GOVERNMENT OF PAKISTAN
CENTRAL BOARD OF REVENUE

Islamabad, the 12th August 1998.

NOTIFICATION
(SALES TAX)

S.R.O. 906 (I) / 98. – In exercise of the powers conferred by section 50 of the Sales Tax Act. 1990, read with sub-section (2) of section 10 thereof , the Central Board of Revenue is pleased to make the following amendments is the Sales Tax Refund Rules, 1998, namely:-

In the aforesaid Rules, after rule 12, the following new rule shall be inserted, namely:-

" 12A Profiling of exporter for the purpose of refund . – (1) A profile of each exporter shall be developed and each such exporter shall be categorized, by relevant Collectorate on the basis of the following criteria, namely:-

(a) The exporters fulfilling the following conditions shall be rated as category "GOLD", namely:

(i) FOR LIMITED COMPANIES:

(a) Limited companies having certified Books of Account for the last eighteen month ;

(c) The following class of exporters shall be rated as category "OTHERS ":-

(a) Persons not falling under categories "GOLD" and "SILVER" shall be classified in category "OTHERS";

(b) Persons disqualified in category "GOLD" or category "SILVER" shall be down graded to category "OTHERS" directly if claims acceptance levels under audit are less than ninety per cent or forged documents are submitted. Once an exporter is down-graded, he shall not be up graded for at least eighteen months and will only be considered by the Collector if he is satisfied that during the eighteen months down-grading period. The exporter has met the requirements of respective category for continuous period of eighteen months; and

(c) Persons involved in a prosecution case of tax fraud under the Act or any other tax shall be rated in category

"OTHERS" even if they fulfil rating criteria for "GOLD" or "SILVER".

(2) The exporters falling under the category "GOLD" shall be allowed refund within seventy-two hours from the date of receipt of requisite documents e.g. quadruplicate copy of shipping bill, sales tax invoices, relevant bill of entry for imported tax-paid inputs, bill of lading, airway bill, postal or railway receipts, etc., as the case may be.

(3) Exporters falling under the category "SILVER" shall be allowed refund within fifteen days of receipt of documents specified in sub-rule (2).

(4) The refund claims of exporters falling under category "OTHERS" shall be sanctioned after thorough scrutiny and verification and refund shall be allowed within the time limit specified to sub-section (2) of section 10 of the Act.

(5) If a person in a lower category improves whether on the basis of audit or on the basis of other prescribed criteria, his category rating shall be up-graded accordingly, on the basis of a review by the Collector of Sales Tax on six monthly basis on the recommendations of a Committee comprising representative of the Export Promotion Bureau, Collectorate of Sales Tax., Chamber of Commerce and Industry, and exporters Association, if any, of which the exporter is a member. The Committee shall select a Secretary whose name , address and fax number, if any , shall be notified for the information of all exporters.

(6) The Review Committee shall meet every month to review-

- (a) The cases rated or categorized six months earlier;
- (b) Reference from any organization for down-grading of rating or category of any exporter; and
- (c) References from any exporter for up-gradation of his rated category".

[C.No.3(18) STP/ 98]

(ABRAR AHMAD KHAN)
SECRETARY (SALES TAX)