

The Sales Tax Act, 1990

6. Time and manner of payment. – (1) The tax in respect of goods imported into Pakistan shall be charged and paid in the same manner and at the same time as if it were a duty of customs payable under the Customs Act, 1969⁵ [and the provisions of the said Act⁶ [including section 31A thereof], shall, so far as they relate to collection, payment and enforcement⁷ [including recovery] of tax under this Act on such goods where no specific provision exists in this Act, apply,].

6۔ ادائیگی کا وقت اور طریقہ کار

- (1) درآمدی اشیا کی صورت میں ٹیکس اسی طریقہ اور اسی وقت کے مطابق وصول اور ادا کیا جائے گا جیسے کہ یہ کسٹم ایکٹ 1969 کے تحت واجب الادا کسٹم ڈیوٹی ہو اور ان اشیا پر بھی جن کے بارے میں اس ایکٹ میں خصوصی گنجائش موجود نہیں اس ایکٹ کی شرائط بشمول دفعہ-31 A برائے ٹیکس کی وصولی، ادائیگی اور نفاذ بے گناہ لاگو ہوں گی۔



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¹[(1A) Notwithstanding anything contained in any other law for the time being in force, including but not limited to the Protection of Economic Reforms Act, 1992 (XII of 1992), and notwithstanding any decision or judgment of any forum, authority or court whether passed, before or after the promulgation of the Finance Act, 1998 (III of 1998), the provisions of section 31-A of the Customs Act, 1969 (IV of 1969), referred to in sub-section (1) shall be incorporated in and shall be deemed to have always been so incorporated in this Act and no person shall be entitled to any exemption from or adjustment of or refund of tax on account of the absence of such a provision in this Act, or in consequence of any decision or judgment of any forum, authority or court passed on that ground or on the basis of the doctrine of *promissory estoppel* or on account of any promise or commitment made or understanding given whether in writing or otherwise, by any government department or authority.]

(2) The tax in respect of taxable supplies made ²[***] during a tax period shall be paid by the registered person ³[by the date as prescribed in this respect] ⁴[:]

⁵[Provided that the Board may, by a notification in the Official Gazette, direct that the tax in respect of all or such classes of supplies (other than zero-rated supplies) of all or such taxable goods, as may be specified in the aforesaid notification, shall be charged, collected and paid in any other way, mode, manner or at time as may be specified therein.]

⁶[(3) The tax due on taxable supplies ⁷[***] shall be paid by any of the following modes, namely:-

(i) through deposit in a bank designated by the Board; and

¹ Sub Section (1A) inserted by Sales Tax (amendment) Ordinance, 2002 dated June 07, 2002 and shall be deemed to have always been so inserted.

² Words "in Pakistan" omitted by Finance Act, 2013

³ Words substituted through Finance, Act, 2016.

⁴ Substituted for full stop by Finance Act, 1997

⁵ Proviso inserted by Finance Act, 1997

⁶ Sub Section III substituted by Finance Act, 1996.

⁷ Words "made in Pakistan" omitted by Finance Act, 2003.

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- (ii) through such other mode and manner as may be specified by the Board.]

¹[4. ***]

7 **Determination of tax liability.** – (1)
²[Subject to the provisions of ³[section 8 and] 8B, for] the purpose of determining his tax liability in respect of taxable supplies made during a tax period, a registered person shall ⁴[, subject to the provisions of section 73,] be entitled to deduct input tax ⁵[paid ⁶/or payable ⁷/during the tax period for the purpose of taxable supplies made, or to be made, by him/ from the output tax ⁸[excluding the amount of further tax under sub-section (1A) of section 3.] ⁹[] that is due from him in respect of that tax period and to make such other adjustments as are specified in Section 9 ¹⁰[:]

¹¹[Provided that where a registered person did not deduct input tax within the relevant period, he may claim such tax in the return for any of the six succeeding tax periods.]

(2) A registered person shall not be entitled to deduct input tax from output tax unless,-

- (i) in case of a claim for input tax in respect of a taxable supply made ¹²[***], he holds a tax invoice ¹³[in his name and bearing his registration number] in respect of such supply ¹⁴[, or in case of supply of electricity or gas, a bill bearing his registration number and the address where the connection is installed] ¹⁵[:]

¹ Sub Section 4 omitted by Finance Act, 1996.

² Substituted for the word “ for by Finance Act, 2007

³ The word “section” substituted by the words and figure “section 8 and” in Finance Act 2014.

⁴ Comma and word etc, inserted by Finance Ordinance, 2001

⁵ Words inserted by Finance Act, 1996

⁶ Words inserted by Finance Act, 2004.

⁷ Words inserted by Finance Act, 1998.

⁸ Inserted by Finance Act 2014

⁹ Words etc “ excluding the amount of tax” omitted by Finance Act, 2004

¹⁰ Substituted for the full stop by Finance Act, 2003

¹¹ Proviso substituted by Finance Act, 2008.

¹² Words “in Pakistan” omitted by Finance Act, 2003.

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¹³ Words inserted by Finance Act, 2003.

¹⁴ The expression substituted through Finance Act, 2019.

¹⁵ A Colon substituted the semi colon & Proviso added through Finance, Act, 2016.

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Provided that from the date to be notified by the Board in this respect, in addition to above, if the supplier has not declared such supply in his return or he has not paid amount of tax due as indicated in his return;

- (ii) ¹[in case of goods imported into Pakistan, he holds bill of entry or goods declaration in his name and showing his sales tax registration number, duly cleared by the customs under section 79 ²[, section 81] or section 104 of the Customs Act, 1969 (IV of 1969);]
- (iii) ³[in case of goods purchased in auction, he holds a treasury challan, ⁴[in his name and bearing his registration number,] showing payment of sales tax;]
- ⁵[(iv) ***]

⁶[(3) Notwithstanding anything in sub-sections (1) and (2), ⁷[Board, with the approval of the Federal Minister-in-charge,] may, by a special order, subject to such conditions, limitations or restrictions as may be specified therein allow a registered person to deduct input tax paid by him from the output tax determined or to be determined as due from him under this Act.]

⁸[(4) Notwithstanding anything contained in this Act or rules made there under, the ⁹[Federal Government] may, by notification in the official Gazette, subject to such conditions, limitations or restrictions as may be specified therein, allow a registered person or class of persons to deduct such amount of input tax from the output tax as may be specified in the said notification.]

¹ Clause (ii) substituted by Finance Act, 2003.
² Expression “, section 81” inserted by Finance Act, 2015.
³ Clause (iii) inserted by Finance Ordinance, 2002
⁴ Comma and words inserted by Finance Act, 2004.
⁵ Clause (iv) omitted by Finance Act, 1997.
⁶ Sub Section (3) inserted by Finance Ordinance, 2002.
⁷ The expression substituted by Finance Act, 2019.
⁸ Sub Section (4) inserted by Finance Act, 2007.
⁹ Words “Federal Government” substituted by Finance Act, 2018.

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¹[(5) Notwithstanding anything contained in this Act or the rules made thereunder, the Board, by notification in the official Gazette, may impose restrictions on wastage of material on which input tax has been claimed in respect of the goods or class of goods.]

²**[7A. Levy and collection of tax on specified goods on value addition.** – ³[(1) Notwithstanding anything contained in this Act or the rules made there under, the ¹⁰[Federal Government] may specify, by notification in the official Gazette, that sales tax chargeable on the supply of goods of such description or class shall, with such limitations or restrictions as may be prescribed, be levied and collected on the difference between the value of supply for which the goods are acquired and the value of supply for which the goods, either in the same state or on further manufacture, are supplied.]

⁴[(2) Notwithstanding anything contained in this Act or the rules made thereunder, in respect of the goods or class of goods specified in the Twelfth Schedule, the minimum value addition tax, against the value added by the registered person, shall be payable, at the rate and by the registered persons or class of registered persons, specified therein, subject to the conditions, limitations, restrictions and procedure specified therein:

Provided that the Federal Government may, through a notification published in the official Gazette, amend any provision of the said Twelfth Schedule.]