

**Tier-1 retailers' point of sale, FBR extends date for online integration**

ISLAMABAD: To facilitate documented retailers, the Federal Board of Revenue (FBR) has further extended the date up to August 31, 2020 for online integration of tier-1 retailers' point of sale (POS) with the board's computerized system for real time reporting of their sales.

Through Finance Act 2020, the government has also reduced sales tax rate from 14 to 12 percent for tier-1 retailers who will connect with Point of Sale (POS) software. The FBR hopes that 20,000 retailers will be connected with POS software in the next fiscal year.

According to the FBR's instructions issued to the field formations here on Friday, in exercise of the powers conferred under Section 74 of the Sales Tax act, 1990, the FBR has further condoned the time limit as provided in sub-rule (2) of rule 150ZEA of Sales Tax Rules, 2006, up to August 31, 2020, for online integration of tier-1 retailers' POSs with the board's computerized system for real time reporting of sales subject to the condition that such tier-1 retailers furnish in writing their willingness to integrate all their POSs in terms of aforesaid rules to the respective RTOs/LTUs by August 20, 2020, the FBR added.

Earlier, the date was extended up to June 30, 2020 for online integration of tier-1 retailers' POS with the board's computerized system for real time reporting of their sales.

The FBR has already allowed entire Tier-1 retailers who have integrated all their POSs with the Board's system, to adjust input tax to the extent of 95 percent of the output tax for the tax period. These retailers have been allowed to adjust input tax to the extent of 95 percent of the output tax for the tax period and the excess amount shall be carried forward to the next tax period.

Tier-1 covers a retailer operating as a unit of a national or international chain of stores; a retailer operating in an air conditioned shopping mall, plaza or centre excluding kiosks; a retailer whose cumulative electricity bill during the immediately preceding 12 consecutive months exceeds Rs 600,000; and a wholesaler-cum-retailer engaged in bulk import and supply of consumer goods on wholesale basis to the retailers.