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### **FBR moves to engage traders**

ISLAMABAD: Federal Board of Revenue (FBR) Chairman Shabbar Zaidi on Friday said the notification for country-wide committees constituted to register traders with the tax department and solve their outstanding problems will be issued next week.

Zaidi said the constitution of the committees is in line with the memorandum of understanding signed between FBR and traders last month. The board had partially agreed to traders' demands after they launched country-wide protests against the government's documentation drive.

The protests began after the FBR, on Aug 2, notified three draft schemes including simplified tax regime for traders, fixed tax regime for small shopkeepers and issuance of business licences to bring the undocumented sectors under the tax net .

Speaking about the committees, Zaidi said the FBR will notify committee for each market in medium and big cities across the country and it will have two representatives from the market and one from tax department.

#### *Committees to facilitate registration with tax departments*

He said these committees will help register traders with the tax department and help resolve disputes.

In a tweet, he said the FBR is pleased to announce that process of implementation of agreement with traders will begin next week. "Committees represented by the traders of each area/market, covering the whole country will be notified", he further added.

He said the traders and the FBR will work together for registration and this will mark "a new beginning."

Zaidi's announcement came after traders vehemently opposed the aforementioned schemes and threatened to increased the intensity of their protests. Soon after the agreement, the FBR finalised rules and other necessary changes in the tax laws to meet protesters' demands.

However, despite their protests, the FBR is committed to bring big wholesalers and distributors in to the tax net. "Our focus is only on big retailers," one official said speaking on the background, adding that the constitution of committees will resolve all issues of all traders. "We don't see any problem on sales tax registration of big retailers," he added.

The official further said the changes in tax laws will either be introduced through a money bill in parliament or some other means. However, he clarified that no change will be made on the issue of CNIC requirement.

The FBR has already decided to spend almost \$80 million on automation of all processes in the tax system as part of the \$400m World Bank funded reform project.

"We want to carry out digital surveillance to identify evaders instead of raiding their businesses," he said.