



## NOTIFICATION

### SINDH SALES TAX SPECIAL PROCEDURE (ONLINE INTEGRATION OF BUSINESS) RULES, 2022

Notification No. SRB-3-4/03/2022, dated 21<sup>st</sup> February, 2022 --- In exercise of the powers conferred by the provisions of sub-section (1) of section 72 of the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011), read-with, sub-section (1) of section 13, sub-section (3) and (4) of section 26 and section 54A thereof and also section 16 of the Sindh Revenue Board Act, 2010 (Sindh Act No. XI of 2010), the Sindh Revenue Board is pleased to make the following rules, namely:-

1. **Short title, application and commencement.** --- (1) These rules may be called the Sindh Sales Tax Special Procedure (Online Integration of Business) Rules, 2022.

(2) These rules shall apply to the registered persons providing any of the services or class of services, specified in the Schedule to these rules.

(3) These rules shall also apply to an online marketplace acting as a facilitator in transactions that occur between a buyer and a seller or between a service provider and a service recipient in respect of the services specified in the Schedule.

(4) These rules shall come into force at once.

2. **Definitions.** --- (1) In these rules, unless there is anything repugnant in the subject or context,

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(a) "**Act**" means the Sindh Sales Tax on Services Act, 2011 (Sindh Act No. XII of 2011);

(b) "**Board**" or "**SRB**" means Sindh Revenue Board established under the Sindh Revenue Board Act, 2010 (Sindh Act No. XI of 2010);

(c) "**integrated person**" means a registered person who has integrated the business with the Board's computerized system for real-time reporting of sales as per these rules;

(d) *“Electronic Fiscal Device” or “EFD”* means a software or a software-enabled hardware designed for use by the business for recording and reporting of sales and the tax involved thereon conforming to the requirements specified by the Act and the rules made thereunder;

(e) *“Point of Sale” or “PoS”* means a software-based terminal, physical or virtual, which is capable of generating invoice, either in print or electronically, where a transaction for provision of services is recorded;

(f) *“Sales Data Controller” or “SDC”* means a software which is designed to communicate with the EFD, receive and validate transaction data and generate and transmit SRB’s invoice number to EFD and transmit the invoice data and invoice number to the Board’s computerized system;

(g) *“Business establishment”* means an enterprise carrying out an economic activity and providing or rendering taxable services; and

(h) *“Notified business establishment”* means a business establishment integrated with the Board’s computerized system under these rules.

(2) The words and expressions used in these rules but not defined herein shall have the same meaning as assigned to them in the Act.

3. **PoS integration.** – A registered person providing the services specified in the Schedule and an online marketplace acting as facilitator for such services, shall integrate all their points of sale, including the ones providing services through internet, with the Board’s computerized system for real-time reporting of sales in the manner prescribed herein within 45 days from the date of notification of these rules.

4. **Rate of tax.** -- The rate of tax on the services provided by the integrated persons, shall be the rate as prescribed under the Act or a notification issued thereunder.

5. **Service fee.**-- There shall be levied a fee of one rupee on every invoice generated by an integrated PoS and the same shall be deposited in the specified bank account in the prescribed manner by the integrated person providing the services specified in the Schedule:

Provided that no service fee shall be charged separately from an online marketplace acting solely and exclusively as a facilitator for such services.

6. **Tax invoice.** -- (1) The integrated persons shall issue a tax invoice through integrated PoS for every transaction bearing, inter-alia, the following particulars: --

- (a) Basic information of service provider: -
- (i) business name or brand name;
  - (ii) complete address of the business branch; and
  - (iii) SRB’s registration number (SNTN);

(b) Basic Information of Online Marketplace, where relevant: -

- (i) Name of Online Marketplace;
- (ii) Business Name; and
- (iii) SRB's registration number (SNTN);

(c) PoS Invoice details: -

- (i) PoS ID generated by SRB computerized system;
- (ii) unique sequential invoice number;
- (iii) date and time of the issuance of invoice;
- (iv) In case of business to business (B2B); name of the person receiving or procuring the service or class of service, SNTN/NTN and complete address of the service recipient; and
- (v) Unique order number generated by online marketplace (if any)

(d) Transaction details: -

- (i) total value of service or services;
- (ii) tax rate charged
- (iii) total tax charged on the invoice;
- (iv) discount or discounts, *if any*;
- (v) PoS service fee of Rs.1 and
- (vi) total payable amount;

(e) SRB details: -

- (i) SRB tax invoice number (xxxxxx-DDMMYYIIIMMSS-0001);
- (ii) logo of SRB PoS invoicing system;
- (iii) verifiable QR code, dimensions: 7x7MM; and
- (iv) statement in legible font and size: "*Verify this invoice through SRB My Tax Mobile App or SMS and win exciting prizes in draw*"

(2) A sample invoice, in terms of requirements set out above, is attached as "Annex-I" to these rules.

(3) The integrated person providing the services as specified in the Schedule to these rules shall issue only the invoice specified in sub-rule (1) and as per Annex-I to these rules, and shall not issue any *katcha* or provisional invoice, by whatever name called, to the customer.

7. **Obligations and requirements.**-- (1) The integrated person shall install the prescribed EFD and software, as approved by the Board as per the details available on the Board's website with complete technical instruction of installation, configuration and integration.

(2) The integrated person shall notify to the Board, through the FORM provided on the Board's website, details of all business establishments, from which they intend to carry on business and shall integrate each PoS by providing the following information, namely: -

- (a) PoS registration number (to be provided by the System);
- (b) Business name or Brand name;



- (c) Branch name;
- (d) Branch address;
- (e) PoS identification number; and
- (f) Registration date.

~~(3) A sample of aforesaid online form available at SRB's website is attached as "Annex-II"~~  
to these rules.

(4) No service or services shall be provided or rendered from the notified business establishment, without being recorded by the integrated PoS, which means a system composed of one EFD at the notified business establishment and prescribed SDC integrated and connected together, that has the following characteristics and requirements: -

- (a) PoS can perform following tasks, i.e. -
  - (i) receive, record, analyze and store fiscal data;
  - (ii) format fiscal data into tax invoices or bills;
  - (iii) transmit the fiscal data to the Board through secure means;
  - (iv) generate the QR code on the basis of SRB invoice number generated/ received from SDC;
  - (v) record and maintain log for every adjustment, modification or cancellation; and
  - (vi) record all system events.
- (b) an EFD must comply with the following, namely: -
  - (i) each is accredited and compatible with SDC ;
  - (ii) each EFD transmits to the SDC details for each sale or transaction as prescribed in clauses (a), (b), (c) and (d) of sub-rule (1) of rule 6 of this notification; and
  - (iii) EFD prints the tax invoice as prescribed in rule 6 along with SRB tax invoice number returned by SDC for each transaction along with its QR code;
- (c) The EFDs installed at each notified business establishment shall be tamper-proof and all the data recorded thereon shall be backed up at offline site;
- (d) In case of sales returns or exchange, proper credit-note or supplementary invoice with prescribed particulars shall be issued containing the reference of original invoice and the detail of amount refunded or additionally charged, alongwith sales tax involved, if any.
- (e) The EFD shall be capable of maintaining user log, system log, error log for the purposes of audit or any forensic investigation.
- (f) In case ancillary services are provided by the notified business establishment, the transactions thereof shall also be recorded and the invoice or bill issued in the same manner. Such data shall also be communicated to the Board in the same manner.
- (g) The cost for integration, including any ancillary cost, shall be borne by the registered person.
- (h) The integrated person shall prominently display at each notified business establishment that the PoS or the business establishment is integrated with SRB

computerized system, and each of the invoices issued is verifiable through the Board's verification system.

8. **Requirements and obligations for the PoS vendor:** Integrated persons, while installing PoS, shall ensure that PoS vendor shall have the following accreditations:

- (a) The PoS vendor shall have its place of business in Sindh as defined under clause (64) of section 2 of the Act.
- (b) The PoS vendor shall provide the required information as and when required in writing by an officer of the SRB not below the rank of Sindh Sales Tax Officer or Auditor under the relevant provisions of the Act.

9. **Record, Access and Examination:** -- (1) The integrated person shall maintain the record of all the invoices and transactions made from a notified establishment. The integrated person shall also provide access to such notified business establishment, and the related record, as required by an officer of SRB, not below the rank of an Auditor or a Sindh Sales Tax Officer, by a notice in writing.

(2) All provisions of the Act, and rules made thereunder, regarding record maintenance and access thereto, and otherwise, shall be applicable.

(3) The Board, through an authorized officer may conduct an inquiry and investigation or require integrated person to provide relevant information and documents as necessary to ensure functioning and operation of the PoS which may include following:

- (a) Checking if the valid invoices are being generated;
- (b) Checking if the EFD is accredited;
- (c) Checking if the PoS complies with the requirements set out in these rules;
- (d) Ensuring compliance of procedures specified in relation to PoS integration;
- (e) Checking if the PoS is tampered; and
- (f) Checking and inspection of system logs and storage logs.

10. **Consequences of non-compliance or contravention:** -- A person failing to integrate with the Board's computerized system in terms of these rules or an integrated person found to have tampered with the system or to have issued an invoice otherwise than through the integrated PoS or any person who contravenes any of the provisions of these rules shall be liable to penalty or prosecution in accordance with the provisions of the Act.

11. **Reporting of failure to transfer sale or bill data to the Board:**-- (1) A facility shall be provided to the customers of an integrated person, to verify that the invoice issued to him has been duly communicated to the Board's computerized system. Such facility shall be provided on Board's website, or through mobile application namely "My Tax" or by sending invoice number to the Board through SMS.

(2) In case of non-verification, the customer may upload the image of invoice through the said mobile application or through the Board's website.

(3) The Board or an officer of the SRB, authorized by the Board in this behalf, shall conduct inquiry against such unverified invoices and take appropriate necessary action under the provisions of the Act .

12. **Procedure for prize scheme:** -- (1) From the date to be decided by the Board, the customers holding the verified invoices of an integrated person, who follow the procedure prescribed herein and whose name and CNICs are selected through random computerized draw shall be entitled to prizes in respect of service or services received or procured from an integrated Person.

~~(2) The customer having verified invoice of the integrated person in the manner as provided in the preceding rule, shall be entitled to enter in the lucky draw, if he provides the following particulars through SMS or through the aforesaid mobile application: -~~

- (a) Name;
- (b) CNIC;
- (c) Contact/Mobile number; and
- (d) Email Address (*optional*).

(3) The aforesaid mobile application shall notify the customer regarding the status of invoice either as "verified" or "unverified".

(4) The computerized draw for the prizes shall be held every month, starting from the deadline prescribed for integration under this notification at the SRB Headquarters and the invoices or bills issued in the immediately preceding month shall be entered in the draw.

(5) The lucky draw winner shall be informed through SMS or mobile application regarding his win. A list of all lucky winners shall be made available on Board's website.

(6) Draw winners shall be entitled to receive the respective prizes subject to bio-metric verification and in-case of cash prizes, the provision of IBAN (International Bank Account Number) of winner's bank account through the aforesaid mobile application or through SMS.

(7) Any officer or official of the Board, or owner, partner, director or employee of the integrated person shall not be eligible for the participation in the prize scheme.



13. **Procedure for mystery shopping:** -- (1) Mystery shopping shall be conducted by a person, firm or an officer of the Board, duly authorized by the Board, on random basis from an integrated person.

(2) The person, firm or an officer of the Board as authorized by the Board under sub-rule (1) of this rule, shall verify the invoices in the manner prescribed as above and in case of unverified invoice, report the matter to an officer of the Board, authorized in this respect, for necessary action as per relevant provisions of the Act, and the rules made thereunder.

#### SCHEDULE

[See rule 3]

S. No.	Tariff Heading	Description of services
1	98.01	Services provided or rendered by restaurants located in Hotels
2		Services provided or rendered by International restaurant who are franchisers or franchisees
3		Services provided or rendered by all restaurants having more than one branch in Sindh
4		Services provided or rendered by all restaurant outlets located at air-conditioned shopping malls
5		Services provided by restaurants through an online marketplace platform

<p>YOUR LOGO Business Name Branch Address SNTN PoS ID No:</p>			
<p>Invoice #: Date &amp; Time: 20/01/2022 14:15:05 Unique Order No (For Online Order): Name/NTN of Buyer: (Optional)</p>			
Qty	Item	Rate	Amount
Amount (exclusive SST)			
SST @ 13%			
PoS Service Rs.			1
Discount (if any)			
Total Amount (Inclusive SST)			
<p>SRB Invoice No# 20211214005</p>			
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>SRB POS INTEGRATED SYSTEMS</p> </div> <div style="text-align: center;">  </div> </div>			
<p>Verify this invoice through SRB MyTax Mobile App or SMS at            and win exciting prizes in draw</p>			

Annex-II

Create Point of Sale (PoS)

Branch Name: Branch Name

Location: Branch Location

Email:

Contact:

City: Select

Longitude:

Latitude:

Cloud

Static IP/Domain:

On-Premises

Access Code

Generate

Create User for SRB PoS

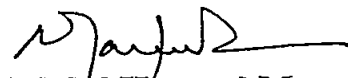
User Name:

Password:

Ro-Type

Password:

Add New PoS | Cancel



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