GOVERNMENT OF PAKISTAN
REVENUE DIVISION
FEDERAL BOARD OF REVENUE
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Islamabad, the 23rd February, 2012.

NOTIFICATION

(Sales Tax)

S.R.O.191(I)/2012.— In exercise of the powers conferred by sub-section (1) of section 4 and section 40 of the Federal Excise Act, 2005, section 219 of the Customs Act, 1969 (IV of 1969), section 50 of the Sales Tax Act, 1990, read with sub-section (2) of section 8, clause (ii) of sub-section (2) of section 8B, sections 9, 10, 14, 21 and 28, clause (c) of sub-section (1) of section 22, first proviso to sub-section (1) of section 23, section 26, sub-section (6) of section 47A, sections 48, 50A, 52, 52A and 66 thereof, the Federal Board of Revenue is pleased to direct that the following further amendments shall be made in the Sales Tax Rules ,2006, namely:-

In the aforesaid Rules,-

(a) in the preamble, the following amendments shall be made, namely:-

(i) after the words, figure and comma "of section 8," the words, figures, brackets and comma "clause (b) of sub-section (1) of section 8," shall be inserted; and

(ii) after the word, figure and comma "section 26," the word, figure, and comma "section 33," shall be inserted;

(b) after Chapter XIV, the following new Chapter shall be inserted, namely:-

"Chapter XIVA

PROVISION OF CNIC OR NTN OF UN-REGISTERED PERSONS

150A. **Application.-** The provisions of this chapter shall apply to registered manufacturers, importers and exporters, making taxable, dutiable or exempt supplies to unregistered persons.

150B. **Procedure and conditions for providing CNIC or NTN of unregistered persons.-**

(1) All registered manufacturers, importers and exporters, making taxable, dutiable or exempt supplies to unregistered persons shall issue an invoice containing the National Tax

Number (NTN) or Computerized National Identity Card Number (CNIC) of such unregistered persons. This scheme shall, however, be implemented in a phased manner as detailed below.

(a) in sales tax return for the month of March, 2012 (to be filed upto the 15th April, 2012), atleast 60% of the sales shall be to identifiable persons whose STRN or NTN or CNIC shall be provided in the sales tax return;

(b) in the sales tax return for the month of April, 2012 (to be filed upto the 15th May, 2012), atleast 70% of the sales shall be to identifiable persons whose STRN or NTN or CNIC shall be provided in the sales tax return;

(c) in the sales tax return for the month of May, 2012 (to be filed upto the 15th June, 2012), atleast 80% of the sales shall be to identifiable persons whose STRN or NTN or CNIC shall be provided in the sales tax return;

(d) in the sales tax return for the month of June, 2012 (to be filed upto the 15th July, 2012), atleast 90% of the sales shall be to identifiable persons whose STRN or NTN or CNIC shall be provided in the sales tax return;

(e) in the sales tax return for the month of July, 2012 (to be filed upto the 15th August, 2012) and every subsequent sales tax return, 100% of the sales shall be to identifiable persons whose STRN or NTN or CNIC shall be provided in the sales tax returns.

(2) The rupee value of exports made during the month shall be included in the sales made to identifiable person for the purpose of calculation of percentages given under sub-rule (1).

(3) In case, in any month the supplies to identifiable persons fall short of the requisite percentages given under sub-rule (1), input tax adjustment of that month shall be proportionately disallowed.

(4) Where any registered person gives an NTN or CNIC, which is not verified from the Board's database or database of the National Database and Registration Authority respectively, such person shall pay a penalty of five thousand rupee or three percent of the amount of tax

involved, whichever is higher, which shall be included in the arrears appearing in the sales tax return for the subsequent month.

(5) All payments of the amount for transactions under this Chapter shall be made by the buyers through a banking instrument from the bank account of the buyer as provided under section 73 of the Act.

(6) The registered person shall provide the buyer-wise details of each unregistered buyers in the monthly sales tax return.

(7) Manufacturer-*cum*-retailers and importer-*cum*-retailers making retail sales to unregistered persons shall not be required to provide CNIC or NTN to the extent of retail sale which shall be separately shown in the sales tax return.".

2. This Notification shall take effect from the 1st day of March, 2012.

[C.No. 1/28-STB/2011]

(Fahad Ali Chaudhary)
Second Secretary (ST-L&P)