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Sindh sales tax collection jumps 9pc

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KARACHI: The sales tax collection by the Sindh Revenue Board (SRB) recorded a growth of around 9 per cent to Rs70 billion during first three quarters of 2018-19 from Rs64bn in the corresponding period last year.

This increase was despite the suspension of sales tax collection on pre-paid and post-paid cellular phone services by the Supreme Court since July 2018. The SRB used to collect up to 10 per cent in sales tax on telecom services amounting to around Rs1bn per month.

With consistent efforts the board managed to add 4,007 new taxpayers to offset the negative impact on revenue collection during the first nine months of the current fiscal, a senior SRB official told Dawn.

In March, the sales tax collection witnessed an increase of 7.67 per cent to Rs9.251bn compared to Rs8.591bn in the same month last year.

He said the the number of registered taxpayers rose to 30,472 by end of third quarter from 26,465 on July 1, 2018.

Meanwhile, the collection of sales tax on services by the Punjab Revenue Authority (PRA) during the July-March period dipped 7pc to Rs69bn from Rs74bn collected in the same period last year.

Sindh has the lowest sales tax rate on services at 13pc whereas Punjab charges 16pc and Balochistan and KP 15pc.

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