

**GOVERNMENT OF PAKISTAN**  
**MINISTRY OF FINANCE, ECONOMIC AFFAIRS, STATISTICS AND REVENUE**  
**(REVENUE DIVISION)**

Islamabad, the 30<sup>th</sup> June, 2016

**NOTIFICATION**  
**(Sales Tax)**  
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**S.R.O. 491(I)/2016.**-- In exercise of the powers conferred by sub-section (1), clause (b) of sub-section (2) and sub-section (6) of section 3 and clauses (c) and (d) of section 4 read with clause (b) of sub-section (1) of section 8 and section 71 of the Sales Tax Act, 1990, the Federal Government is pleased to direct that the following further amendments shall be made in its Notification No. S.R.O. 1125(I)/2011, dated the 31<sup>st</sup> December, 2011, namely:-

In the said Notification, -

- (i) in Table-I, against S. No. 2 in column (1), in column (3), for the phrase "and 60", the phrase "60, 6306.1210 and 6306.1910" shall be substituted;
- (ii) for Table-II, the following shall be substituted, namely:-

**"TABLE-II**

S. No.	Description of goods and point of taxation	PCT Heading No.	Rate of Sales Tax
(1)	(2)	(3)	(4)
1.	<p><b><u>Goods usable as industrial inputs, specified in Table I, including fabric</u></b></p> <p>(i) Import for in-house consumption by registered manufacturers of the five sectors mentioned in condition (i) below</p> <p>(ii) Commercial imports</p>	As specified in column (3) of Table-I	0%
			0%, plus 0%

	<p>(iii) Supplies to registered or unregistered persons of the said five sectors, excluding supplies of finished fabric</p> <p>(iv) Supplies to persons outside the said five sectors</p> <p>(v) Import by, or supply to, registered manufacturers, whether or not of the said five sectors, for the manufacture of goods specified in Table-I or Table-II</p> <p>(vi) Supplies of finished fabric to manufacturers of five sectors specified in condition (i) below</p> <p>(vii) Supplies of finished fabric to and by retailers; supplies of finished fabric to end consumers; other supplies of finished fabric</p>		<p>value addition tax</p> <p>0%</p> <p>17%</p> <p>0%</p> <p>0%</p> <p>5%</p>
2.	<p><b><u>Processed goods, including fabrics</u></b></p> <p>Processing of goods owned by other persons, by registered manufacturers of the five sectors mentioned in condition (i) below.</p>	Respective headings	0% of the processing charges
3.	<p><b><u>Locally manufactured finished articles of</u></b>  <b><u>(a) textiles and textile made-ups.</u></b>  <b><u>(b) leather and artificial leather</u></b></p> <p>Supplies to any person, including retail sales</p>	Respective headings	5%
4.	<p><b><u>Imported finished goods of five sectors mentioned in condition (i) below, ready for use by the general public</u></b></p> <p>(i) Import</p> <p>(ii) Supply thereof</p>	Respective headings	<p>17%, plus 2% value addition tax</p> <p>17%";</p>

(iii) for condition (x), the following shall be substituted, namely:-

“(x) a registered person who has consumed inputs acquired on payment of sales tax, shall be entitled to input tax adjustment, subject to the relevant provisions of the Sales Tax Act, 1990 and Rules made thereunder:

Provided that no input tax credit or refund shall be admissible on the packing material of all sorts:

Provided further that the post-refund audit and scrutiny shall be conducted and finalized in the manner as provided in the Sales Tax Rules, 2006.”;

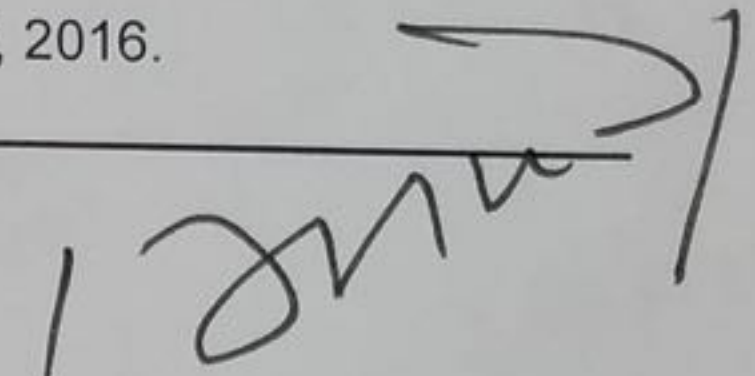
(iv) in condition (xi), the word “and” at the end shall be omitted; and

(v) in condition (xii), for the full stop at the end, a semi-colon and word “; and” shall be substituted, and thereafter, the following new condition shall be added, namely:-

“(xiii) supply of furnace oil, diesel oil and coal to the registered manufacturers of the five sectors specified in condition (i), shall be charged at the rate of zero percent subject to the issuance of a general order by the Board.”.

2. This notification shall take effect on and from the 1<sup>st</sup> July, 2016.

[No. 3(1)ST&FE/LP&E/2015]

  
(Dr. Muhammad Irshad)  
Additional Secretary