

**Government of Pakistan
Revenue Division
Federal Board of Revenue
Inland Revenue**

C.No.01/POS/IR/2021/185794-R

Islamabad, November 4, 2021

Sales Tax General Order No.4 of 2022


Subject: Tier-1 Retailers – Integration with FBR’s POS System

The Finance Act, 2019 added sub-section (6) to section 8B of the Sales Tax Act, 1990 (“the STA, 1990”) whereby a Tier-1 Retailer “(T-1R)” who did not integrate its retail outlet in the manner prescribed under sub-section (9A) of section 3 of the STA, 1990 during a tax period, its adjustable tax for that period would be reduced by 15%. The figure of 15% has been raised to 60% vide Finance Act, 2021.

2. In order to operationalize this important provision of law, a system-based approach has been adopted whereby all T-1Rs who are liable to integrate but have not yet integrated, with effect from July-2021 (Sales Tax Returns filed in August, 2021) are to be dealt with as per the procedure laid down in STGO No. 1 of 2022 issued on 3rd August 2021.

3. Vide the instant Sales Tax General Order, a list of 608 identified T-1Rs has been placed on FBR’s web portal at www.fbr.gov.pk allowing them to integrate with FBR’s system by 10th of November 2021 and the procedure of exclusion from this list of 608 identified T-1Rs shall apply as laid down in Para 2 of STGO 1 of 2022 dated 03.8.2021.

4. Upon filing of Sales Tax Return for the month of October, 2021 all notified T-1Rs not having yet integrated, the input tax claim would be disallowed as above, without any further notice or proceedings, creating tax demand by the same amount.


Muhammad Bilal
Secretary (IR-POS)

Circulation:-

- (i) SA to Chairman, FBR
- (ii) SA to Member (IR-Operations), FBR
- (iii) Chief Commissioners LTOs, CTOs, MTO, RTOs
- (iv) Pakistan Tax Bar Association (PTBA)
- (v) Webmaster, FBR (HQ) for uploading

