



**GOVERNMENT OF THE PUNJAB  
PUNJAB REVENUE AUTHORITY**

Dated: 2<sup>nd</sup> September, 2014

**NOTIFICATION**

**No. PRA/Orders.06/2012.--**In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act, 2012 (XLII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

**1. Short title and commencement.--**(1) These rules may be cited as the Punjab Sales Tax on Services (Enforcement) Rules, 2014.

(2) They shall come into force at once.

(3) They shall not apply on such corporate sector businesses whose accounts are being audited under the Companies Ordinance 1984 (XLVII of 1984) at least for the last three years and are registered with the Authority duly complying with Punjab sales tax on services.

**2. Definitions.--** In these rules:

- (i) "Act" means the Punjab Sales Tax on Services Act 2012 (XLII OF 2012);
- (ii) "Authority" means the Punjab Revenue Authority established under the Act;
- (iii) "business premises" means any premises, place or space, whether declared or not, where any economic activity for or in connection with rendering of taxable services is carried out in any manner and includes any outlet, whether declared or not, of a business involving rendering of taxable services;
- (iv) "enforcement" means any act or process including sealing of business premises to persuade, compel or force any person to comply with any of the provisions of the Act and rules made thereunder;
- (v) "Government" means Government of the Punjab.
- (vi) "officer" means officer of the Authority not below the rank of Assistant Commissioner; and
- (vii) "taxable services" means services liable to sales tax under the Act.

**3. Information about premises.--** (1) An officer may call for any information, documentary or otherwise, about any business premises which is known or believed to have been used or is being used in connection with the providing of taxable services.

(2) The information under sub-rule (1) may be called for either in writing or otherwise and may cover aspects like physical location and characteristics of the business premises, the business or other activities carried out therein, details of the machinery or equipments including other fixed or moveable installations, nature of records being maintained or documentation being done and particulars of the



persons including owner, tenant, occupant, employees and other manpower working in connection with the business carried out in the premises.

**4. Visit at premises.--**(1) An officer may, at any time, visit any business premises with or without any advance notice of at least five days to the person in possession of or having any nexus with the premises.

(2) Where requested, officer or official of the Authority visiting any premises may disclose the official purpose of the visit.

**5. Access to records.--**(1) An officer may take into possession any record relating to the business involving rendition of taxable services provided that an attested copy of such records may be given by the officer of the Authority to the person concerned in such manner as may be deemed proper.

(2) Where record is maintained in electronic form, the officer or official of the Authority may take into possession the computer equipments and allied gadgets etc in such manner as deemed necessary and every person who has been or is working on such computer equipments for the maintenance of record or carrying out any other electronic documentation activity shall be under obligation to disclose access code or password, if any, for retrieval of the information stored therein.

(3) When the official purpose for which any record including computer equipments has been served to the satisfaction of the concerned officer of the Authority, such record or equipment shall be returned under proper receipt provided that nothing shall bar such officer or official of the Authority to retain copy of the documents or information contained in such record or equipment.

**6. Sealing of premises.--** (1) Subject to sub-rule (2), officer of the Authority may seal any business premises which has been or is being used for and in connection with the providing of taxable services in such manner and for such period as may be deemed necessary.

(2) No business premises shall be sealed unless other necessary measures have been taken to ensure voluntary compliance in the case and the officer is conclusively satisfied that the person using such premises for business purposes has:

- (i) been or is providing taxable services on such premises without payment of tax;
- (ii) failed to obtain registration or enrollment for the purpose of complying with the provisions of the Act and rules made thereunder despite due notification by the competent officer of the Authority in this regard;
- (iii) failed to comply with tax obligations despite compulsory registration;
- (iv) been or is involved in tax fraud or forgery of record or documents (whether paper or electronic) including invoice manipulation to evade or misappropriate tax;
- (v) caused obstruction in the discharge of duties and functions by any officer or official of the Authority or causing any damage to the equipment or device installed by the Authority at any premises for monitoring or other purposes;
- (vi) failed to pay due arrears of tax including the amounts of tax not paid, under-paid or short-paid for any tax period; and



(vii) failed, refused, declined or avoided to provide any document or information demanded or requested by the competent officer of the Authority or has refused to allow entry of the officer into the premises.

(3) The officer may post staff at the sealed premises or otherwise depute any staff to keep watch on the sealed premises in such manner as deemed proper and for this purpose, he may take necessary help or assistance from any of the departments, organizations or agencies of the Government in terms of section 30 of the Act.

(4) Once any business premises has been sealed under these rules, no other economic or business activity shall be carried out at such premises.

(5) Under no circumstances, sealing of any premises shall be continued beyond a time necessary to ensure proper compliance to the Act and rules made thereunder.

**7. De-sealing of premises.--**(1) A premises sealed under these rules may be de-sealed either by the same officer of the Authority who has sealed the premises or by any officer higher in rank if he is satisfied that the person in default has properly discharged his tax liabilities or he has given a written solemn undertaking or commitment that he will discharge the tax liabilities during the time as may be agreed and will carry out his future tax obligations in proper manner provided that where such understanding or commitment is violated or breached, the premises de-sealed earlier may be resealed till such time tax compliance is made or as the case may be, commenced.

**8. Proceedings in case of tampering etc.--**(1) Where any person has tampered with the seal affixed by the officer of the Authority or has otherwise unauthorisedly damaged, broken or removed such seal or has otherwise used any sealed premises for carrying out any other economic or business activity, he shall be liable to all penal actions under section 48 of the Act.

(2) Tampering, damaging, breaking or unauthorized removal of the seal including unauthorized use of sealed premises to carry out any other economic or business activity thereon, shall be treated as obstruction of the access of the officer of the Authority to the premises sealed under these rules and shall be dealt with accordingly.

(3) Under no circumstances, the prosecution proceedings in or conviction by the court of Special Judge shall absolve any person of his tax liabilities and compliance obligations under the Act and rules made thereunder.

**9. Detentions and arrests.--**(1) An officer may arrest and detain any person liable to prosecution under the Act and these rules.

(2) A person may be detained or arrested only if it is evident that the case warrants prosecution under the law and the person detained or arrested may be kept either at the official premises of the Authority or at any nearest police station.

(3) All detentions or arrests made under these rules shall be carried out in accordance with the relevant provisions of the Code of Criminal Procedure, 1898 (V of 1898) readwith the relevant provisions of Chapter VIII of the Act.

(4) All prosecutions initiated and detentions or arrests made under these rules shall, within twenty four hours, be reported to the Commissioner in charge.

**10. Coordination with Chambers.** —(1) Notwithstanding these rules, where any person is a bonafide member for a period of one year, of a Chamber of Commerce and Industry licensed by the Directorate of Trade Organization, Government of Pakistan, the officer shall take all necessary assistance from the relevant Chamber to enforce voluntary compliance within a period of fifteen days, whereafter the officer of the Authority may proceed to enforce compliance as provided under these rules.

(2) A person rendering taxable services shall not be given membership by a Chamber after the issuance of these rules unless the person has obtained registration or enrollment from the Authority for the purpose of Punjab sales tax on services.

  
**(IFTIKHAR QUTAB)**  
CHAIRPERSON

**NO. & DATE EVEN**

A copy is forwarded to the Superintendent, Government Printing Press, Lahore. He is requested to please publish this notification in the Punjab Gazette and supply twenty copies thereof to this department.

  
**(FAHEEM RIZWAN KAYANI)**  
ASSISTANT COMMISSIONER (HQ)

**NO. & DATED EVEN**

1. Secretary to Governor, Punjab.
2. Secretary to Chief Minister, Punjab.
3. Secretary, Finance Division, Government of Pakistan.
4. Chairman, Federal Board of Revenue, Government of Pakistan.
5. Finance Secretaries, Government of Sindh, Khyber Pakhtunkhwa and Balochistan.
6. Senior Member, Board of Revenue, Punjab.
7. Registrar, Lahore High Court, Lahore.
8. All Administrative Secretaries, Government of the Punjab.
9. Accountant General, Punjab.
10. Inspector General of Police, Punjab.
11. Chairperson, Punjab Revenue Authority.
12. Chairman, Sindh Revenue Board.
13. All Commissioners in the Punjab.
14. Staff Officer to Chief Secretary, Punjab.
15. All District Coordination Officers in Punjab.
16. P.S to Finance Secretary, Finance Department.

  
**(FAHEEM RIZWAN KAYANI)**  
ASSISTANT COMMISSIONER (HQ)