

**Declarants can deposit forex into bank accounts under ADO: SBP**

The State Bank of Pakistan (SBP) Wednesday clarified that any instructions to the contrary contained in the Foreign Exchange Manual, a declarant, including a non-filer, can deposit foreign currency in cash into his/her bank account under the Asset Declaration Ordinance (ADO). Similarly, the provision of Foreign Exchange Manual, Chapter 6, para 1(vi) regarding deposit of foreign currency notes in foreign currency accounts exceeding \$10,000 (or equivalent in other currencies) in a single day, shall not be applicable to such deposits made under the ADO, the SBP said in a circular sent to the presidents of all banks.

However, banks while accepting such deposits under the ADO shall obtain a copy of the declaration filed with the Federal Board of Revenue (FBR) by the declarant and accept the deposit only if the amount being deposited is equivalent to the amount declared in the declaration filed with the FBR, it added.

The subject Ordinance has been promulgated with a view to provide for voluntary declaration of undisclosed assets, sales and expenditures, for the purposes of allowing the non-documented economy's inclusion in the taxation system and economic revival and growth by encouraging a tax compliant economy/ culture.

In terms of Section 8 of the ADO, the declaration made shall be valid if the foreign currency held in Pakistan declared under Section 3 is deposited into declarant's own foreign currency bank account at the time of declaration and is retained in such account till 30th June, 2019.

The SBP asked banks to ensure the confidentiality and secrecy of the information contained in the declaration submitted to them by declarants along-with deposit request. The SBP also asked all the banks to submit to the State Bank of Pakistan (SBP) a statement within 7 (seven) days of close of the scheme.

**RECORDER REPORT**