

**PROVINCIAL ASSEMBLY OF SINDH
NOTIFICATION
KARACHI, THE 26TH APRIL, 2017**

NO.PAS/Legis-B-08/2017-The Sindh Development and Maintenance of Infrastructure Cess Bill, 2017 having been passed by the Provincial Assembly of Sindh on 12th April, 2017 and assented to by the Governor of Sindh on 21st April, 2017 is hereby published as an Act of the Legislature of Sindh.

**THE SINDH DEVELOPMENT AND MAINTENANCE OF
INFRASTRUCTURE CESS ACT, 2017**
SINDH ACT NO. XVIII OF 2017

**AN
ACT**

to consolidate the law relating to the levy of a cess on goods entering into and leaving the Province from or for outside the country through air or sea;

WHEREAS it is expedient to consolidate the law relating to the levy of a cess on goods entering into and leaving the Province from or for outside the country through air or sea, for development and maintenance of infrastructure of the Province;

Preamble.

It is hereby enacted as follows:-

**CHAPTER – I
PRELIMINARY**

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| 1. (1) This Act may be called the Sindh Development and Maintenance of Infrastructure Cess Act, 2017. | Short title,
extent and
commencement. |
| (2) It extends to the whole of the Province of Sindh. | |
| (3) It shall come into force at once and shall be deemed to have taken effect on and from 1 st July, 1994. | |
| 2. In this Act, unless there is anything repugnant in the subject or context - | Definitions. |
| (a) “cess” means the cess payable under section 3 of the Act; | |
| (b) “Director” means the Director, Excise, Taxation and Narcotics Control; | |
| (c) “Director General” means Director General, Excise, Taxation & Narcotics Control Sindh; | |
| (d) “District Excise, Taxation and Narcotics Control Officer” means the Senior Excise, Taxation and Narcotics Control Officer or Excise, Taxation and Narcotics Control Officer of the District, having jurisdiction; | |

- (e) “Government” means the Government of Sindh;
- (f) “owner” means the person in whose name the goods are entering or leaving the Province from or for outside the country by air or sea and includes the clearing agent;
- (g) “prescribed” means prescribed by rules;
- (h) “person” includes the person, entity, any company or association or body of persons, whether incorporated or not;
- (i) “Province” means the Province of Sindh;
- (j) “rules” means rules made under this Act; and
- (k) “Schedule” means Schedule appended to this Act;

CHAPTER - II **SCOPE OF CESS**

3. There shall be levied and collected a cess for maintenance and development of infrastructure on goods at the rate determined on the basis of their value, net weight and distance in accordance with the Schedule, for carriage by road and smooth and safer movement in the Province upon entering or before leaving the Province from or for outside the country, through air or sea:

Levy of cess.

Provided that cess on gold shall be charged at the rate of 0.125% of the value of gold.

Explanation: for the purpose of this section, the word “infrastructure” includes roads, streets, bridges, culverts, lights on passages, plantation on passages, beaches, public parks, place of public recreation and convenience, eating places, landscape, forests, fisheries, delta conservation, lakes, breeding places of aquatic life, wild life and its sanctuaries, public schools, vocational and technical training centers and projects, libraries, museums and similar institutions controlled and financed by the Province, control of traffic for smooth flow and safer movement of goods, public order, police force, patrol for safety of goods, stands for loading and unloading of goods, parking places, markets, water supply, hospitals and dispensaries and development, improvement, maintenance and protection of such matters.

4. (1) The owner shall be liable to pay the cess levied on the goods entering or leaving the Province from or outside the country by air or sea under section 3.

Person liable to pay cess.

(2) Nothing contained in this section shall prevent the collection of cess from a person who is made separately, jointly or severally liable for payment of the cess under this Act or the rules.

5. (1) In case of goods entering or leaving the Province from or for outside the country, cess shall be payable in the same manner and at the same time as it were a custom duty regardless whether the goods are liable to such duty.

Payment of cess.

(2) The amount of cess shall be deposited in such head of account as may be specified by Government.

6. Notwithstanding anything contained in section 3 and 5, the Government through a notification in the official Gazette, for reasons to be recorded, may exempt any goods or category or class of goods from payment of whole or any part of the cess, in accordance with the prescribed rules.

Exemptions.

CHAPTER – III

OFFENCES AND PENALTIES

7. Where the goods are removed, transported or shipped without payment of cess, after one month the owner shall, without prejudice to any other action that may be taken against him, be liable to a penalty not more than the amount of cess evaded.

Penalty.

8. The following officers may by an order in writing, for reasons to be recorded, waive the payment of penalty: -

Waiver of penalty.

(a) The Director concerned up to Rs.10,000/-;

(b) The Director General up to Rs.100,000/-;

(c) The Secretary, Excise, Taxation & Narcotics Department upto Rs.200,000/- but in case of more than Rs.200,000/= with the approval of Government.

CHAPTER-IV

MISCELLANEOUS

9. Any person aggrieved by an order of the District Excise, Taxation and Narcotics Control Officer may within thirty days prefer an appeal against such order, to the concerned Director Excise, Taxation and Narcotics Control Department.

Appeal.

10. (1) Government may, at any time, on its own motion, or on an application made to it within ninety days of passing of any order, call for the record of any case pending before, or disposed of by any Officer subordinate to it.

Revision.

(2) The Director General may, at any time, on his own motion, or on an application made to him within ninety days of passing of any order, call for the record of any case pending before, or disposed of by any Officer under his control.

11. No refund of the cess claimed to have been paid or over-paid through inadvertence, error or misconstruction shall be allowed unless such claim is made within three months of the date of payment of such cess.

Claim of Refund.

12. The proceeds of the Cess shall be utilized for maintenance and development of Infrastructure and other activities ancillary thereto in such manner as may be prescribed.

Utilization of Cess.

13. Notwithstanding anything contained in any law, rules or judgment, order or decree of any court the Infrastructure cess levied, assessed, charged and collected in pursuance of Sindh Finance Act, 1994 and amendments thereof, before the coming into force of this Act shall be deemed to have been validly levied, assessed, charged or collected.

Validation.

14. Anything, done, action taken, assessment and collection made, order passed or purported to have been done, taken under section 9 of the Sindh Finance Act, 1994 and the Sindh Development and Maintenance of Infrastructure Cess Rules, 1994 in relation to Infrastructure Cess before the coming into force of this Act shall be deemed to have been validly done, taken, made, or passed in relation to cess and shall have and shall be deemed always to have effect accordingly. **Indemnity.**
15. No provision of this Act or any order made thereunder shall be called in question by or before any Court. **Jurisdiction barred.**
16. Government may make rules for carrying into effect the purposes of this Act and such rules may among other matters, prescribe the procedure for the assessment collection and payment of and exemption from the Cess levied under this Act. **Power to make rules.**
17. Where the Government takes any action, makes any decision or orders, issues any instructions, directions, clarifications or notifications in pursuance of or in exercising of powers conferred under any provision in respect of any matter relating to the cess and allied issues covered under this Act or the rules, such actions, decisions, orders, instructions, directions, clarifications and notifications shall be deemed to have been validly issued to serve the purposes of this Act and the rules. **Savings.**
18. This Act shall have overriding effect notwithstanding anything contained in any other law, for the time being in force. **Overriding effect.**

**BY ORDER OF THE SPEAKER
PROVINCIAL ASSEMBLY OF SINDH**

**G.M.UMAR FAROOQ
SECRETARY
PROVINCIAL ASSEMBLY OF SINDH**

SCHEDULE

(See Section 2 (k) & 3)

NET WEIGHT OF GOODS	RATE OF CESS ALONGWITH DISTANCE
Upto 1250 Kilograms.	1.10 % of total value of goods as assessed by the Custom Authorities plus 1 Paisa per Kilometer.
Exceeding 1250 Kilograms but not exceeding 2030 Kilograms.	1.11 % of total value of goods as assessed by the Custom Authorities plus 1 Paisa per Kilometer.
Exceeding 2030 Kilograms but not exceeding 4060 Kilograms.	1.12 % of total value of goods as assessed by the Custom Authorities plus 1 Paisa per Kilometer.
Exceeding 4060 Kilograms but not exceeding 8120 Kilograms.	1.13 % of total value of goods as assessed by the Custom Authorities plus 1 Paisa per Kilometer.
Exceeding 8120 Kilograms but not exceeding 16000 Kilograms.	1.14 % of total value of goods as assessed by the Custom Authorities plus 1 Paisa per Kilometer.
Exceeding 16000 Kilograms.	1.15 % of total value of goods as assessed by the Custom Authorities plus 1 Paisa per Kilometer.

Explanation-I: For the purpose of the Schedule, the "value" means total value of Goods as assessed by the Custom Authorities upon entering in and using the Infrastructure of the Province and "distance" means the distance covered within the Province.

Explanation-II: Notwithstanding the provision of section 3, the cess on the goods leaving the Province for outside the country, through air or sea, shall be charged at the rate of zero percent.