GOVERNMENT OF PAKISTAN
FEDERAL BOARD OF REVENUE
(REVENUE DIVISION)

Islamabad, the 21st June, 2018.

NOTIFICATION
(SALES TAX)

S.R.O. 777(I)/2018.-- In exercise of the powers conferred by sub-section (1), sub-section (1A), clause (b) of sub-section (2) and sub-section (6) of section 3 and clauses (c) and (d) of section 4 read with clause (b) of sub-section (1) of section 8 and section 71 of the Sales Tax Act, 1990, the Board with the approval of the Federal Minister-in-charge is pleased to direct that the following further amendments shall be made in its Notification No. S.R.O. 1125(I)/2011, dated the 31st December, 2011, namely:-

In the aforesaid Notification,–

(A) in Table-II, in column (1),

(i) against S. No. 1, in column (2),–

(a) against sub-serial (vii), in column (4), for the figure "6", the figure "9" shall be substituted; and

(b) against sub-serial (viii), in column (4), for the expression "6%", the expression "9%" shall be substituted;

(ii) against S. No. 3, in column (4), for the expression "6%", the expression "9%" shall be substituted;

(iii) against S. No. 4, in column (2),–

(a) in the heading, after the word "sectors", the expression ", including artificial leather" shall be inserted;

(b) against sub-serial (i), in column (4), for the expression "6%", the expression "9%" shall be substituted; and

(c) against sub-serial (ii), in column (4), for the expression "6%", the expression "9%" shall be substituted;

(iv) against S. No. 4, in column (2), after sub-serial (ii), the following proviso shall be added, namely:–

"Provided that benefit of reduced rate of nine per cent on import of finished goods of leather and artificial leather, ready to use by the general public, under this serial number shall be available to the following finished goods, namely:–

Description of Goods with PCT heading
(a) Trunks, suit- cases, briefcases, school satchels, travelling- bags, handbags, shopping- bags, wallets, purses, sports bags [PCT 42.02]
(b) Suit cases of composition leather [PCT 4202.1120]
(c) School bags, trolley bags, lap top bags etc. of composition leather [PCT 4202.1190]
(d) Hand bags, with outer surface of composition leather [PCT 4202.2100]
(e) Hand bags, with outer surface of sheeting of plastics or textile material [PCT 4202.2200]
(f) Ladies bags [PCT 4202.9100]
(g) Jackets, belts other apparel and clothing accessories of composition leather [PCT 42.03]
(h) Footwear with outer soles of rubber, leather or composition

leather and uppers of leather [PCT 64.03]	
(i) Footwear with outer soles of rubber, leather or composition leather and uppers of textile material [PCT 64.04]	
;(j) Other footwear with upper of leather, composition leather, canvas or textile material [PCT 64.05]	;and

(v) S. No. 5, added through Notification No. S.R.O. 1070(I)/2017, dated the 23rd October, 2017 shall be re-numbered as S. No. 4A; and

(B) after Table-II, amended as aforesaid, in the conditions,–

(i) in condition (x), the first proviso shall be omitted;

(ii) in condition (xiv), after the word "goods", the expression ", including finished fabric" shall be inserted;

(iii) after condition (xiv), amended as aforesaid, the following new condition shall be added, namely:–

"(xv) the rate of sales tax for supplies covered in Table II under sub-serial (vii) of S. No. 1 and covered under S. No. 3 shall be 6% where the registered persons are integrated with FBR's online system and data is transmitted to the FBR central database in near real time from such date, mode and manner as may be prescribed by the Board.".

2. This Notification shall come into force with effect from the 1st day of July, 2018.

[C. No. 5/93-STB/2018]

(Muhammad Zaheer Qureshi)
Secretary (ST&FE-Budget)