THE ISLAMABAD CAPITAL TERRITIORY (TAX ON SERVICES) ORDINANCE, 2001

ORDINANCE NO.XLII OF 2001

[18th August 2001]

An Ordinance to provide for levy of sales tax on the services rendered or provided in the Islamabad Capital Territory

WHEREAS it is expedient to provide for levy of sales tax on the services rendered or provided in the Islamabad Capital Territory and for matters ancillary thereto or connected therewith;

AND Whereas the president is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provincial Constitution Order No.1 of 1999, read with the Provincial Constitution (Amendment) Order No.9 or 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:─

1. Short title extent and commencement.─ (1) This Ordinance may be called the Islamabad Capital Territory (Tax on Services) Ordinance, 2001.

(2) It extends to the whole of Islamabad Capital Territory.

(3) It shall come into force at once.

2. Interpretation. In this Ordinance, unless there is anything repugnant in the subject or context, the words and expression used but not defined shall have the same meaning as in the Sales Tax Act, 1990.

3. Scope of tax.─ (1) Subject to the provisions of this Ordinance, there shall be charged, levied and paid a tax known as sales tax at the rate of fifteen per cent of the value of the taxable services rendered or provided in the Islamabad Capital Territory.

(2) The tax shall be charged and levied on the services specified in the Schedule to this Ordinance in the same manner and at the same time, as if it were a sales tax leviable under section 3, 3A or 3AA, as the case may be, of the Sales Tax Act, 1990.

(3) All the provisions of the Sales Tax Act, 1990 and rules made and notifications, orders and instructions issued there under shall, mutatis mutandis apply to the collection and payment of tax under this Ordinance in so far as they relate to—

(a) manner, time and mode of payment;

(b) registration and de-registration;

(c) keeping of records and audit;

(d) enforcement and adjudication;

(e) penalties and prosecution; and

(f) all other and ancillary matters.

THE SCHEDULE

[See section 3(2)]

1. Services provided or rendered by hotels, marriage halls, lawns, clubs and caterers:—

(a) services provided or rendered by hotels;

(b) services provided or rendered by marriage halls and lawns;

(c) services provided or rendered by clubs; and

(d) services provided or rendered by caterers.

2. Advertisement on T.V and Radio excluding advertisement—

(a) if sponsored by Government agency for health education;

(b) if sponsored by the Population Welfare Division relating to education promotion campaign; and

(c) public service messages if telecast on television by World Wildlife Funds for Nature and UNICEF.

3. Services provided or rendered by persons authorized to transact business on behalf of others:—

(a) customs agents;

(b) ship chandlers; and

(c) stevedores.

4. Courier services.

5. Services provided or rendered for personal care by beauty parlors beauty clinics and slimming clinics.

6. Services provided or rendered by laundries and dry cleaners.