

PM talks of 'new' FBR

ISLAMABAD: Prime Minister Imran Khan has assured the business community that the government would create a new Federal Board of Revenue (FBR) if reforms could not be undertaken, as survival of the country is dependent on adequate tax collection.

Addressing the closing ceremony of the 11th All Pakistan Chamber President Conference here on Thursday, the Prime Minister said that survival of the country is dependent on tax collection as no country can maintain its freedom and sovereignty on borrowing. "No nation can maintain its sovereignty by living on loans," the Prime Minister further said, adding that "fiscal deficit can not be reduced if the tax collection does not improve. You have to help the country, and not the government, in tax collection."

He said the government has been facing problems in the FBR but assured the business community that these problems would not last long as the PTI which came to power for the first time has started understanding the bureaucracy and its working. There is no doubt that as long as FBR reforms are not undertaken, the tax collection can't be improved. The FBR reforms are critical otherwise the government would be unable to meet expenditure, he added

The Prime Minister said that total tax collection of the FBR is Rs 4 trillion out of which Rs 2.5 trillion is transferred to the provinces and Rs 1.7 trillion is defence spending. There is nothing left from the tax collection for the federal government and it starts fiscal year with a deficit budget. The Prime Minister said the country's debt during the last ten years increased from Rs 6 trillion to Rs 30 trillion.

"We (government) are trying to facilitate business community through removing bottlenecks and obstacles as without doing so I (Prime Minister) can't achieve my objective to provide employment to 60 percent people, while wealth creation is not possible without the help of business community." The government, he stated, would pay the outstanding sales tax refunds and will facilitate businesspersons through ease of doing business. In coming days, the government will bring another incentive for the business community, added the Prime Minister acknowledging that there is a very big role of the business community in uplifting the country.

He also assured the business community that their tax money would be used honestly for the welfare of the public.

The Prime Minister said that the government will ensure continued consultation with business community to facilitate them in wealth creation and in return wants the business community to help increase tax collection. The Prime Minister said that progressive taxation means to collect money from the rich and spend on the poor.

On external front, he stated the government is striving to bring foreign investors to the country and increase growth in export and remittances.

The Prime Minister stated that it is state's responsibility to provide education, employment and legal aid to the people as these are the principles of first Islamic State which were later adopted by the western countries for the welfare of their public.