

Chapter XIII

RESTAURANT SERVICES

65. Registration and e-enrolment.—(1) Every person (including firm or company) providing restaurant services, by whatever name called, in the province of Punjab whether through a single outlet or multiple outlets shall obtain registration from the Authority irrespective of the location of his headquarters office.

(2) Where a restaurant is already registered with the Federal Board of Revenue, it shall not be required to take separate registration for the purpose of Punjab sales tax on services and shall obtain only e-enrolment from the Authority through its website/e-portal where the registration number issued by the FBR shall be automatically prefixed with the capital "P" as per procedure in vogue.

(3) The hotels and clubs providing restaurant services as a part of their economic activity and already registered/e-enrolled with the Authority shall not be required to take any new or additional registration or e-enrolment for the purpose of payment of Punjab sales tax on their restaurant services. Such hotels and clubs shall however, pay sales tax on their restaurant services to the Punjab government through a single return covering all of their services.

66. Scope of tax.-- For the purpose of Punjab sales tax, the restaurant services shall include the services of providing (sale) of all kinds, types and categories of eatables and drinkables (including priced water) by businesses whether called restaurant or cafe, coffee house, food parlor, ice-cream parlor or such marriage, shadi and banquet hall and lawn as is also providing restaurant-type services to walk-in customers. The charges received by restaurants either directly or otherwise on account of rentals for use of personal/family dining rooms/halls/space, and conducting functions/events including decoration charges, if any, shall also be included in the assessable value of services provided by the restaurants.

67. Valuation of restaurant services.-- Sales tax shall be charged, collected and paid out of the gross amount of the price of eatables and drinkables billed and received from the customers including the component of charges received as service charges on account of serving (waiting) the customers at their tables or otherwise in or by a restaurant.

68. Menu Card.—(1) Every restaurant shall print in its menu card or list of eatables and drinkables to be supplied, the price of each item or combination

of items inclusive of all duties and taxes, whether Provincial or Federal excluding the sales tax and consumers shall be invoiced or billed on the basis of prices shown in such menu card or price list and each such menu card or price list shall conspicuously indicate that prices are subject to Punjab sales tax.

(2) Within one month of the issuance of this notification, or registration or as the case may be, e-enrolment, every restaurant shall send to the Authority a copy of its menu card or price list duly signed by a person responsible for the business operations of the restaurant and any change made in the printed prices of items as a regular measure or arrangement, shall be communicated to the Authority within fifteen days of such change by furnishing to the Authority likewise signed copy of changed menu card or price list.

(3) Restaurant may discount the printed prices in terms of sub-section (5) of section 7 of the Act and discounts (including discounts given to the employees of the restaurant establishment) or temporary changes aimed at promotion of business shall not be treated as changes of prices in terms of sub-rule (2).

69. Invoicing.—(1) A restaurant shall invariably issue serially numbered tax invoices or bills, vouchers or cash memos separately showing the amount of Punjab sales tax provided that where a restaurant is using computerized billing and accounting system, it may issue computer-generated tax invoices, bills, vouchers or cash memos.

(2) Every tax invoice, bill, voucher or cash memo shall invariably contain the Punjab sales tax registration number of the restaurant.

(3) Every customer of a restaurant shall have a right to demand tax invoice, bill, voucher or cash memo and he may demand the restaurant management to quote his full name, CNIC number or NTN number thereon, in which case it shall be binding upon the management to emboss the restaurant's stamp with full signature of the issuing person.

(4) A refusal by any restaurant to issue to a customer, tax invoice, bill, voucher or cash memo shall attract a penalty of Rs.50,000/- through adjudication on the basis of a complaint of the customer to the Authority.

70. Responsibilities of a restaurant.--(1) Where a restaurant is operating more than one outlets in the province of Punjab, complete list of such outlets shall be provided to the Authority within one month of the

issuance of this notification or registration or as the case may be, e-enrolment with the Authority, whichever is earlier.

(2) Every non-corporate restaurant shall display its Punjab sales tax registration certificate issued by the Authority at a conspicuous place near the cash counter in such a manner that the public visiting the restaurant may conveniently read the registration number of the restaurant.

71. Inami (Reward) scheme for customers.—(1) Any customer who has consumed or availed the tax-inclusive services of any registered restaurant (other than a restaurant located in a club or corporate sector hotel or corporate sector chain of restaurants) worth more than Rs.1000/- at a time may, in person or by post or through system e-mail, produce or send to the Authority, original tax invoice, bill, voucher or cash memo issued in his name under sub-rule (3) of rule 69 alongwith a photocopy of his CNIC and personal contact number.

(2) The Authority may, on the basis of a computerized inami (Reward Draw) program, give on monthly or bi-monthly basis, inam of not less than Rs.1,00,000/-at least to each of ten such customers whose names are randomly selected by the said automated program.

72. Distribution and use of electronic cash registers.—(1) The Authority may require any restaurant to use such pre-programmed electronic cash register as it may provide free of cost to the restaurant for the purpose of issuing tax invoices, bills, vouchers and cash memos in the manner specified by the Authority.

(2) Where a electronic cash register has been provided by the Authority to any restaurant, use of any other mode of issuing tax invoices, bills, vouchers and cash memos shall render the restaurant liable to penalty of not less than Rs.1,00,000/- for every such violation provided that imposition or recovery of such penalty shall not be construed to entitle the restaurant to use or continue to use such other unauthorized mode.

73. Filing of return.-- Subject to sub-rule (3) of rule 65, the restaurants shall submit their monthly return for Punjab sales tax alongwith the payment of tax by the 15th day of the month following the month of a tax period.

74. Enforcement of Punjab sales tax.—(1) A premises of any non-corporate restaurant who violates any of the provisions of the Act and rules made thereunder involving actual or intended evasion or nonpayment of Punjab sales tax may be sealed or cause to be sealed by the Authority and any tempering or breakage of such sealing will render the person

owning or operating the restaurant to prosecution provided that no premises shall be sealed without prior notice to such person giving him a reasonable time to start compliance or make payment of Punjab sales tax.

(2) The provisions of sub-rule (1) shall apply on the tempering with (including distortion or removal or destruction of data and information contained in) the electronic cash register required to be used in terms of rule 72.

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