

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
FEDERAL BOARD OF REVENUE

Islamabad, the 31st January, 2014.

NOTIFICATION
(Sales Tax)

S.R.O. (I)/2014.— 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, the 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, -

(1) in rule 2, in sub-rule (1), after clause (xiv), a new clause shall be inserted, namely:-

“(xlv) “REGSYS” means the Board’s computerized system for registration of taxpayers;”;

(2) in rule 5, -

(a) in sub-rule (1), for the expression “to the CRO, through electronic means as provided by the Board or otherwise, through owner, member or director, as the case may be. Such application shall be made in the form STR-1, as annexed to these rules, transmitted to the CRO electronically or through registered mail or courier service”, the expression “for registration through owner, member or authorized director, as the case may be, through REGSYS in the Form STR-1, as annexed to these rules” shall be substituted;

(b) after sub-rule (1), the following new sub-rules shall be inserted, namely:-

“(1A) The applicant shall electronically attach scanned copies of the following documents with his application:-

- (a) CNIC of all owners, members, partners or directors, as the case may be, and the representative (if any), and in case of non-residents, their passports;
- (b) in case of a company or registered AOP, the Registration or Incorporation Certificate, along with Form III or Form A as prescribed in the Companies Ordinance, 1984 (XLVII of 1984);
- (c) in case of a partnership, the partnership deed and Statement of Affairs;
- (d) bank account certificate issued by the bank, in the name of the business;
- (e) lease or rent agreement, if the premises is on rent, along with CNIC of the owner of the premises;
- (f) ownership documents of the premises, such as registered sale deed or registered transfer deed;
- (g) latest utility bills (electricity, gas, land-line telephone, and post-paid mobile phones, as the case may be); and
- (h) list of machinery installed, in case of manufacturer.

(1B) The applicant shall also submit GPS-tagged photographs of the business premises, machinery installed (if any), the electricity meter, and gas meter, as the case may be, using the electronic application provided by the Board for the purpose and electronically submit them to REGSYS.”;

- (c) sub-rule (2a) shall be omitted;
- (d) for sub-rule 3, the following shall be substituted, namely:-

“(3) The application shall be processed electronically by REGSYS, and if found complete in all respects, shall be assigned a risk score. In case the application is found incomplete or incorrect, Objection Memo shall be issued electronically to the applicant, allowing him a period of ten days to remove the objections before the application is rejected. In case the application is assigned a low risk score, registration certificate will be issued by REGSYS as set out in the Form STR-5 annexed to these rules, which will be sent to the applicant by courier service. The remaining applications shall be sent to the concerned LRO for further inquiry, which may include physical verification. The officer conducting physical

verification shall take GPS-tagged photographs, as specified in sub-rule (1B), and electronically load them into REGSYS.”; and

(e) for sub-rule (4), the following shall be substituted, namely:-

“(4) A person who has applied for registration as manufacturer, and is not assigned low risk score by REGSYS, shall be registered only after the LRO has physically verified his manufacturing facility in the manner prescribed in sub-rule (3).”;

(3) in rule 6, -

- (a) in sub-rule (3), for the word and letters “the CRO”, the letters “REGSYS” shall be substituted;
- (b) in sub-rule (4), for the words “Collector of Sales Tax”, the words “Commissioner Inland Revenue” shall be substituted; and
- (c) in sub-rule (4), in the proviso, for the letters, comma and word “CRO, shall”, the words “Commissioner shall send recommendation to REGSYS to” shall be substituted;

(4) in rule 7, -

- (a) in sub-rule (1), for the word and letters “the CRO”, the letters “REGSYS” shall be substituted;
- (b) in sub-rule (2), after the words “facility”, the commas, letters, figures, brackets and words “, taken GPS-tagged photographs and entered them on REGYS in the manner prescribed in sub-rule (3) of rule 5, shall be inserted; and
- (c) in sub-rule (3), for the word and letters “the CRO”, the word “REGSYS” shall be substituted;

(5) in rule 8, -

- (a) in sub-rule (1), for the words, letters and commas “Collectorate to another Collectorate or, as the case may be, to the LTU or RTO”, the letters and words “LTU or RTO to another” shall be substituted;

- (b) in sub-rule (2), -
- (i) in clause (a), the words and commas "Collectorate or, as the case may be, to the" shall be omitted;
 - (ii) in clause (b), for the word "Collectorate", occurring for the first time, the word and letters "LTU or RTO" shall be substituted, and the words and commas "the Collectorate, or as the case may be," shall be omitted; and
 - (iii) in clause (c), for the word "Collectorate", the letters and word "LTU or RTO" shall be substituted;
- (c) in sub-rule (3), for the words "Collectorate, or as the case may be the" shall be omitted; and
- (d) in sub-rule (4), for the word "Collectorate", the letters and word "LTU or RTO" shall be substituted;

(6) for rule 9, the following shall be substituted, namely:-

"9. Option to file application with LRO.—A person who is unable to file application for registration or change in particulars of registration directly in REGSYS may submit the prescribed application and required documents to the concerned LRO, which shall ensure entry of the application and documents in REGSYS within three days.";

(7) in rule 10,-

(a) in sub-rule (1), in the proviso, for the words "Collectorates or Regional Tax Offices", the letters and word "LTUs or RTOs" shall be substituted; and

(b) in sub-rule (2),-

- (i) for the word "Collectorates", the letters and word "LTUs or RTOs" shall be submitted;
- (ii) for the word "Collector", the word "Commissioner" shall be submitted; and
- (iii) for the word "Collectorate", the word and letters "LTU or RTO" shall be substituted;

(8) in rule 11, in sub-rule (2), for the word "Collector", the word "Commissioner" shall be substituted; and

(9) for the Form STR-1, the following shall be substituted, namely:-

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