



**Khyber Pakhtunkhwa
Revenue Authority (KPRA)**

KPRA HQ, Railway Track, Phase 3 Chowk, Hayatabad Peshawar
Ph: 091-9219233



F No. KPRA/Opt to Standard Rate /2020/625

Dated: 28-04-2021

To

**All Registered Persons
(as per enclosed attested list)**

Subject:

**PERMISSION TO OPERATE UNDER STANDARD RATE OF TAX (15%)
IN TERMS OF SECTION 26-A OF THE KP FINANCE ACT, 2013.**

Several applications were received in the Khyber Pakhtunkhwa Revenue Authority (KPRA) from registered persons providing/rendering services liable to KP sales tax at different reduced rates under the Second Schedule of the KP Finance Act, 2013 each containing request for grant of permission to operate under standard rate of tax (15%) under section 26A of the KP Finance Act, 2013. These cases have been examined thoroughly and considered by the Authority in its meeting held on 13-04-2021. The Authority was pleased to approve and grant permission to only nine (09) cases as per list duly attested and attached herewith as an integral part of this communication subject to the following conditions.

- i. The permission shall take immediate effect and shall remain valid unless reversion to reduced rate of tax is allowed by the Authority or it is otherwise withdrawn by the Authority as provided under section 26A of the KP Finance Act, 2013.
- ii. On conversion to standard rate of tax in terms of this permission, adjustment of previously paid input tax at standard rate shall be admissible subject to all such conditions, limitations and restrictions applicable in this regard under section 26(4) of the KP Finance Act, 2013 read with Para 44 of KPRA Sales Tax on Services Regulation, 2017 or as prescribed elsewhere under the KP sales tax on services law.
- iii. No adjustment of any input tax paid or to be paid at reduced rate whether in respect of tangible inputs (goods) or intangible inputs (services) shall be admissible in any case under any circumstances.

- iv. On the expiry of the year 2020-21, the Director (Inquiry & Investigation) KPRA, shall conduct audit of the registered person to confirm the genuineness of the use of the permission as aforesaid and ascertain the accuracy of the trends of tax payments by such registered person during the year 2020-21. The outcome of the audit report shall be communicated to the Director General, KPRA for his information and such further action as may be deemed necessary by him.
- v. Where during the course or in consequence of the audit as aforesaid, it is suspected, believed or found that the case demands proper or formal investigation to ascertain the nature, details and extent of deliberate evasion of tax involving tax fraud as defined under section 2(53) of the Khyber Pakhtunkhwa Finance Act, 2013, the Director (Inquiry & Investigation) shall prepare investigation report for the Director General. Necessary legal action in each such case, as and if required, shall be initiated/taken by the competent officer without any loss of time.
- vi. Under no circumstances, the permission granted hereinabove shall be construed to confer any right on any registered person to continue to operate at standard tax rate indefinitely unless the law applicable in this regard is amended conferring such right.

2. The Authority however, regrets for having not granted permission to fifty (50) number of applicants to whom necessary individual letters/ intimations shall be issued separately.

Encl: as above


(Abdul Haleem Khan)
Director (HR, ADMIN & COORD.)

Copy to:

- (i) Director, I &I, KPRA headquarters, Peshawar.
- (ii) All Additional Collectors, KPRA.
- (iii) PS to Director General, KPRA, Peshawar.
- (iv) AD (Web), ICT, KPRA for uploading on official website of KPRA.
- (v) Registered Persons as per list attach.


(Abdul Haleem Khan)
Director (HR, ADMIN & COORD.)

List of Registered Persons who are allowed to operate under the Standard Rate Regime in terms of Section 26A of the Khyber Pakhtunkhwa Finance Act, 2013

S. No	Business Name	KNTN	Application Date	Principal Service	Address
1	ERICSSON PAKISTAN (PRIVATE) LIMITED	656466	11.11.2020	Services Provided By Persons Engaged In Contractual Execution Of Work Or Furnishing Supplies (Excluding Transactions Involving Contractual Supply Of Goods Only Without Any Component Of Service)	3RD Floor, Saudi Pak Tower, 61-A, F-7/G-7, Islamabad
2	ITTEFAQ BUILDING SOLUTIONS (PRIVATE) LIMITED	7186024	26.11.2020	Services Provided By Persons Engaged In Contractual Execution Of Work Or Furnishing Supplies (Excluding Transactions Involving Contractual Supply Of Goods Only Without Any Component Of Service)	189/190 Commercial Area, Lahore
3	M/S BEMSOL (PRIVATE) LTD	2498262	16.12.2020	Construction Services Rendered Or Provided In Respect Of The Construction Of Structures, Buildings, Roads, Bridges, Underpasses Or Flyovers (And Other Civil Works), Electro-Mechanical Works, Turn-Key Projects And Similar Other Works Involving Construction	H.No.09-B Nespak Society, Lahore City
4	GERRY'S DNATA (PVT.) LIMITED	1531481	05.01.2021	Other Services	Room No-5041 Jlap, Karachi
5	M.SALEEM ELECTRICAL & MECHANICAL SERVICES	4337242	13.01.2021	Services Provided By Persons Engaged In Contractual Execution Of Work Or Furnishing Supplies (Excluding Transactions Involving Contractual Supply Of Goods Only Without Any Component Of Service)	Shop No 01, Block No.54 I&T Center G-10-/4, Islamabad
6	ROOHULLAH KHAN GOVT. CONTRACTOR AND GENERAL ORDER SUPPLIER	3645593	26.01.2021	Transportation Of Goods By Conduit, Pipeline, Conveyor And Similar Cargo Transmission Networks Or Arrangements For Transportations Of Goods Whether Liquid Or Otherwise.	Post Office Billi Tang Rawalpindi Road Babri Banda, Kohat
7	PAKBAZ ENGINEERING	2416454	14.02.2021	Services Provided By Work Contractor Other Than Construction Or Maintenance Work	Office No.2 (M-1) Plot No.A-32, Ground Floor Amber Estate (Ext), Kchs Shahrah-E-Faisal, Janshed Town, Karachi East.
8	ORIENT ENERGY SYSTEMS (PVT.) LIMITED	3032072	23.02.2021	Services Provided By Persons Engaged In Contractual Execution Of Work Or Furnishing Supplies (Excluding Transactions Involving Contractual Supply Of Goods Only Without Any Component Of Service)	Plot 09, Sector 24, Korangi Industria Area, Karachi
9	ASTRAL CONSTRUCTORS (PVT) LIMITED	2852185	12.03.2021	Construction Of Other Civil Engineering Projects	Suite No.1, Evacuee Trust Complex, Aga Khan Road, Sector F-5/1, Islamabad

DIRECTOR

(MR. Ashraf I. Cooré.)

Khyber Pakhtunkhwa Revenue Authority