that the description, quantity and other details mentioned above are true and correct. Goods imported are in commensuration with the project requirements and are *bona fide* requirement of the Project under the Contract. It is further certified that the above items shall not be used for any other purpose except for the Project.

Signature: _____
Name and Designation: _____
Official Stamp: _____
Date: _____ "]

Table-2
(Local Supplies only)

Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
901[1.	***] omitted	
[2.	***] omitted	
902[3.	903[Supplies made by cottage industry.]	Respective headings.]
[4.	***] omitted	
904[5.	***]	
6.	Supply of fixed assets against which input tax adjustment is not available under a notification issued in terms of clause (b) of sub-section (1) of section 8 of the Sales Tax Act, 1990.	Respective headings.
9057.	***]	
08.	Foodstuff cooked or prepared in-house and served in messes run on the basis of mutuality and industrial canteens for workers.	Respective headings.
[9.	***] omitted	
10.	Agricultural produce of Pakistan, not subjected to any further process of manufacture.	Respective headings.
906[11.	***]	

⁹⁰¹ Serial number(s) 1, 2 and 4 omitted by Finance (Supplementary) Act, 2022.

⁹⁰² S. No. 3 substituted by the Finance Act, 2007

⁹⁰³ Substituted by the Finance Act, 2014

⁹⁰⁴ S. No. 5 omitted by the Finance Act, 2011

⁹⁰⁵ Serial number 7 omitted by Finance Act, 2024.

⁹⁰⁶ S. No. 11 omitted by the Finance Act, 2022.

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Serial No	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
⁹⁰⁷ [12.]	***]	
908 ⁹⁰⁹ [13.]	***	
² [14.]	***]	
⁹¹⁰ [15.]	***] omitted	
[16.]	***] omitted	
⁹¹¹ [17.]	***]	
18.	***]	
19.	***]	
20.	***]	
⁹¹² [21.]	***]	
⁹¹³ [22.]	***] omitted	
[23.]	***] omitted	
[24.]	***]	
[25.]	***]	
⁹¹⁴ [26.]	Supply of locally produced silos till 30.06.2026	Respective heading
27.	Wheat Bran ⁹¹⁵ [This exemption shall apply from the 1st day of July, 2018]	2302.3000
28.	Sugar beet	1212.9100
29.	Fruit juices, whether fresh, frozen or otherwise preserved but excluding those bottled, canned or packaged.	2009.1100, 2009.1200, 2009.1900, 2009.2100, 2009.2900, 2009.3100, 2009.3900, 2009.4100, 2009.4900, 2009.5000, 2009.6100, 2009.6900, 2009.7100, 2009.7900, and 2009.9000

⁹⁰⁷ S. No. 12 omitted by the Finance Act, 2013

⁹⁰⁸ S. Nos. 13 to 16 added by the Finance Act, 2014

⁹⁰⁹ S. No. 13 & 14 omitted by the Finance Act, 2015

⁹¹⁰ Serial number(s) 9, 15 and 16 omitted by Finance (Supplementary) Act, 2022.

⁹¹¹ S. Nos. 17 to 20 and 24, 25 omitted by Finance Act, 2021.

⁹¹² Serial number 21 omitted by Finance Act, 2024.

⁹¹³ Serial number(s) 22, 23 and 33 omitted by Finance (Supplementary) Act, 2022.

⁹¹⁴ New serial numbers 26 to 39 inserted by Finance Act, 2021.

⁹¹⁵ Expression added by Finance Act, 2023

Sales Tax Act, 1990

30.	Milk and cream, concentrated or containing added sugar or other sweetening matter, excluding that sold in retail packing under a brand name	04.02
31.	Flavored milk, excluding that sold in retail packing under a brand name	0402.9900
32.	Yogurt, excluding that sold ⁹¹⁶ [***] under a brand name	⁹¹⁷ [Respective heading]
[33.]	***] omitted	
34.	Butter, excluding that sold ⁹³² [***] under a brand name	0405.1000
35.	Desi ghee, excluding that sold ⁹³² [***] under a brand name	0405.9000
36.	Cheese, excluding that sold ⁹³² [***] under a brand name	0406.1010
37.	Processed cheese not grated or powdered, excluding that sold ⁹³² [***] under a brand name	0406.3000
[38.]	***] omitted ⁹¹⁸	
39.	Products of meat or meat offal excluding sold ⁹¹⁹ [***] under a brand name or trademark	1602.3200, 1602.3900, 1602.5000, 1604.1100, 1604.1200, 1604.1300, 1604.1400, 1604.1500, 1604.1600, 1604.1900, 1604.2010, 1604.2020 and 1604.2090]
⁹²⁰ [40]	Live Animals and live poultry	Respective headings
41	Meat of bovine animals, sheep, goat and uncooked poultry meat excluding those sold ⁹³⁵ [***] under a brand name	Respective headings
42	Fish and crustaceans excluding those sold ⁹³⁵ [***] under a brand name	Respective headings

⁹¹⁶ Under serial number(s) 32 and 34 to 37 words omitted by Finance Act, 2023

⁹¹⁷ Words substituted by Finance Act, 2022.

⁹¹⁸ Serial number 38 omitted by Finance (Supplementary) Act, 2022.

⁹¹⁹ Under serial number(s) 39, 41 and 42 words omitted by Finance Act, 2023

⁹²⁰ Serial number(s) 40 to 51 inserted by Finance (Supplementary) Act, 2022.

Sales Tax Act, 1990

43	Live plants including bulbs, roots and the like	0601.1010, 0601.1090, 0601.2000, 0602.1000, 0602.2000, 0602.3000, 0602.4000, 0602.9010 and 0602.9090
44	Cereals other than rice, wheat, wheat and meslin flour	Respective headings
⁹²¹ [45]	Edible vegetables including roots and tubers whether fresh, frozen or otherwise reserved (e.g. in cold storage) but excluding those bottled or canned.	Respective heading]
46	Edible fruits	Respective headings
47	Sugar cane	1212.9300
48	Eggs including eggs for hatching	0407.1100, 0407.1900 0407.2100 and 0407.2900
49	Compost (non-commercial fertilizer)	Respective headings
50	Locally manufactured laptops, computers, notebooks whether or not incorporating multimedia kit and personal computers	8471.3010 and 8471.3020
51.	Newspaper	Respective headings
⁹²² [52.]	Raw hides and skins	Respective headings
53.	Prepared food or foodstuff supplied by Restaurants and caterers	Respective heading
54.	All types of breads, nans and chapattis	Respective headings.]
⁹²³ [55.]	Single cylinder agriculture diesel engines (compression ignition internal combustion piston engines) of 3 to 36 HP.	Respective headings.]
⁹²⁴ [56.]	Milk excluding:	04.01

⁹²¹ Serial number 45 substituted by Finance Act, 2022.

⁹²² New serial number(s) 52 to 54 added by Finance Act, 2022.

⁹²³ New serial number 55 added by Tax Laws (Second Amendment) Ordinance, 2022.

⁹²⁴ New serial number(s) 56 and 57 added by Finance Act, 2024.

Sales Tax Act, 1990

	(i) that sold under a brand name; or (ii) supplied by corporate dairy farms	
57.	<p>⁹²⁵Iron and steel scrap excluding:–</p> <p>(a) supplied by manufacturer cum-exporter of recycled copper, authorized under Export Facilitation Scheme, 2021 directly supplied to a registered steel melter subject to such apportionment, conditions and restrictions as may be specified by the Board through a Sales Tax General Order; and</p> <p>(b) supplied directly by the importer (verifiable from the goods declaration form) to a registered steel melter subject to such apportionment, conditions and restrictions as may be specified by the Board through a Sales Tax General Order.</p>	7204.4100, 7204.3000, 7204.4990.]

Notes:--

1. For the purpose of this Schedule, for entries against which classification of headings or sub-headings has been specified, exemption shall be admissible on the basis of description of goods as mentioned in column 2 of the Schedule Pakistan Customs Tariff classification of headings is provided for ease of reference and commodity classification purposes only.
2. For the purposes of determining classification of any goods, the general rules for interpretation of the First Schedule to the Customs Act,

⁹²⁵ against S. No. 57, in column (2), substituted through Finance Act, 2025.

1969 (IV of 1969) and Explanatory Notes to the Harmonized Commodity Description and Coding System (relevant version) as amended from time to time shall be considered authentic source of interpretation.

3. For the purposes of exemption of sales tax under serial numbers 46, 47, 49, 50, 51, 52, 53, 56, 57, 59, 60 and 62 of this Schedule, the definitions, restrictions, limitations, conditions and procedures and all the provisions of Chapter 99 of the First Schedule to the Customs Act, 1969 (IV of 1969), for the purposes of applying zero-rate of customs duty shall, *mutatis mutandis*, apply and shall be deemed and construed to be part of this Schedule.

⁹²⁶[**TABLE-3**

The plant, machinery, equipment and apparatus, including capital goods, specified in column (2) of the Annexure below, falling under the HS Codes specified in column (3) of that Annexure, shall be exempt from the whole of Sales tax, subject to the following conditions, besides the conditions specified in column (4) of the Annexure, namely:-

- (i) The imported goods as are not listed in the locally manufactured items, notified through a Customs General Order issued by the Board from time to time or, as the case may be, certified as such by the Engineering Development Board.
- (ii) except for S. No. 9, 14, ⁹²⁷[14A and 15] of the Annexure, the Chief Executive, or the person next in hierarchy duly authorized by the Chief Executive or Head of the importing company shall certify in the prescribed manner and format as per Annex-A that the imported items are the company's *bona fide* requirement. He shall furnish all relevant information online to Pakistan Customs Computerized System against a specific user ID and password obtained under section 155D of the Customs Act, 1969. In already computerized Collectorates or Customs stations where the Pakistan Customs Computerized System is not operational, the Project Director or any other person authorized by the Collector in this behalf shall enter the requisite information in the Pakistan Customs Computerized System on daily basis, whereas entry of the data obtained from

⁹²⁶Inserted by Finance Act, 2014

⁹²⁷ The figure and words inserted through Finance Act, 2017

Sales Tax Act, 1990

the customs stations which have not yet been computerized shall be made on weekly basis; and

(iii) in case of partial shipments of machinery and equipment for setting up a plant, the importer shall, at the time of arrival of first partial shipment, furnish complete details of the machinery, equipment and components required for the complete plant, duly supported by the contract, layout plan and drawings:

Explanation.- For the purpose of Table-3, capital goods mean any plant, machinery, equipment, spares and accessories, classified in Chapters 84, 85 or any other chapter of the Pakistan Customs Tariff, required for-

- (a) the manufacture or production of any goods and includes refractory bricks and materials required for setting up a furnace, catalysts, machine tools, packaging machinery and equipment, refrigeration equipment, power generating sets and equipment, instruments for testing, research and development, quality control, pollution control and the like; or
- (b) used in mining, agriculture, fisheries, animal husbandry, floriculture, horticulture, livestock, dairy and poultry industry.

928[ANNEXURE

S. No	Description	PCT heading	Conditions
(1)	(2)	(3)	(4)
929[1.	***] omitted		
2 & 2A	***] omitted		
3.	***] omitted		
4.	***] omitted		
5.	***] omitted		
6.	***] omitted		

⁹²⁸ Inserted by Finance Act, 2014.

⁹²⁹ Serial number(s) 1 to 9 and 11 omitted by Finance (Supplementary) Act, 2022.

Sales Tax Act, 1990

S. No	Description	PCT heading	Conditions
(1)	(2)	(3)	(4)
7.	***] omitted		
8.	***] omitted		
9.	***] omitted		
⁹³⁰ 10.	***] omitted		
11.	***] omitted]		
12.	Machinery, equipment and other project related items including capital goods, for setting up of hotels, power generation plants, water treatment plants and other infrastructure related projects located in an area of 30 km around the zero point in Gwadar.	Respective Headings	<p>1. The Division dealing with the subject matter of Industries shall certify in the prescribed manner and format as per Annex-B that the imported goods are bonafide project requirement. The authorized officer of the Ministry shall furnish all relevant information online to Pakistan Customs Computerized System against a specific user ID and password obtained under section 155D of the Customs Act, 1969.</p> <p>2. The goods shall not be sold or otherwise disposed of without prior approval of the FBR and payment of customs duties and taxes leviable at the time of import.</p>
⁹³¹ [13]	***] omitted		
14.	***] omitted		
14A	***] omitted		
[15& 15A	***] omitted		
15B.	***] omitted		
⁹³² [16]	***]		

⁹³⁰ Serial number 10 omitted by Finance Act, 2015.

⁹³¹ Serial number(s) 13 to 15B and 17 omitted by Finance (Supplementary) Act, 2022.

⁹³² S.No. 16 and entries relating thereto omitted by Finance Act, 2015

Sales Tax Act, 1990

[17.]	***] omitted		
18.	The following parts for assembling and manufacturing of personal computers and laptops:		If imported by manufacturers and assemblers of computers and laptops, registered with and certified by Engineering Development Board in accordance with quota determined by IOCO
	(i) Bare PCBs	8534.0000	
	(ii) Power Amplifier	8542.3300	
	(iii) Microprocessor/ Controllers	85.42	
	(iv) Equipment for SMT Manufacturing	8486.2000	
	(v) Laptop batteries	8506.5000	
	(vi) Adopters	8504.4020	
	(vii) Cooling fans	8414.5190	
	(viii) Heat sink	7616.9920	
	(ix) Hard Disk SSD	8471.7020	
	(x) RAM/ROMS	8471.7060 and 8471.7090	
	(xi) System on Chip/FPGA- IC	85.42	
	(xii) LCD / LED Screen	8528.7211	
	(xiii) Motherboards	8534.0000	
	(xiv) power supply	84.73	
	(xv) Optical Drives	8471.7040	
	(xvi) External Ports	8536.2090	
	(xvii) Network cards	8517.6990	
	(xviii) Graphic cards	8471.5000	
	(xix) wireless cards	8517.6970	
	(xx) micro phone	8518.3000	
	(xxi) Trackpad	8471.6020	
19.	Plant and machinery, except the items listed under Chapter 87 of the Pakistan Customs Tariff, imported for setting up of a Special Economic Zone (SEZ) by zone developers and for installation in that zone by zone enterprises, on one time basis as prescribed in the SEZ Act, 2012 and rules thereunder subject to such condition, limitations and restriction as a Federal Board of Revenue may impose from time to time.	9917(2)	Nil]

Sales Tax Act, 1990

⁹³³ [20]	Plant and machinery for the assembly/ manufacturing of electric vehicles	Respective heading	The exemption shall be admissible on one time basis for setting up the new assembly and/or manufacturing facility of the vehicles and expansion in the existing units to the extent of electric vehicles specific plant and machinery, duly approved/ certified and determined by the Engineering Development Board (EDB).]
⁹³⁴ [21]	***] omitted		
⁹³⁵ [22]	1. Machinery, equipment and spares meant for initial installation, balancing, modernization, replacement or expansion of projects for power generation through hydel, oil, gas, coal, nuclear and renewable energy sources including under construction projects entered into an implementation agreement with the Government of Pakistan prior to 15 th day of January, 2022. 2. Construction machinery, equipment and specialized vehicles, excluding passenger vehicles, imported on	Respective Headings	(i) This concession shall also be available to primary contractors of the project upon fulfilment of the following conditions, namely:- (a) the contractor shall submit a copy of the contract or agreement under which he intends to import the goods for the project; (b) the Chief Executive or head of the contracting company shall certify in the prescribed manner and format as per Annex-A that the imported goods are

⁹³³ New serial number 20 inserted by Finance Act, 2020.

⁹³⁴ Serial number 21 omitted by Finance (Supplementary) Act, 2022.

⁹³⁵ New serial number 22 inserted by Finance Act, 2022.

Sales Tax Act, 1990

	temporary basis as required for the construction of project.		the projects bona fide requirement; and (c) the goods shall not be sold or otherwise disposed of without prior approval of the FBR on payment of sales tax leviable at the time of import; (ii) temporarily imported goods shall be cleared against a security in the form of a post-dated cheque for the differential amount between the statutory rate of sales tax and the amount payable along with an undertaking to pay the sales tax at the statutory rates in case such goods are not re-exported on conclusion of the project.]
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⁹³⁶ [“Annex-A

Header Information		
NTN/FTN of Importer	Regulatory Authority no.	Name of Regulatory authority
(1)	(2)	(3)
Details of Input goods (to be filled by the chief executive of the importing company)		Goods imported (Collectorate of import)

⁹³⁶ Annex-A substituted by Finance Act, 2022.

HS Code (4)	Description (5)	Specs (6)	Custom Duty rate (applicable) (7)	Sales Tax rate (applicable) (8)	WHT (9)	Quantity (10)	UOM (11)	Quantity imported (12)	Collectorate (13)	CRN/ Mach No. (14)	Date of CRN/ Mach. No. (15)
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CERTIFICATE. It is certified that the description and quantity mentioned above are commensurate with the project requirement and that the same are not manufactured locally. It is further certified that the above items shall not be used for any other purpose.

Signature of Chief Executive, or
the person next in hierarchy duly
authorized by the Chief Executive
Name _____
N.I.C. No. _____

NOTE:- In case of clearance through Pakistan Customs Computerized System, the above information shall be furnished online against a specific user I.D. and password obtained under section 155D of the Customs Act, 1969.

Explanation.—

Chief Executive means.—

1. owner of the firm, in case of sole proprietorship; or
2. partner of firm having major share, in case of partnership firm; or
3. Director, in case of private limited company; or
4. Chief Executive Officer or the Managing Director in case of limited company or multinational organization; or
5. Principal Officer in case of a foreign company.]

⁹³⁷[Annex-B

⁹³⁷ Inserted by the Finance Act, 2014

Sales Tax Act, 1990

Header Information														
NTN/FTN of Importer			Approval No.											
(1)	(2)		Details of Input goods (to be filled by the authorized officer of the Regulatory Authority)							Goods imported (Collectorate of import)				
HS Code	Description	Specs	Custom Duty rate (applicable)	Sales Tax rate (applicable)	WHT	Quantity	UOM	Quantity imported	Collectorate	CRN/Mach. No.	Date of CRN/Mach. No.			
(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)			

CERTIFICATE Before certifying the above-authorized officer of the Regulatory Authority shall ensure that the goods are genuine and *bona fide* requirement of the project and that the same are not manufactured locally.

Signature _____
 Designation _____

NOTE:- *In case of clearance through Pakistan Customs Computerized System, the above information shall be furnished on line against a specific user I.D. and password obtained under section 155D of the Customs Act, 1969.*

938[Table-4

The goods specified in column (2) of the Annexure below falling under the PCT codes specified in column (3) of the said Annexure, when supplied within the limits of the Border Sustenance Markets, established in cooperation with Iran and Afghanistan, shall be exempted from the whole of the sales tax, subject to the following conditions, namely:—

- (i) Such goods shall be supplied only within the limits of Border Sustenance Markets established in cooperation with Iran and Afghanistan;
- (ii) If the goods, on which exemption under this Table has been availed, are brought outside the limits of such markets, sales tax shall be charged on the value assessed on the goods declaration import or the fair market value, whichever is higher;

⁹³⁸ Table-4 added by Finance Act, 2021.

Sales Tax Act, 1990

- (iii) Such items in case of import, shall be allowed clearance by the Customs Authorities subject to furnishing of bank guarantee equal to the amount of sales tax involved and the same shall be released after presentation of consumption certificate issued by the Commissioner Inland Revenue having jurisdiction;
- (iv) The said exemption shall only be available to a person upon furnishing proof of having a functional business premises located within limits of the Border Sustenance Markets; and
- (v) Breach of any of the conditions specified herein shall attract relevant legal provisions of this Act, besides recovery of the amount of sales tax alongwith default surcharge and penalties involved.

Annexure

S.No	Description	Heading Nos of the First Schedule to the Customs Act, 1969 (IV of 1969)
(1)	(2)	(3)
1	Seed (Potatoes)	0701.1000
2	Tomatoes, fresh or chilled	0702.0000
3	Onions and shallots	0703.1000
4	Garlic	0703.2000
5	Cauliflowers cabbage	0704.9000
6	Carrots and turnips	0706.1000
7	Cucumbers and gherkins fresh or chilled	0707.0000
8	Peas (pisum sativum)	0708.1000
9	Beans (vigna spp., phaseolus spp.)	0708.2000
10	other leguminous vegetables	0708.9000
11	Peas (Pisum sativum)	0713.1000
12	Grams (Dry/Whole)	0713.2010
13	Dried leguminous vegetables	0713.2090, 0713.9090

Sales Tax Act, 1990

14	Beans of the species <i>Vigna mungo</i> (L.) Hepper or <i>Vigna radiata</i> (L.) Wilczek	0713.3100
15	Small red (Adzuki) beans (<i>Phaseolus</i> or <i>Vigna angularis</i>)	0713.3200
16	Kidney beans including white beans	0713.3300
17	Bambara – <i>vigna subteranea</i> or <i>vaahdzeia subterrea</i>	0713.3400
18	Beans <i>vigna unguiculata</i>	0713.3500
19	Other	0713.3990
20	Lentils (Dry/Whole)	0713.4010
21	Broad beans (<i>Vicia faba</i> var. <i>major</i>) and horse beans (<i>Vicia faba</i> var. <i>equina</i> , <i>Vicia faba</i> var. <i>minor</i>)	0713.5000
22	Pigeon peas (<i>cajanus cajan</i>)	0713.6000
23	Vanilla (Neither crushed nor ground)	0905.1000
24	Cinnamon	0906.1100
25	Other (Cinnamon And Cinnamon Tree Flowers)	0906.1900
26	Neither crushed nor ground (Cloves)	0907.1000
27	Crushed or ground (Cloves)	0907.2000
28	Neither Crushed nor ground (Nutmeg)	0908.1100
29	Crushed or ground (Nutmeg)	0908.1200
30	Neither crushed nor ground (Maze)	0908.2100
31	Crushed or ground (Maze)	0908.2200
32	Large (Cardammoms)	0908.3110
33	Small (Cardammoms)	0908.3120
34	Crushed or ground (Cardammoms)	0908.3200
35	Neither crushed nor ground (Coriander)	0909.2100
36	Crushed or ground (Coriander)	0909.2200
37	Neither crushed nor ground (Seeds of Cumins)	0909.3100
38	Crushed or ground (Seeds of Cumins)	0909.3200
39	Neither crushed nor ground (Seeds of Anise, Badian, Caraway, Fennel etc)	0909.6100

Sales Tax Act, 1990

40	Crushed or ground (Seeds of Anise, Badian, Caraway, Fennel etc)	0909.6200
41	Thyme; bay leaves	0910.9910
42	Barley (Seeds)	1003.1000, 1003.9000
43	Sunflower seeds ,whether or not broken	1206.0000
44	Locust beans	1212.9200
45	Cereal straws and husks	1213.0000
46	Knives and cutting blades for paper and paper board	8208.9010
47	Of a fat content, by weight, not exceeding 1 % (milk and cream)	0401.1000
48	Of a fat content, by weight, exceeding 1 % but not exceeding 6 % (milk and cream)	0401.2000
49	Of a fat content, by weight, exceeding 6 % but not exceeding 10% (Milk and Cream)	0401.4000
50	Of a fat content, by weight, exceeding 10 % (Milk and Cream)	0401.5000
51	Leeks and other alliaceous vegetables	0703.9000
52	Cauliflowers and headed broccoli	0704.1000
53	Brussels sprouts	0704.2000
54	Cabbage lettuce (head lettuce)	0705.1100
55	Lettuce	0705.1900
56	Chicory	0705.2100, 0705.2900
57	Fruits of the genus Capsicum or of the genus Pimenta	0709.6000
58	Figs	0804.2000
59	Fresh (grapes)	0806.1000
60	Dried (Grapes)	0806.2000
61	Melons	0807.1100, 0807.1900
62	Apples	0808.1000
63	Green Tea	0902.1000
64	Other Green Tea	0902.2000

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65	Crushed or ground (Ginger)	0910.1200
66	Turmeric (curcuma)	0910.3000
67	Other (spice)	0910.9990
68	Lactose (Sugar)	1702.1110
69	Sugar Syrup	1702.1120
70	Sugar Other	1702.1900
71	Caramel	1702.9020
72	Oil-cake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya bean oil.	2304.0000
73	Other (animal feed)	2309.9000
74	For Sewing (Thread)	5204.2010
75	For embroidery (Thread)	5204.2020
76	Spades and shovels	8201.1000
77	Tools for masons, watchmakers, miners and hand tools nes	8205.5900
78	For kitchen appliances or for machines used by the food industry	8208.3000
79	Other kitchen appliances	8208.9090
80	Yogurt	⁹³⁹ [0403.2000]
81	Other (Potatoes)	0701.9000
82	Sweet corn	0710.4000
83	Mixtures of vegetables	0710.9000
84	Fresh (Dates)	0804.1010
85	Dried (Dates)	0804.1020
86	Apricots	0809.1000
87	Sour cherries (Prunus cerasus)	0809.2100
88	Other (Apricots)	0809.2900
89	Peaches, including nectarines	0809.3000
90	Plums and sloes	0809.4000
91	Strawberries	0810.1000
92	Kiwi Fruit	0810.5000

⁹³⁹ Expression substituted by Finance Act, 2022.

Sales Tax Act, 1990

93	Neither crushed nor ground (Ginger)	0910.1100
94	Wheat and Meslin(Other)	1001.1900
95	Wheat and Meslin (Other)	1001.9900
96	Of Wheat (Flour)	1101.0010
97	Of Meslin	1101.0020
98	Vermacelli	1902.1920
99	Other (Packed Cake)	1905.9000
100	Homogenised perparations	2007.1000
101	Citrus Fruit	2007.9100
102	Other (jams)	2007.9900
103	Organic surface-active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap	3401.3000
104	Preparations put up for retail sale	3402.2000
105	Other (washing preparations)	3402.2000
106	Tableware and kitchenware of porcelain or china	6911.1090
107	Household articles nes & toilet articles of porcelain or china	6911.9000
108	Glassware for table or kitchen purposes (excl. glass having a linear c	7013.4900
109	Glassware nes (other than that of 70.10 or 70.18)	7013.9900
110	Spoons	8215.9910
111	Tableware articles not in sets and not plated with precious metal	8215.9990
112	Bicycles and other cycles (including delivery tricycles), not motorised	8712.0000
113	Vacuum flasks	9617.0010
114	Vacuum flasks/vacuum vessels complete w/cases; parts o/t glass inners (others)	9617.0020.]

The
SEVENTH SCHEDEULE
⁹⁴⁰[***]

⁹⁴¹[*The*
EIGHTH SCHEDEULE
[See clause (aa) of sub-section (2) of section 3]

Table-1

S. No.	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)	Rate of Sales Tax	Condition
(1)	(2)	(3)	(4)	(5)
⁹⁴² [1.]	***]			
⁹⁴³ [2.]	***]			
⁹⁴⁴ [3.]	***]			
⁹⁴⁵ [4.]	***] omitted			
[5.]	***]			
6.	***] omitted			
7.	***] omitted			
8.	***] omitted			
9.	***] omitted			
10.	***] omitted			
11.	***] omitted			
12.	***] omitted			
⁹⁴⁶ [13.]	***] omitted			
[14.]	***] omitted			
15.	***] omitted			
16.	***] omitted			
17.	***] omitted			

⁹⁴⁰ The seventh schedule omitted by the Finance Act, 1997

⁹⁴¹ The eighth schedule inserted by the Finance Act, 2014

⁹⁴² Serial numbers 1 and 5 omitted by Finance Act, 2021.

⁹⁴³ Serial number 2 omitted by Finance Act, 2020.

⁹⁴⁴ S. No. 3 and entries relating thereto omitted by Finance Act, 2015

⁹⁴⁵ Serial number(s) 4 and 6 to 12 omitted by Finance (Supplementary) Act, 2022.

⁹⁴⁶ Serial number(s) 13 to 17, 20, 26 to 30 and 34 omitted by Finance (Supplementary) Act, 2022.

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S. No.	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)	Rate of Sales Tax	Condition
(1)	(2)	(3)	(4)	(5)
947[18.]	***]			
948[19.]	***]			
20.	***] omitted			
949[21.]	***]			
950[22.]	***]			
23.	Second hand and worn clothing or footwear	6309.0000	5%	
951[25.]	***]			
26.	***] omitted			
27	***] omitted			
28	***] omitted			
29	***] omitted			
30	***] omitted			
952[31.]	[.....]] omitted			
953[32.]	[***] omitted			
2[33.]	[.....]] omitted			
34.	***] omitted			
954[35 to 42].	[.....]] omitted			
43.	Natural gas	Respective heading	955[5%]	If supplied to fertilizer plants for use as feed stock in manufacturing of fertilizer
44.	Phosphoric acid	2809.2010	5%	If imported by fertilizer company for manufacturing of DAP
95645.	***] omitted			
46.	***] omitted			
47.	Locally produced coal	27.01	Rs. 957[700] per metric tonne or	Nil

⁹⁴⁷ Serial number 18 and entries relating thereto is omitted through Finance Act, 2019.

⁹⁴⁸ Serial number 19 omitted by Finance Act, 2021.

⁹⁴⁹ Serial number 21 and entries relating thereto is omitted through Finance Act, 2019.

⁹⁵⁰ Serial number 22 omitted by Finance Act, 2021.

⁹⁵¹ Serial number 25 omitted by Finance Act, 2022.

⁹⁵² Serial number 31 omitted through Finance Act, 2016.

⁹⁵³ Serial number 32 and entries relating thereto is omitted through Finance Act, 2019.

⁹⁵⁴ S.No(s) 33 & 35 to 42 omitted by Finance Act, 2018.

⁹⁵⁵ For the figure “10” the figure “5” substituted through Finance Act, 2018.

⁹⁵⁶ Serial number(s) 45 and 46 omitted by Finance (Supplementary) Act, 2022

⁹⁵⁷ Expression substituted by Finance Act, 2022.

Sales Tax Act, 1990

S. No.	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)	Rate of Sales Tax	Condition
(1)	(2)	(3)	(4)	(5)
			958[18%] ad valorem, whichever is higher	
⁹⁵⁹ [48 & 49]	[.....]] omitted			
⁹⁶⁰ [50 . [51.	***]			
⁹⁶¹ [52 . 53.]	***]			
	(i) Projector	9007.2000		
	(ii) Parts and accessories for projector	9007.9200		
	(iii) Other instruments and apparatus for cinema	9032.8990		
	(iv) Screen	9010.6000		
	(v) Cinematographic parts and accessories	9010.9000		
	(vi) 3D Glasses	9004.9000		
	(vii) Digital Loud Speakers	8518.2200		
	(viii) Digital Processor	8519.8190		
	(ix) Sub-woofer and Surround Speakers	8518.2990		
	(x) Amplifiers	8518.5000		
	(xi) Audio rack and termination board	7326.9090 8537.1090		
	(xii) Music Distribution System	8519.8990		

⁹⁵⁸ Expression substituted by Finance (Supplementary) Act, 2023.

⁹⁵⁹ S.No(s) 48 & 49 omitted by Finance Act, 2018.

⁹⁶⁰ S.No(s) 50 to 51 omitted by Finance Act, 2021.

⁹⁶¹ Serial number 52 omitted by Finance Act, 2022.

⁹⁶² Serial number 53 omitted through Finance Act, 2025.

Sales Tax Act, 1990

S. No.	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)	Rate of Sales Tax	Condition
(1)	(2)	(3)	(4)	(5)
	(xiii) Seats	9401.7100		
	(xiv) Recliners	9401.7900		
	(xv) Wall Panels and metal profiles	7308.9090		
	(xvi) Step Lights	⁹⁶³ [Respective headings]		
	(xvii) Illuminated Signs	9405.6000		
	(xviii) Dry Walls	6809.1100		
	(xix) Ready Gips	3214.9090		
⁹⁶⁴ 54.	***] omitted			
55.	***] omitted			
56.	Potassium Chlorate (KCLO3)	Respective headings	⁹⁶⁵ [18%] alongwith rupees ⁹⁶⁶ [60] per kilogram	Import and supply thereof. Provided that rate of rupees ⁹⁶⁷ [60] per kilogram shall not apply on imports made by and supplies made to organizations under the control of Ministry of Defence Production.
57.	Rock phosphate	Respective headings	10%	If imported by fertilizer manufacturers for use in the manufacturing of fertilizers.
⁹⁶⁸ [58]	***]			
.				
[59.	***] omitted			
⁹⁶⁹ [60]	***] omitted			
.				
61.	***] omitted			
62.	***] omitted			
63.	***] omitted			
64.	***] omitted			
⁹⁷⁰ [65]	***]			
.				

⁹⁶³ Words substituted by Finance Act, 2022.

⁹⁶⁴ Serial number(s) 54, 55, 59 and 61 to 64 omitted by Finance (Supplementary) Act, 2022

⁹⁶⁵ Expression substituted by Finance (Supplementary) Act, 2023.

⁹⁶⁶ The figure substituted by Finance Act, 2022.

⁹⁶⁷ The figure substituted by Finance Act, 2022.

⁹⁶⁸ S.No. 58 omitted by Finance Act, 2024.

⁹⁶⁹ Serial number 60 “Fat filled Milk” omitted by Finance Act, 2022.

⁹⁷⁰ Serial numbers 65 and 67 omitted by Finance Act, 2021.

Sales Tax Act, 1990

S. No.	Description	Heading Nos. of the First Schedule to the Customs Act, 1969 (IV of 1969)	Rate of Sales Tax	Condition	
(1)	(2)	(3)	(4)	(5)	
⁹⁷¹ 66.	***]				
⁹⁷² [66 A]	***] omitted				
66B	***] omitted				
67.	***]				
68.	***] omitted				
69.	***] omitted				
⁹⁷³ [70 .]	Following locally manufactured electric vehicles	Respective Heading	1%	Local supplies only]	
(i)	Road Tractors for semi- trailers (Electric Prime Movers)				
(ii)	Electric Buses				
(iii)	Three Wheeler Electric Rickshaw				
(iv)	Three Wheeler Electric Loader				
(v)	Electric Trucks				
(vi)	Electric Motorcycle				
⁹⁷⁴ [71 .]	Following locally manufactured or assembled electric vehicles (4 wheelers) till 30 th June, 2026: (i) Small cars/ SUVs with 50 Kwh battery or below; and	Respective heading	1%	If supplied locally	

⁹⁷¹ S.No. 58 omitted by Finance Act, 2024.

⁹⁷² Serial number(s) 66A, 66B and 68, 69 omitted by Finance (Supplementary) Act, 2022

⁹⁷³ Serial number 70 substituted by Finance (Supplementary) Act, 2022

⁹⁷⁴ New serial numbers 71 to 74 inserted by Finance Act, 2021.

Sales Tax Act, 1990

	(ii) Light commercial vehicles (LCVs) with 150 kwh battery or below			
72.	*** ⁹⁷⁵ [Omitted]			
⁹⁷⁶ _[73]	Locally manufactured Hybrid electric vehicle ⁹⁷⁷ [till 30th June, 2026]: (a) Upto 1800 cc (b) From 1801 cc to 2500 cc	87.03 87.03	8.5%. 12.75%	
74.	Goods supplied from tax-exempt areas of erstwhile FATA/PATA to the taxable areas	Respective headings	16%.]	
⁹⁷⁸ _[75]	***]			
⁹⁷⁹ _[76]	***] omitted			
⁹⁸⁰ _[77]	Imported personal computers and Laptop computers, notebooks whether or not incorporating multimedia kit	8471.3020 and 8471.3010	10%	
⁹⁸¹ _[78]	Supply of locally manufactured articles of jewellery, or parts thereof, of precious metal or of metal clad with precious metal.	71.13	3%	No input tax shall be adjusted
79.	Electric vehicle in CBU condition of	8703.8090	12.5%	

⁹⁷⁵ Serial number 72 omitted through Finance Act, 2025.

⁹⁷⁶ Serial number 73 substituted by Finance (Supplementary) Act, 2022

⁹⁷⁷ Expression inserted by Finance Act, 2024.

⁹⁷⁸ Serial number 75 omitted by Finance Act, 2022.

⁹⁷⁹ Serial number 76 omitted by Finance (Supplementary) Act, 2022

⁹⁸⁰ Serial number 77 substituted by Finance Act, 2024.

⁹⁸¹ New serial number(s) 78 to 82 added by Finance Act, 2022

Sales Tax Act, 1990

	50 kwh battery or below			
80.	EV transport buses of 25 seats or more in CBU condition	Respective heading	1%	
⁹⁸² [81.	Substances registered as drugs under the Drugs Act, 1976 (XXXI of 1976) ⁹⁸³ [***]	Respective heading	1%	Subject to the conditions that: (i) Tax charged and deposited by the manufacturer or importer, as the case may be, shall be final discharge of tax in the supply chain (ii) No input tax shall be adjusted in the supply chain.
82.	Raw materials for the basic manufacture of pharmaceutical active ingredients and for manufacture of pharmaceutical products, provided that in case of import, only such raw materials shall be entitled to reduced rate as specified in column (4) which are liable to customs duty not exceeding eleven per cent ad valorem, either under the First Schedule or Fifth Schedule to the Customs Act, 1969	Respective heading	1%	Subject to the conditions that: (i) DRAP shall certify item-wise requirement of manufacturers of drugs and APIs and in case of import shall furnish all relevant information to Pakistan Customs Computerized System; and (ii) No input tax shall be adjusted in the supply chain.]

⁹⁸² Serial numbers 81 & 82 substituted by Finance Act, 2023

⁹⁸³ Expression omitted by Finance Act, 2024.

Sales Tax Act, 1990

	(IV of 1969) or under a notification issued under section 19 thereof.			
984[8 3	DAP	Respective headings	5%	Subject to the condition that no refund of excessive input tax, if any, shall be admissible.]
9858 4.	(i) Colors in sets (ii) Writing, drawing and marking inks (iii) Erasers (iv) Pencil sharpeners (v) other drawing, marking out or mathematical calculating instruments (geometry box) (vi) Pens, ball pens, markers and porous tipped pens (vii) Pencils including color pencils	3213.1000 3215.9010 and 3215.9090 4016.9210 and 4016.9290 8214.1000 9017.2000 96.08 96.09	10%	
85.	Oil cake and other solid residue	2306.1000	10%	
86.	Tractors	8701.9220 and 8701.9320	10%	
87.	Local supply of vermicillies, sheer mal, bun and rusk excluding those sold in bakeries,	Respective headings	10%	

⁹⁸⁴ New serial number added by Finance Act, 2023

⁹⁸⁵ Serial number(s) 84 to 88 inserted by Finance Act, 2024.

	and sweet shops falling in the category of Tier-1 retailers.			
88.	Local supply of poultry feed, cattle feed, sunflower seed meal, rape seed meal and canola seed meal	2306.3000, 2306.4900 and respective headings	10%	
⁹⁸⁶ [89.	(i) imports of plant, machinery, and equipment for installation in the tribal areas, and import of industrial inputs by industries located in the tribal areas, as defined in the Constitution of the Islamic Republic of Pakistan; and (ii) and supplies within the tribal areas Provided that, in case of imports, the same shall be allowed clearance by the Customs authorities in accordance with quota	Respective heading	10% (for 2025-26) 12% (for 2026-27) 14% (for 2027-28) 16% (for 2028-29)	

⁹⁸⁶ new serial number 89 and 90 entries relating thereto added through Finance Act, 2025

	<p style="color: red;">determined by IOCO.</p> <p style="color: red;">Provided further that if plant, machinery and equipment, on which reduced rate is availed under this serial number, is transferred or supplied outside the tribal areas, the differential amount of tax shall be paid at applicable rate.</p>			
90.	Photovoltaic cells whether or not assembled in modules or made up into panels	8541.4200 and 8541.4300	10%.”; and	

⁹⁸⁷[Table-2 ***]

Annex-A

Header Information														
NTN/FTN of Importer				Regulatory authority no.				Name of Regulatory authority						
(1)				(2)				(3)						
Details of Input goods (to be filled by the chief executive of the importing company)										Goods imported (Collectorate of import)				
HS Code	Description	Specs	Custom Duty rate (applicable)	Sales Tax rate (applicable)	WHT	Quantity	UOM	Quantity imported	Collectorate	CRN/ Mach No.	Date of CRN/ Mach. No.			
(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)			

⁹⁸⁷ Table -2 omitted by Finance (Supplementary) Act, 2022.

Sales Tax Act, 1990

CERTIFICATE. It is certified that the description and quantity mentioned above are commensurate with the project requirement and that the same are not manufactured locally. It is further certified that the above items shall not be used for any other purpose.

Signature of Chief Executive, or
the person next in hierarchy duly
authorized by the Chief Executive

Name _____

N.I.C. No. _____

NOTE:-- *In case of clearance through Pakistan Customs Computerized System, the above information shall be furnished online against a specific user I.D. and password obtained under section 155D of the Customs Act, 1969.*

Explanation.—

Chief Executive means.—

1. owner of the firm, in case of sole proprietorship; or
2. partner of firm having major share, in case of partnership firm; or
3. Chief Executive Officer or the Managing Director in case of limited company or multinational organization; or
4. Principal Officer in case of a foreign company.

Annex-B

Header Information											
NTN/FTN of Importer			Approval No.								
(1)		(2)									
Details of Input goods (to be filled by the authorized officer of the Regulatory Authority)					Goods imported (Collectorate of import)						
HS Code	Description	Specs	Custom Duty rate (applicable)	Sales Tax rate (applicable)	WHT	Quantity	UOM	Quantity imported	Collectorate	CRN/Mach. No.	Date of CRN/Mach No.
(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

Sales Tax Act, 1990

CERTIFICATE. Before certifying the above-authorized officer of the Regulatory Authority shall ensure that the goods are genuine and *bona fide* requirement of the project and that the same are not manufactured locally.

Signature _____
Designation _____

NOTE:-- *In case of clearance through Pakistan Customs Computerized System, the above information shall be furnished online against a specific user I.D. and password obtained under section 155D of the Customs Act, 1969.*

⁹⁸⁸[**The**
NINTH SCHEDULE
[See sub-section (3B) of section 3]

⁹⁸⁹[**Table-I**

Sales Tax on supply (payable at the time of supply by CMOs):

S. No.	Description / Specification of Goods	Sales tax on supply (payable at the time of supply by CMOs)
(1)	(2)	(3)
1.	Subscriber Identification Module (SIM) Cards	Rs. 250

⁹⁹⁰[Provided that the provisions of Table-I shall not be applicable from 1st July, 2020 onwards.

Explanation.— For removal of doubt, it is clarified that the above amendment in law shall not prejudicially affect, the Board's stance or position in pending cases on the issue of chargeability of sales tax on SIM cards before any court of law.]

⁹⁸⁸ The Ninth Schedule added by the Finance Act, 2015

⁹⁸⁹ Table-I, Table-II and conditions substituted by Finance Act, 2020.

⁹⁹⁰ Proviso and Explanation to Table-1 inserted by Finance Act, 2021.

⁹⁹¹[Table-II

Cellular mobile phones in CKD/CBU form:

S. No.	Description / Specification of Goods	Sales tax on CBUs at the time of import or registration (IMEI number by CMOs)	Sales tax on import in CKD/SKD condition	Sales tax on supply of locally manufactured mobile phones in CBU condition in addition to tax under column (4)
(1)	(2)	(3)	(4)	(5)
1.	Cellular mobile phones or satellite phones to be charged on the basis of import value per set, or equivalent value in rupees in case of supply by the manufacturer, at the rate as indicated against each category:--			
	A. Not exceeding US\$ 500	18% ad valorem	18% ad valorem	18% ad valorem
	B. exceeding US\$ 500	25% ad valorem	18% ad valorem	18% ad valorem

LIABILITY, PROCEDURE AND CONDITIONS

[(i) The liability to pay the tax on the goods specified in this Schedule shall be—

- in case of the goods specified in Table-I, of the Cellular Mobile Operator (CMO);
- in case of goods specified in columns (3) and (4) of Table-II, of the importer; and
- in case of goods specified in column (5) of Table-II, of the local manufacturers of the goods.

⁹⁹¹ Table-II substituted by Finance Act, 2024.

Sales Tax Act, 1990

(ii) The time of payment of tax due under this Schedule shall be the same as specified in section 6;

⁹⁹²[(iii), (iv) and (v).]

⁹⁹³[**The TENTH SCHEDULE** [See sub-section (1B) of section 3]

⁹⁹⁴[(1)]The tax on bricks, falling in PCT heading ⁹⁹⁵[6901.0000], shall be paid on fixed basis, ⁹⁹⁶[] at the rates specified in Table below:—

TABLE

S. No.	Region or area	Tax payable per month
(1)	(2)	(3)
1.	Lahore, Rawalpindi and Islamabad districts	Rs. 12,500
2.	Attock, Chakwal, Jehlum, Mandi Bahauddin, Sargodha, Gujrat, Sialkot, Narowal, Gujranwala, Hafizabad, Sheikhupura, Kasur, Nankana Sahib, Chiniot, Faisalabad, Jhang, Toba Tek Singh, Okara and Sahiwal districts	Rs. 10,000
3.	Khushab, Mianwali, Bhakar, Layyah, Muzaffargarh, Dera Ghazi Khan, Rajanpur, Multan, Lodhran, Khanewal, Vehari, Bahawalpur, Pakpattan, Bahawalnagar, Rahim Yar Khan districts; and Sindh, Khyber-Pakhtunkhwa and Baluchistan provinces	Rs. 7,500

⁹⁹² Clauses (iii), (iv) and (v) under Table-II omitted by Finance Act, 2024.

⁹⁹³ The new Tenth Schedule, the Eleventh Schedule and the Twelfth Schedule added through Finance Act, 2019.

⁹⁹⁴ Existing paragraph renumbered as paragraph (1) by Finance Act, 2020.

⁹⁹⁵ PCT heading “6901.1000” substituted through Tax Laws (Amendment) Act, 2020, dated 30-3-2020

⁹⁹⁶ Expression “on monthly return,” Omitted through Tax Laws (Amendment) Act, 2020, dated 30-3-2020

Sales Tax Act, 1990

⁹⁹⁷[(2) Tax on cement or concrete blocks falling in PCT heading 6810.1100, shall be charged on fixed basis as per the following Table, namely:-

TABLE

S. No. (1)	Item (2)	Tax (3)
1.	Paver	Rs. 2 per sq.ft
2.	Hollow block (volume less than 1 cubic feet)	Rs. 3 per piece
3.	Solid block (volume less than 1 cubic feet)	Rs. 3 per piece
4.	Kerb Stone (volume less than 1 cubic feet)	Rs. 5 per piece
5.	Kerb stone (volume greater than 1 cubic feet)	Rs. 10 per piece]

Note: No input tax adjustment shall be allowed against the tax paid under this Schedule.]

⁹⁹⁷ New paragraph (2) and its Table along with Note inserted by Finance Act, 2020.

**998[The
ELEVENTH SCHEDULE**
[See sub-section (7) ⁹⁹⁹and (7A) of section 3]

TABLE

The rates for withholding or deduction by the withholding agents ¹⁰⁰⁰[are specified as below provided that withholding of tax under this Schedule shall not be applicable to the goods and supplies specified vide clauses ¹⁰⁰¹[***] after the Table]

S. No.	Withholding agent	Supplier category	Rate or extent of deduction
(1)	(2)	(3)	(4)
1.	(a) Federal and provincial government departments; autonomous bodies; and public sector organizations (b) Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001)	¹⁰⁰² [Active Taxpayers]	1/5 th of Sales Tax as shown on invoice
2.	(a) Federal and provincial government departments; autonomous bodies; and public sector organizations (b) Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001)	² [Active Taxpayer] registered as a wholesaler, dealer or distributor	1/10 th of Sales Tax as shown on invoice
3.	Federal and provincial government departments; autonomous bodies; and public sector organizations	² [persons other than Active Taxpayers]	Whole of the tax involved or as applicable to supplies on the basis of gross value of supplies
4.	Companies as defined in the Income Tax Ordinance, 2001 (XLIX of 2001) ¹⁰⁰³ [excluding companies exporting surgical instruments]	² [persons other than Active Taxpayers]	5% of gross value of supplies
5.	Registered persons as recipient of advertisement services	Person providing advertisement services	Whole of sales tax applicable
6.	Registered persons purchasing cane molasses.	² [persons other than	Whole of sales tax applicable.

⁹⁹⁸ Eleventh Schedule inserted by Finance Act, 2019.

⁹⁹⁹ the expression "(7)", the expression "and (7A)" inserted through Finance Act, 2025.

¹⁰⁰⁰ The expression substituted by Finance Act, 2020.

¹⁰⁰¹ Expression omitted by Finance Act, 2022.

¹⁰⁰² Words substituted by Finance Act, 2020.

¹⁰⁰³ Words added by Finance Act, 2022.

Sales Tax Act, 1990

S. No.	Withholding agent	Supplier category	Rate or extent of deduction
(1)	(2)	(3)	(4)
	Active Taxpayers]		
¹⁰⁰⁴ [7.]	Registered persons manufacturing lead batteries	Persons supplying any kind of lead under chapter 78 (PCT Headings: 7801.1000, 7801.9100, 7801.9900, 7802.0000, 78.03, 7804.1100, 7804.1900, 7804.2000, 78.05, 7806.0010, 7806.0020, 7806.0090) or scrap batteries under chapter 85 (PCT Headings: ¹⁰⁰⁵ [Respectiv e headings])	¹⁰⁰⁶ [80]% of the sales tax applicable”.
¹⁰⁰⁷ [8.]	Payment intermediaries and couriers in respect of digitally ordered goods from within Pakistan.	Persons supplying digitally ordered goods from within Pakistan through online market place, website, software applications	2% of gross value of supplies.”.

¹⁰⁰⁴ New serial numbers 7 and 8 inserted by Finance Act, 2021.

¹⁰⁰⁵ Words added by Finance Act, 2022.

¹⁰⁰⁶ Expression substituted by Finance Act, 2024.

¹⁰⁰⁷ Serial number (8), and entries relating thereto substituted through Finance Act, 2025.

Sales Tax Act, 1990

¹⁰⁰⁸⁹ .	Registered persons manufacturing cement	Persons supplying any kind of gypsum under chapter 25 (PCT headings 2520.1010, 2520.1020, 2521.0000) or limestone flux under chapter 25 (PCT headings 2520.1010, 2520.1020, 2521.0000)	80% of the sales tax applicable
10.	Registered persons	Persons supplying any kind of coal under chapter 27 (PCT headings 2701.1100, 2701.1200, 2701.1900, 2701.2000, 2704.0010, 2704.0020, 2704.0090)	80% of the sales tax applicable
11.	Registered persons	Persons supplying any kind of waste of paper and paper board (Respective headings)	80% of the sales tax applicable

¹⁰⁰⁸ New serial number(s) 9 to 13 inserted by Finance Act, 2024.

Sales Tax Act, 1990

12.	Registered persons	Persons supplying any kind of plastic waste (Respective headings)	80% of the sales tax applicable
13.	Registered persons	Persons supplying crush stone and silica	80% of the sales tax applicable

- (i) Electrical energy;
- (ii) Natural Gas;
- (iii) Petroleum Products as supplied by petroleum production and exploration companies, oil refineries, oil marketing companies and dealers of motor spirit and high speed diesel;
- (iv) Vegetable ghee and cooking oil;
- (v) Telecommunication services;
- (vi) Goods specified in the Third Schedule to the Sales Tax Act, 1990;

Sales Tax Act, 1990

- (vii) Supplies made by importers who paid value addition tax on such goods at the time of import;
- (viii) ¹⁰⁰⁹[Supplies made by an Active Taxpayer as defined in the Sales Tax Act, 1990 to another registered person with the exception of supplies referred to in S. Nos. 5, 7, 9, 10, 11, 12 and 13 of the Table]; and
- ¹⁰¹⁰[(ix) Supply of sand, stone, gravel/crush and clay to low cost housing schemes sponsored or approved by Naya Pakistan Housing and Development Authority.]

¹⁰⁰⁹ Clause (viii) substituted by Finance Act, 2024.

¹⁰¹⁰ New clause (ix) inserted by Finance Act, 2020.

**¹⁰¹¹[The
TWELFTH SCHEDULE**
[See sub-section (2) of section 7A]

TABLE

S. No.	Goods or class of goods	PCT Heading	Rate
(1)	(2)	(3)	(4)
1.	All imported goods subject to exclusions as in conditions and procedure given after the Table	Respective Heading	3% ad valorem

Procedure and conditions:-

- (1) The sales tax on account of minimum value addition as payable under this Schedule (hereinafter referred to as value addition tax), shall be levied and collected at import stage from the importers on all taxable goods as are chargeable to tax under section 3 of the Act or any notification issued thereunder at the rate specified in the Table in addition to the tax chargeable under section 3 of the Act or a notification issued thereunder:
- (2) The value addition tax under this Schedule shall not be charged on,—

¹⁰¹²(i) Raw materials and intermediary goods imported by a manufacturer for in-house consumption ¹⁰¹³[excluding compressor scrap (PCT heading 7204.4940), motor scrap (PCT heading 7204.4990) and copper cable cutting scrap (PCT heading 7404.0090)]

(ii) The petroleum products falling in Chapter 27 of Pakistan Customs Tariff as imported by a licensed Oil Marketing Company for sale in the country;

(iii) Registered service providers importing goods for their in-

¹⁰¹¹ Twelfth Schedule inserted by Finance Act, 2019.

¹⁰¹² Clause (i) substituted by Finance Act, 2020.

¹⁰¹³ Expression added by Finance Act, 2022.

Sales Tax Act, 1990

house business use for furtherance of their taxable activity and not intended for further supply;

- (iv) Cellular mobile phones or satellite phones ¹⁰¹⁴[(PCT headings 8517.1419, 8517.1430 and 8517.1390)];
- (v) LNG / RLNG;
- (vi) Second hand and worn clothing or footwear (PCT Heading 6309.000);
- (vii) Gold, in un-worked condition; ¹⁰¹⁵[***]
- (viii) Silver, in un-worked condition;
- (ix) ¹⁰¹⁶[The goods as specified in the Third Schedule on which tax is paid on retail price basis. ¹⁰¹⁷[;and
- ¹⁰¹⁸[(x) plant, machinery and equipment falling in Chapters 84 and 85 of the First Schedule to the Customs Act, 1969 (IV of 1969), as are imported by a manufacturer for in-house installation or use.
- ¹⁰¹⁹[(xi) Electric vehicles (4 wheelers) CKD kits for small cars/SUVs, with 50 kwh battery or below and LCVs with 150 kwh battery of below till 30th June, 2026;
- (xii) Electric vehicles (4 wheelers) small cars/SUVs, with 50 kwh battery or below and LCVs with 150 kwh battery of below in CBU condition till 30th June, 2026”;
- (xiii) Electric vehicles (2-3 wheelers and heavy commercial vehicles) in CBU condition till 30th June, 2025; and
- (xiv) motor cars of cylinder capacity upto 850cc]

(3) The value addition tax paid at import stage shall form part of input tax, and the importer shall deduct the same from the output tax due for the tax period, subject to limitations and restrictions under the Act, for determining his net liability. The excess of input tax over output tax shall be carried forwarded to the next tax period as provided in section 10 of the Act.

¹⁰¹⁴ Expression inserted by Finance Act, 2024.

¹⁰¹⁵ The word “and” omitted through Tax Laws (Amendment) Act, 2020, dated 30-3-2020

¹⁰¹⁶ Clause (ix) inserted vide SRO 1321(I)/2019 dated 08th November, 2019.

¹⁰¹⁷ The word “and” inserted by Tax Laws (Amendment) Act, 2020, dated 30-3-2020.

¹⁰¹⁸ Clause “(x)” inserted by Tax Laws (Amendment) Act, 2020, dated 30-3-2020

¹⁰¹⁹ New clauses inserted by Finance Act, 2021.

Sales Tax Act, 1990

¹⁰²⁰[“(4) The refund of excess input tax over output tax, which is attributable to tax paid under this Schedule, shall not be refunded to a registered person in any case, except that as used for making of zero-rated supplies.”]

(5) The registered person, if also dealing in goods other than imported goods, shall be entitled to file refund claim of excess carried forward input tax for a period as provided in section 10 or in a notification issued there under by the Board after deducting the amount attributable to the tax paid at import stage i.e. sum of amounts paid during the claim period and brought forward to claim period. Such deducted amount may be carried forward to subsequent tax period.]

¹⁰²¹[THIRTEENTH SCHEDULE”

(Minimum Production)

[See sub-section (9AA) of section 3]

Minimum production of steel products.—

The minimum production for steel products shall be determined as per criterion specified against each in the Table below:

Table

S. No.	Product	Production criteria
(1)	(2)	(3)
1.	Steel billets and ingots	One metric ton per 700 kwh of electricity consumed
2.	Steel bars and other re-rolled long profiles of steel	One metric ton per 110 kwh of electricity consumed
3.	Ship plates and other re-rollable scrap	85% of the weight of the vessel imported for breaking”; and

Procedure and conditions:-

¹⁰²⁰ Clause (4) substituted through Tax Laws (Amendment) Act, 2020, dated 30-3-2020 the substituted clause read as under:

“(4) In no case, the refund of excess input tax over output tax, which is attributable to tax paid at import stage, shall be refunded to a registered person.”

¹⁰²¹ New Thirteenth Schedule inserted by Finance Act, 2021.

Sales Tax Act, 1990

(i) both actual and minimum production and the local supplies shall be declared in the monthly return. In case, the minimum production exceeds actual supplies for the month, the liability to pay tax shall be discharged on the basis of minimum production:

Provided that in case, in a subsequent month, the actual supplies exceed the minimum production, the registered person shall be entitled to get adjustment of excess tax on account of excess of minimum production over actual supplies:

Provided further that in a full year, as per financial year of the company or registered person, or period starting from July to June of next year, in other cases, the tax actually paid shall not be less than the liability determined on the basis of minimum production for that year and in case of excess payment no refund shall be admissible:

Provided also that in case of ship-breaking, the liability against minimum production, or actual supplies, whichever is higher, shall be deposited on monthly basis on proportionate basis depending upon the time required to break the vessel;

(ii) the payment of tax on ship plates in aforesaid manner does not absolve ship breakers of any tax liability in respect of items other than ship plates obtained by ship-breaking;

(iii) the melters and re-rollers employing self-generated power shall install a tamperproof meter for measuring their consumption. Such meter shall be duly locked in room with keys in the custody of a nominee of the Commissioner Inland Revenue having jurisdiction. The officers Inland Revenue having jurisdiction shall have full access to such meter;

(iv) the minimum production of industrial units employing both distributed power and self-generated power shall be determined on the basis of total electricity consumption.]

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