



## All Pakistan Security Agencies Association

Ref: APSAA/AL/01/02-21  
Date: 09<sup>th</sup> February, 2020

### ALL MEMBERS

(Applicable in Sindh only)

Subject: CALCULATION OF SINDH SALES TAX

In wake of the order of SHC regarding sales tax all companies are advised to use the following formula for calculating sales tax to be deposited with SRB. It is imperative that all the companies should follow the same formula as given below:

1. Total amount received from client... A
2. Salary + Allowance paid to guards... B
3. Services Charges... A-B
4. Sales tax on service charges... C (to be calculated on service charges)

To understand the above an invoice is also attached. The main point to remember is that the actual salary that you are paying to your employee should not be less than the minimum wage notified by the government plus add Rs. 1,000/- as house allowance and Rs. 1,000/- as transport allowance. Whatever actual salary you pay to an employee plus two thousand as allowance will be subtracted from the rate that you are receiving from your client. The remaining amount will be the one on which you have to calculate the sales tax. For further clarification please also see the attached invoice.

In case of any query please contact APSAA office or any member of Executive Committee including the Chairman.

Regards

**Hina Izaz**  
Secretary APSAA