

TAXUPDATE Series



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Faisalabad March 13, 2024

S.R.O 350 (I)/2024 (Sales tax)

Dated March 07, 2024

S. #	Previous	Changed
1.	Not such a requirement	I. Balance sheet is now required to file at the time of registration with FBR for sales tax; II. Existing registered persons are required to comply with this change within 30 days i.e. April 06, 2024. III. This change is applicable to (a) Sole-proprietor (b) AOPs (c) Single Member Company IV. This change is not applicable to the manufacturer of above legal form.
2.	Instant online registration order by IRIS	Now, LRO will scrutinise that above-mentioned requirements are fulfilled at the time of registration by above-mentioned persons applying for registration. In case all requirements are satisfied then LRO will approve the application.
3.	Verification was required only once at the time of registration	Now, every individual, any member of an association of persons and director of a company having only one shareholder shall visit e-sahulat Centre of NADRA during the month of July every year .
4.	There was only post-verification requirement for manufacturer.	Now, it can be pre-verification or post-verification or both.
5.	Not such a requirement	Now, prior authorization by the Commissioner through IRIS is required if sales declared by (a) Sole-proprietor (b) AOPs (c) Single Member Company other than manufacturers are 5 times in excess of declared business capital.
6.	Not such a requirement	This is an important change with respect to claim to input tax by any registered person. Now, a registered person (buyer) should not take risk of return submission until his supplier has also submitted the sales tax return of the relevant month. In case of non-submission of sales tax return by the supplier of registered person (buyer), the input available to him will be disallowed by deleting all the sales tax invoices and input tax claimed shall become payable.
7.	Previously, system validation check was not placed.	Now, the system validation check has been placed to verify that if withholding sales tax amount has been cross checked with the amount of sales declared in the sales tax return.

8.	Previously, if a supplier of registered person did not file his return then input can be adjusted provisionally by registered person (buyer) but only upto 10 th of the next month.	Now, this has been omitted and point # 6 is made effective.
9.	Not such a requirement	Now, Commissioner's prior approval is required to issue credit note.

Thank you

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