



PBA/09/14/Cir-10272  
September 20, 2014

**All Members / Associate Members**  
Pakistan Broadcasters Association

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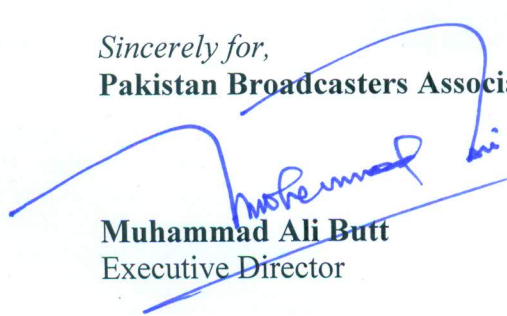
Dear Members,

As a result of recent amendments in Sindh Sales Tax Rules if the service provider/TV Channel is based in Sindh and is registered under the Sindh Sales Tax on Services Act, 2011, while the Advertiser is based in Punjab or any other province and not registered in Sindh Act, 2011, such Advertiser has been excluded from the definition of withholding agent under the Sindh Sales Tax Special Procedure (Withholding) Rules, 2014. Thus payment made by it to the authority other than SRB is not acknowledged with the result that payment is required to be made to SRB. This would mean double sales tax on the same service. This may be noted that Punjab sales Tax law demands payment of Tax in both the cases whether the Service is being initiated or terminated in Punjab.

The PBA considers the aforesaid provisions of Law as unjust and unconstitutional and against the principle of equity. It has, therefore, been decided to challenge these in Sindh High Court at the earliest. However, it may be noted that these changes remain in field till these are declared illegal by Court or some stay order is passed.

In case of any clarity required the members are advised to contact the Executive Director, PBA.

*Sincerely for,*  
**Pakistan Broadcasters Association**

  
**Muhammad Ali Butt**  
Executive Director