

SRB explains services input tax

KARACHI: The Sindh Revenue Board (SRB) on Friday explained the procedure for claiming input tax adjustment by resident Pakistanis against invoices issued by foreign services' providers.

The provincial revenue authority said that SRB-registered service recipients who receive taxable services from a foreign service provider (not registered with SRB) shall be entitled to claim input tax credit if: (i) such SRB-registered person receives the taxable services against an invoice issued by that foreign service provider; (ii) pays, to the foreign service provider, the consideration for the services so received by the resident service recipient; and (iii) e-deposits the amount of Sindh sales tax, on such services."

As regards the procedure for input tax credit claims, the resident SRB-registered person (service recipient, in this case) should e-deposit the amounts of Sindh sales tax on such services as were received by him from a foreign service provider (not registered with SRB) against the SNTN of the service recipient himself. The SRB said that service recipient should declare: (i) his own (resident SRB-registered service recipient) name and SNTN; and (ii) the date and number of the invoice issued by the foreign service provider.