

FPPCI accuses government of taxing everything through unfriendly budget

Federation of Pakistan Chamber of Commerce and Industry (FPCCI) has termed the federal budget 2019-20 unfriendly that would increase cost of doing business and smuggling. "Government taxed everything in this budget," said S.M Muneer, patron-in-chief, United Business Group (UBG), adding that it would increase inflation and smuggling in the country. He said withdrawal of zero-rated facility would create more tax refunds burden on the government that already seen feckless to release Rs 400 billion tax refunds pending for long.

"We feel that there are some hidden powers either IMF or others, who are not in favour of prosper Pakistan," he said. FPCCI's senior vice president Mirza Ikhtiar Baig expressed serious concern over the withdrawal of SRO 1125 and zero-rated facility. He said it would badly affect the export sector. "The incumbent government has again introduced FED regime, which will increase inflation manifold," he said, adding that the revenue target of Rs 5550 billion fixed for FY 2019-20 was unrealistic and would encourage tax officials to harass business community.

He said that all EC and GB members were being informed for online meeting to be held on June 12, 2019 (today) to commence deliberations for FPCCI's further line of action against these budget measures.

Khalid Tawab, former president FPCCI criticized the government for controlling inflation through monetary policy, saying that it would create more difficulties for the common man.

FPCCI vice president Arshad Jamal said that the government has taken no measure to eradicate the menace of smuggling. He said that instead of reducing duty and taxes parallel to the smuggling cost to address under-invoicing and smuggling issues, the government had not only increased duty and taxes but also reintroduced FED and withdrew concessionary SRO 1125, which would increase corruption and illegal trade at uncontrollable level.

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