GOVERNMENT OF PAKISTAN
FEDERAL BOARD OF REVENUE
(INDIRECT TAX POLICY)
****

Islamabad, the 27th January, 2010.

SALES TAX GENERAL ORDER NO. 03/2010

Subject: **REFUND OF SALES TAX BY CUSTOMS COLLECTORATES.**

In exercise of the powers conferred by sub-section (2) of section 50 of the Sales Tax Act, 1990, the Federal Board of Revenue is pleased to order that following further amendment in the Sales Tax General No. 03/2004 dated the 12th June 2004, shall be made, namely:-

"In the aforesaid General Order, paragraphs 25 and 26 shall be substituted by the following, namely:-

25. (1) Sales Tax refund filed by registered person for import-related sales tax paid in excess due to inadvertence, error or misconception arising out of classification dispute, SRO application dispute or valuation dispute may be decided and allowed by the Customs importing station subject to sub paragraph (2) below.

(2) In the case of registered person while applying for refund to the concerned Customs Collectorate, the applicant must endorse a copy of the refund application to the Refund Division of the concerned RTO / LTU. Before processing import-related refund claims, the concerned Collectorate of Customs must seek confirmation from the concerned Regional Tax Office (RTO) that no adjustment of input/refund of the said amount has been claimed by the applicant or paid by the Sales Tax authorities, to avoid double payment of refund. The concerned RTO / LTU on receipt of a reference from Collectorate of Customs, shall issue required confirmation within thirty days to the effect that no adjustment of input/refund of the amount involved has been claimed by the registered person in the RTO / LTU.

26. “(1) For the unregistered persons, the import related refund shall be processed at the Customs stations concerned with out prior reference to RTO / LTU.

(2) Notwithstanding any thing contained in the preceding paragraphs, the Sales tax refund files after authorization / issuance of refund payment order by the relevant officers of the customs stations shall be sent through proper channel in the case of registered person to the RTO / LTU concerned and in the case of unregistered person to the nearest RTO where the customs station is located. The refund sanctioning authority of the Customs Collectorate shall mention in his sanction order the number and date, etc. of RTO’s / LTU’s confirmation of input / refund, in the case of registered person, having not been allowed earlier. On receipt of such sanction order from customs station to the RTO/ LTU the payment of import related refund will be made by the Chief Accounts Officer, of that RTO / LTU. The amount of such sales tax refund shall be debited from the head of sales tax (on imports).

[C. No. 2(1)ST-L&P/2000 (Pt)]

(Muhammad Sadiq)
Secretary (ST&FE-L&P)