



**GOVERNMENT OF PUNJAB  
PUNJAB REVENUE AUTHORITY**

August 01, 2012

**NOTIFICATION  
(Sales Tax on Services)**

No.PRA/Orders.06/2012. In exercise of the powers conferred under section 76 of the Punjab Sales Tax on Services Act 2012 (XLIII of 2012), the Punjab Revenue Authority, with the approval of the Government, is pleased to make the following rules:

**CHAPTER I  
PRELIMINARY**

**1. Short title and commencement.**– (1) These rules may be cited as the Punjab Sales Tax on Services (Recovery) Rules 2012.

(2) They shall come into force at once.

**CHAPTER II  
GENERAL**

**2. Appeal period to be foregone.**– Where the tax has been determination through an adjudication order or order-in-appeal, recovery action shall not be initiated during the period prescribed for filing appeal against such order.

**3. No recovery in stay period.**– Recovery action shall not be taken where a competent authority or court has granted stay against the recovery of the tax unless the stay has expired constitutionally or otherwise.

**4. Recovery of declared short or non-payments.**– Where a registered person has filed tax return but has either short paid or not paid the amount of tax shown in the return, immediate direct recovery action shall be taken for the principal amount of tax without issuance of any show cause notice provided that the liabilities on account of default surcharge and penalty, if any, shall be determined through adjudication and recovered thereafter.

**5. Referring officer.**– The Assistant Commissioner in whose jurisdiction the case involving recovery of the tax falls shall act as referring officer provided that in the absence of such Assistant Commissioner, the officer next higher in rank shall perform the functions of the referring officer.

**6. Nomination of recovery officer.**– Every Commissioner shall nominate an officer not below the rank of the Assistant Commissioner as recovery officer for the recovery of the tax in his jurisdiction and where needed, the Commissioner may nominate more than one recovery officer specifying their respective sub-jurisdictions.

**7. Issue of certificate.**– (1) The referring officer shall issue to the recovery officer a certificate for recovery of the tax covering amongst other things, the following:

- (i) name, business address and registration number of the defaulter;
- (ii) CNIC number in case of sole proprietorship and partnership and CNIC numbers of all directors in case of corporate entity along with their known residential addresses;

- (iii) details of the known bank accounts of the defaulter or defaulters;
  - (iv) details of the tax separately for principal amount of tax, default surcharge, penalty and fine, if any;
  - (v) particulars of the adjudication order, appellate order or orders of the Appellate Tribunal or Court;
  - (vi) full details of the properties (both moveable and immovable) owned by the defaulter or defaulters;
  - (vii) clarification about the clear recoverability of the tax and non application of any stay; and
  - (VIII) any other relevant information needed to facilitate the recovery officer.
- (2) Attested copies of all relevant documents and orders in support of the information incorporated in the certificate issued under sub-rule (1) shall be sent to the recovery officer.
- (3) The referring officer shall maintain proper account of all the certificates issued to the recovery officer under sub-rule (1).

### **CHAPTER III MEASURES BY RECOVERY OFFICER**

**8. Maintenance of a register.**— (1) Every recovery officer shall maintain a register in appropriate form (in hard form as well as in his computer) and enter all the details of the certificates together with particulars of the documents received from the referring officers.

(2) Every measure taken and results achieved by the recovery officer shall be invariably recorded in the remarks column of the register maintained under sub-rule (1).

**9. Statutory actions.**— The recovery officer shall attempt to take recovery measures specified in clauses (a) to (f) in sub-section (1) of section 70 of the Act preferably in sequential order provided that a bonafide non-observance of the sequence mentioned therein shall not vitiate the action of the recovery officer.

**10. Power to require information.**— The recovery officer may, by requisition in writing, require any person, organization, institution or department whether registered or not to furnish any information, documents or records required for the proceedings under these rules.

**11. Resolution of a dispute.**— Any disputed question arising between by the referring officer and the recovery officer or between the defaulter and the recovery officer shall be resolved by the Commissioner in such manner as he may deem proper.

### **CHAPTER IV ATTACHMENT OF PROPERTY**

**12. Issue of notice.**— For the purpose of attachment of any property, the recovery officer shall cause notice to be served upon the defaulter requiring the defaulter to pay the amount specified in the notice within seven days from the date of its service and intimate that in default, his property particulars of which have been given in the notice, may be attached.

**13. Attachment of property.**— If the amount mentioned in the notice issued in terms of rule 12 is not paid within seven days from the date of service of the notice, the recovery officer may proceed to realise the amount by attachment and sale of

defaulter's property and for this purpose, the recovery officer may detain the defaulter's property until the amount mentioned in the notice together with the cost of detention is paid by the defaulter.

**14. Reasonableness of attachment.**– (1) Attachment of the property of the defaulter shall not be excessive, that is to say, the property attached shall be as nearer as possible proportionate to the amount specified in the notice.

(2) The attachment of the property shall only be made after sunrise and before sunset.

**15. Preparation of inventory.**– After attachment of the property of the defaulter, the recovery officer shall prepare an inventory of the property attached and specify in it the place where it is lodged or kept and shall hand over a copy of the same to the defaulter or the person from whose charge the property is distrained.

**16. Private alienation to be void.**– (1) Where a notice has been served on a defaulter under rule 12, the defaulter or his representative in interest shall not be competent to mortgage, charge, lease or otherwise deal with any property belonging to him except with the written permission of the recovery officer.

(2) Where an attachment has been made under these rules, any private transfer or delivery of the property attached or of any debt, dividend or other moneys contrary to such attachment shall be void as against all claims enforceable under the attachment.

**17. Share in property.**– Where the property to be attached consists of the share or interest of the defaulter in property belonging to him and another as co-owners, the attachment shall be made by a notice to the defaulter prohibiting him from transferring the share or interest or charging it in any way.

**18. Property in custody of court or public officer.**– (1) Where the property to be attached is in the custody of any court or public officer, the attachment shall be made by a requisition in writing to such court or officer, requesting that such property, and any interest or dividend becoming payable thereon, may be held subject to further orders of the recovery officer by whom the requisition is issued.

(2) Where such property is in the custody of a court, any question of title or priority arising between the recovery officer and any other person, not being the defaulter, claiming to be interested in such property by virtue of any assignment, attachment or otherwise, shall be determined by such court.

**19. Service of attachment notice.**– A copy of the order of attachment shall be served on the defaulter in the same manner as prescribed for the service of order or decision under the Act.

**20. Proclamation of attachment.**– (1) The order of attachment shall be proclaimed at some place on or adjacent to the property attached by beat of drum or other customary mode and a copy of the order shall be affixed on a conspicuous part of the property and on the notice board of the office of the recovery officer.

(2) The proclamation of attachment may be published in any two of the newspapers circulated in the district where attached property is distrained and cost of such publication shall be deemed to be the cost of the sale.

**21. Property Exemption from attachment.**– (1) All such property as is exempted by the Code of Civil Procedure, 1908 (V of 1908) from attachment and

sale for execution of a decree of a civil court shall be exempt from attachment and sale under these rules.

(2) The decision of the recovery officer as to what property is so entitled to exemption shall be final.

#### **CHAPTER V SALE OF MOVEABLE PROPERTY**

**22. Sale of moveable property.**– (1) If the amount mentioned in the notice together with the cost of detention of the property is not paid within a period of thirty days from the date of attachment of the property, the Commissioner may authorize the recovery officer to proceed to realise the amount by sale of the defaulter's property in public auction.

(2) The Commissioner shall be competent to fix the reserve price in respect of any property of the defaulter to be sold in public auction and order that any bid shall be accepted only on the condition that it is not less than such reserve price.

**23. Negotiable instruments and shares in a corporation.**– Notwithstanding anything contained in these rules, where the property to be sold is a negotiable instrument or a share in a corporation, the recovery officer may, instead of directing the sale to be made by public auction, authorise the sale of such instrument or share through a broker.

#### **CHAPTER VI SALE OF IMMOVABLE PROPERTY**

**24. Proclamation of sale.**– Where any immovable property is ordered to be sold, the recovery officer shall cause a proclamation of the intended sale to be made in the national and local language.

**25. Contents of proclamation.**– A proclamation of sale of immovable property shall be drawn up after notice to the defaulter, and shall state the time and place of sale, and shall specify, as fairly and accurately as possible:

- (a) the property to be sold;
- (b) the amount for the recovery of which sale is ordered;
- (c) the reserve price, if any, below which the property may not be sold;  
and
- (d) any other thing which the recovery officer considers it material for a purchaser to know in order to judge the nature and value of the property.

**26. Mode of making proclamation.**– (1) Every proclamation for the sale of immovable property shall be made at some place on or near such property by beat of drum or other customary mode, and a copy of the proclamation shall be affixed on a conspicuous part of the property and also upon a conspicuous part of the office of the recovery officer.

(2) Where the recovery officer so directs, such proclamation shall also be published in any two of the newspapers circulated in the district where such property is located and the cost of such publication shall be deemed to be cost of the sale.

(3) Where the property is divided into lots for the purpose of being sold separately, it shall not be necessary to make a separate proclamation for each lot,

unless proper notice of the sale cannot, in the opinion of the recovery officer, otherwise be given.

**27. Setting aside of sale where defaulter has not saleable interest.**—At any time within thirty days of the sale, the purchaser may apply to the recovery officer to set aside the sale on the ground that the defaulter has no saleable interest in the property sold.

**28. Confirmation of sale.**— (1) Where no application is made for setting aside the sale under rule 27 or where such an application is made and disallowed by the recovery officer, the recovery officer shall (if the full amount of the purchase money has been paid) make an order confirming the sale, and, thereupon, the sale shall become absolute.

(2) Where such application is made and allowed and where, in the case of any application made to set aside the sale on deposit of the amount and penalty and charges, the deposit is made within thirty days from the date of the sale, the recovery officer shall make an order setting aside the sale:

Provided that no order shall be made unless notice of the application has been given to the person affected thereby.

**29. Sale certificate.**— (1) Where sale of any immovable property has become absolute under these rules, the recovery officer shall grant a certificate specifying the property sold and the name of the person who at the time of sale is declared to be the purchaser.

(2) Such certificate shall state the date on which the sale became absolute.

**30. Purchaser's title.**— (1) Where any property is sold in terms of these rules, there shall vest in the purchaser's, the right, title and interest of the defaulter at the time of the sale.

(2) Where immovable property is sold in terms of these rules and such sale has become absolute, the purchaser's right, title and interest shall be deemed to have vested in him from the time when the property is sold, and not from the time when the sale becomes absolute.

(3) The purchaser shall have a right to take possession of the immovable property sold to him under these rules and where any difficulty arises in taking such possession, the recovery officer shall extend all necessary assistance to the purchaser to ensure that the purchaser obtains the possession.

**31. Irregularity not to vitiate sale, but any person injured may sue.**— No irregularity in the conduction of sale of any property shall vitiate the sale but any person sustaining substantial injury by reason of such irregularity at the hand of any other person may institute a suit in a competent court against him for compensation, or if (such other person is the purchaser), for the recovery of specific property and for compensation in default of such recovery.

**32. Prohibition against bidding or purchase by officer.**— No officer or other person having any duty to perform in connection with any sale under these rules, either directly or indirectly, shall bid for, acquire or attempt to acquire any interest in the property sold.

**33. Prohibition against sale on holidays.**— No sale under these rules shall take place on a Sunday or other general holidays recognized by the Government or

on any day which has been notified by the Government as a local holiday for the area in which the sale is to take place.

**CHAPTER VII  
MISCELLANEOUS**

**34. Disposal of the sale proceeds.**—The sale proceeds of the property of the defaulter shall be utilised in the following manner:

- (a) the sale proceeds shall first be utilised for meeting the cost of sale;
- (b) the balance shall be utilised for satisfaction of the tax mentioned in the notice issued under rule 12 together with the cost of detention of the property;
- (c) the balance, if any, shall be utilised for recovery of any other Government dues payable by the defaulter under any other law; and
- (d) the balance, if any, shall be paid to the defaulter.

**35. Allied action of the recovery officer.**— All bona fide and good-faith allied actions and measures taken by the recovery officer towards the recovery of the tax under these rules shall be deemed to be covered under these rules.

**36. Procedure on death of defaulter.**— If at any time after the certificate has been issued by the Assistant Commissioner under rule 11, the defaulter dies, the proceedings under these rules may be continued against the legal representatives of the defaulter, and the provisions of these rules shall apply as if the legal representatives were the defaulter.

**CHAIRPERSON  
PUNJAB REVENUE AUTHORITY**