

Government of Pakistan
Ministry of Finance, Revenue, Economic Affairs and Statistics
(Revenue Division)

Islamabad, the 5th March 2015.

NOTIFICATION
(Sales Tax)

S.R.O. 188 (I)/2015.- In exercise of the powers conferred by section 71 of the Sales Tax Act, 1990, read with clauses (9) and (46) of section 2, sections 3 and 4, sub-section (2) of section 6, section 7, section 7A, clause (b) of sub-section (1) of section 8, clause (a) of sub-section (2) of section 13, sub-sections (2A) and (3) of section 22, sections 23 and 60 thereof, and in supersession of its Notification No. S.R.O. 213(I)/2013 dated the 15th March, 2013, the Federal Government is pleased to direct that the following further amendments shall be made in the Sales Tax Special Procedure Rules, 2007, namely:--

In the aforesaid Rules,—

- (a) rule "59", and rule "60", shall be re-numbered as rule 58U and rule 58V, respectively; and
- (b) after rule 58V, re-numbered as aforesaid, the following new Chapter XV and rules thereunder shall be added, namely:--

"CHAPTER XV
SPECIAL PROCEDURE FOR SALES TAX ON COTTONSEED OIL EXPELLED
BY OIL EXPELLING MILLS AND COMPOSITE UNITS OF GINNING AND
EXPELLING

58W. Application. – The provisions of this Chapter shall apply to the persons engaged in supply of cottonseed as well as composite units of cotton ginning and expelling of oil from cottonseed.

58X. Scope and levy of tax.– The sales tax on supply of cottonseed shall be levied and collected on the basis of quantity of

cottonseed supplied, or consumed in-house for expelling of oil by composite cotton ginning units.

58Y. Mode, manner and rate applicable for payment of sales tax.- (1) The amount of sales tax chargeable under rule 58X shall be levied and collected at the rate of Rs. 6 per 40 kg at the time of supply of cottonseed by cotton ginners for in-house consumption, or to any other registered or unregistered person for the purpose of oil extraction or expelling.

(2) All cotton ginners, if not already registered or required to be registered, shall obtain sales tax registration for the purpose of these rules.

(3) The amount of sales tax so charged and collected by the cotton ginners shall be declared in the monthly returns and shall be deposited as such without any input tax adjustment.

(4) The suppliers of cottonseed shall mention sales tax charged under this Chapter separately on the sales tax invoice to be issued by them.

(5) The oil expelling units using the cottonseed on which sales tax has been charged and collected in the aforesaid manner shall be exempted from payment of sales tax on the supplies of oil cake produced from such cottonseed.

(6) The ginner shall submit a certificate to the Commissioner having jurisdiction by the 15th day of the month following the tax period for the quantity of cottonseed supplied to the growers for sowing purpose.

58Z. Monthly statement.-- Each ginning unit including a composite ginning unit, shall submit to the Commissioner of Inland Revenue having jurisdiction, monthly statement of production and supply of ginned cotton, cottonseed and cottonseed oil in the format

set out in Annex-I, by the 15th day of the month following the tax period.

58ZA. Notice to be given by the ginning unit.-- A ginning unit, or as the case may be, a composite ginning unit shall, at the time of commencement of ginning activity and at the time of closure thereof, inform the Commissioner of Inland Revenue having jurisdiction within three days of such commencement or closure, as the case may be.

58ZB. Final statement to be furnished by the ginning unit.—
(1) Each ginning unit including a composite ginning unit shall, within fifteen days of the cessation of the ginning activity, furnish to the Commissioner of Inland Revenue having jurisdiction, a statement regarding production and supply of ginned cotton, cottonseed, cottonseed oil, oil cake and oil dirt, in the format set out in Annex-J.

(2) Where the cotton ginner or the composite cotton ginning unit fails to furnish any statement or certificate as required under this Chapter, he shall be liable for penal action as provided under serial No. 17 of the Table in section 33 of the Sales Tax Act, 1990.”; and

(c) after Annex-H, the following new annexures shall be added, namely:-

“ANNEX – I
[See rule 58Z]

MONTHLY STATEMENT FOR GINNERS

Name and address _____

Registration No. _____

Tax Period (Month) _____

Purchases (Phutti in Maunds) _____

Production: Cottonseed: _____ Maunds / kg; Cotton Lint: _____ bales

S. No.	Name & Address of Buyer of Cottonseed or In-House Consumption	Sales Tax Invoice No. and date	Quantity of Cottonseed (Kgs)	Value (Rs)	Sales Tax Payable @ Rs.6/- per 40 Kg	Amount of Sales Tax Paid
(1)	(2)	(3)	(4)	(5)	(6)	(7)

ANNEX-J

[See sub-rule (1) of rule 58ZB]

FINAL STATEMENT FOR GINNERS

Name and address _____


Registration No. _____

Season / Year: _____

Phutti purchased (Maunds)	
Cotton Lint produced (Bales)	
Cottonseed produced (Kgs)	
Cottonseed supplied (Kgs)	
Sales Tax Payable @ Rs.6/- per 40 kg	
Amount of Sales Tax Paid	
Cottonseed Oil produced (Kgs)	
Oil Cake produced(Kgs)	
Oil Dirt produced (Kgs)	

2. This notification shall be deemed to have taken effect from the 1st July, 2014, except sub-rule (5) of rule 58Y which shall come into force with immediate effect.

[C.No. 1/42-STB/2012]


(Nisar Muhammad)
 Additional Secretary