

SINDH BUDGET (2015-16)

SALIENT FEATURES OF THE BUDGETARY MEASURES IN RELATION TO SINDH SALES TAX ON SERVICES, FOR 2015-16

RELIEF MEASURES

- 1. Sales Tax rates on following services are proposed to be reduced (w.e.f. 01.07.2015) as hereunder:-**

| S.No. | Description | Tax rate upto 30.06.2015 | Tax rate from 01.07.2015 | Instrument which may be referred to |
|-------|--|--------------------------|--------------------------|---|
| 1. | Telecommunication services. | 19.5% | 18% | Notification to be issued under section 8(2). |
| 2. | Services liable to tax at 15% | 15% | 14% | Sindh Finance Bill, 2015 |
| 3. | Services provided by programme producers and production houses | 10% | 6% | Notification to be issued under section 8(2). |

- 2. Sales Tax reduced rate @ 5% is increased to 6% w.e.f. 1st July 2015.**

- 3. Following new services are brought into Sindh Sales Tax Act. w.e.f. 01.07.2015:-**

| S.No. | Description | Tariff heading | Statutory rate | Effective rate |
|-------|--------------------------------|----------------|----------------|----------------|
| 1 | Travel Agents | 9805.5000 | 14% | 10% |
| 2 | Credit rating agency | 9818.2000 | 14% | 14% |
| 3 | Underwriters | 9819.1100 | 14% | 14% |
| 4 | Indenters | 9819.1200 | 14% | 14% |
| 5 | Commission agents | 9819.1300 | 14% | 14% |
| 6 | Auctioneers | 9819.9100 | 14% | 10% |
| 7 | Dredging or desilting services | 9822.4000 | 14% | 10% |
| 8 | Intellectual property services | 9838.0000 | 14% | 10% |

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| 9 | Erection, commission and installation services | 9839.0000 | 14% | 14% |
| 10 | Technical Inspection and Certification services | 9840.0000 | 14% | 14% |
| 11 | Services provided or rendered by laboratories (other than the services relating to pathological, or radiological or diagnostic tests of patients) | 9817.9000 | 14% | 14% |
| 12 | Packers and movers | 9819.1400 | 14% | 14% |
| 13 | Services of Shares, securities and Derivatives (registration/transfer and custodianship) <i>[through amendment in the definition under section 2(79A)]</i> | 9805.9000 | 14% | 14% |
| 14 | Valuation services, including competency and eligibility testing services | 9841.0000 | 14% | 14% |
| 15 | Renting of immovable property services | 9806.3000 | 14% | 6% |
| 16 | Ready mix concrete services | 9837.0000 | 14% | 14% with input tax credit facility OR <i>(optional)</i> 6% without input tax credit facility |