Government of Pakistan
Revenue Division
Federal Board of Revenue
Inland Revenue
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C.No.2(11)T&Ts/2021 Islamabad, the 3rd August, 2021

Sales Tax General Order No.05 of 2021

Subject: Licensing of Brand Name U/S 40E of Sales Tax Act, 1990 for Specified Sectors

In exercise of the powers conferred under section 40E of the Sales Tax Act, 1990, the Board is pleased to notify the procedure for licensing of Brand name for specified sectors, mentioned in Rule 150ZF of Sales Tax Rules, 2006;

1. All existing and new manufacturers of specified sectors are required to register their brand of each product with FBR before selling the same in the market.

2. Every manufacturer will have to submit an application to the Project Director (Track and Trace System), FBR, along with the supportive documents. The application shall include all the details and operations regarding their business / activity as mentioned in sub-rule 3.

3. Each application for brand registration shall contain all the requisite information about the applicant which should include:

   (i) Information regarding manufacturer's full name, trade name, STRN, NTN, date and place of incorporation, names of its lead directors and any other information to allow identification to take place.
   (ii) Precise business location of the manufacturing unit(s), warehouse location(s) and production capacity of the business run by the applicant.
   (iii) Details of the products such as product description, name, registered trademark, if any, design, brand, model or make.
   (iv) Description of premises where manufacturing equipment are installed and operated.

(v) Description of intended use and intended market of sale of the products, with particular attention to ensuring that the product's production or supply is commensurate with reasonably anticipated demand.

4. After the submission of application by manufacturer, Project Office, TTS shall review the application and schedule a mandatory hearing with the manufacturer within 7 working days of the receipt of application. During the hearing, Project Director may require additional relevant information from the manufacturer including their business operations, production and sale volumes, manufacturing sites, marketing area they are targeting etc.

5. In case of any discrepancy found in application, Project Director shall issue a letter to the manufacturer about the missing / incomplete details. The Manufacturer will have to respond to the letter within a week to avoid cancellation of its application.

6. If all of the information and documents are complete and Project Director is satisfied, Project Director will forward the application along with its recommendations to Member (IR-Operations) for approval.

7. Member (IR-Operations) will notify Project Director regarding his decision on application which can be approved / rejected. Afterwards, Project Director shall issue Brand Registration Certificate to the manufacturer.

8. During the application process, if any information / document is found to be incorrect/fake, the registration process may be suspended immediately and manufacturer shall be issued a Show cause notice to stop all the activities related to the manufacturing and sale of the rejected / not approved brand.

9. No manufacturer shall be allowed to sell their products in the market without having their brand registered with FBR. However, they may be allowed to sell the product from the date of application's submission.

10. If any un-registered brand's product is found in the market, the IREN shall have the authority to confiscate all of the available stock in the market.

11. The Project Office shall also execute the following activities:

(i) Monitor and collect, where applicable, any registration / license fees that may be levied used in effective administration and enforcement of

the licensing system or any other related activity in accordance with the law;

(ii) Take appropriate measures to prevent, detect and investigate any irregular or fraudulent practices in the operation of the brand registration / licensing system;

(iii) Undertake measures such as periodic review, renewal inspection or audit of licenses, where appropriate;

(iv) Establish, where appropriate, a time frame for expiration of licenses and subsequent requisite re-application or updating of application information;

(v) Require any licensed entity to inform the competent authority in advance of any change of location of their business or any significant change in information relevant to the activities as licensed;

(vi) Require any licensed entity to inform the competent authority, for appropriate action, of any acquisition or disposal of manufacturing equipment and ensure that the destruction of any such manufacturing equipment or any part thereof, shall take place under the supervision of competent authority.

2. The project office shall furnish updated status of brand registration applications to Member IR-Operations, FBR on fortnightly basis.

Tariq Hussain Shaikh
Chief IR-Ops/ Project Director

Cc:

(i) SA to Member IR-Operations