GOVERNMENT OF PAKISTAN
REVENUE DIVISION
FEDERAL BOARD OF REVENUE
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SALES TAX GENERAL ORDER No. 04 of 2013 **Dated : 13.02.2013**

Subject: **TRANSFER OF BUSINESS**

The taxpayers are registered for Income Tax through a unified taxpayer registration form (TRF-01/STR-01) as one of three types of persons namely, Individual, Association of persons (AOP) or Company. Each person (Individual, AOP or Company) is identified by his unique identifier which is National Tax Number (NTN). The NTN to individual is issued on the basis of CNIC and to a company on the basis of Incorporation Number issued by SECP.

2. In order to implement Sub Rule (4) of Rule 7 of Sales Tax Rules, 2006s which was added vide SRO. 589(I)2012 dated 01-06-2012, for change of nature of business, following procedure shall be adopted:-

(A) From AOP to Company or vice versa

An application on STR-01 form will be submitted manually to the Local Registration Office (LRO) along with an affidavit jointly signed by all the partners confirming the dissolution of the AOP and requesting for changing the status of the AOP to the Company. The LRO will forward the application along with NOC for change of status from AOP to company to Manager E-Registration, PRAL for updating status in the system. In case any fresh NTN has already been obtained by the company, the same shall be surrendered by the applicant and it will be cancelled in the registration system. PRAL shall establish a link between all the declarations filed earlier by the taxpayer in its capacity as AOP with those to be filed in future as Company. This link will be available in the e-folders of both the taxpayer and tax officer. In case of online NTN inquiry, following remarks will be displayed under the name of company.

"Formerly registered as AOP --------- Name of AOP------"

PRAL will also make necessary changes in the data base so that the taxpayer is able to electronically file all the declarations in its capacity as AOP and Company according to the corresponding tax periods.

(B) From one Individual to another Individual

An application on STR-01 form will be submitted manually to the Local Registration Office (LRO) along with an affidavit jointly signed by both the individuals requesting for transfer of business from one Individual to the other Individual. The LRO will forward the application along with NOC for transfer of business from one Individual to the other Individual to Manager E-Registration, PRAL for changing ownership in the system.

New NTN will be issued to the taxpayer, if already not issued. The business name from the old NTN will be closed w.e.f the date of transfer of business to the new NTN.

Following message will be displayed in the online e inquiry of NTN:

In case of inquiry of old NTN:
"Business name xxxxxxxxx has been transferred from the NTN: NNNNNNN-N w.e.f: DD-MM-YYYY"

In case of inquiry of new NTN:
"Business name xxxxxxxxx has been transferred to the NTN: NNNNNNN-N w.e.f: DD-MM-YYYY"

A link between the new NTN and old NTN will be created in the e-folder of the taxpayer as well as tax officer.

3. As CNIC is a permanent identity of a citizens of Pakistan and it is not allotted to any other individual, therefore the NTN issued against the CNIC shall not be allotted to an AOP.

(Abdul Sattar Aora)
Chief, Inland Revenue
(Automation)

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