

Field formations restrained from conducting raids without prior approval

Chairman Federal Board of Revenue (FBR) Syed Shabbar Zaidi said Tuesday that the FBR has barred its field formations from conducting raids on any premises of any exiting taxpayer businesses without prior approval of the FBR member Inland Revenue Operations and FBR chairman.

During a press conference on the Assets Declaration Scheme-2019 at the FBR House, the FBR chairman announced two major facilitative measures for business community. Firstly, there will be no suspension from Active Taxpayer List unless there is a personal interaction with the CEO/owner of the business 24 hours before suspension. List of all cases of suspension after suspension will be sent to the FBR chairman and FBR member IR Operations with reasons of suspension and evidence of personal interaction.

Therefore, the FBR has also decided that the names of the taxpayers appearing on the Active Taxpayer List should not be de-listed without fulfillment of the said process, he said.

The second major facilitative measure for business community, he said, is that the FBR has also issued instructions to the field formations that there will be no raid on any premises of any exiting taxpayer without prior approval of the FBR member operations and FBR chairman. If there are evidences of economic transactions which are chargeable to tax and the organisation/entity is not a tax registered person then the officer of that jurisdiction will report it to the FBR member Inland Revenue Operations and FBR chairman, who will provide necessary directions for future course of action.

Shabbar Zaidi said that the FBR, State Bank of Pakistan and Federal Investigation Agency (FIA) have data on economic transactions, but the information is disintegrated. "We are trying to integrate the information available with the FBR and other government departments and agencies," he added.

Zaidi said that provinces have agreed in principle to bring the DC rates of properties at par with their actual market values.

BR staff reporter in Karachi adds: Abdul Qadir Memon, President Pakistan Tax Bar Association (PTBA) appreciated the directive issued by the chairman FBR, adding that it would possibly help reduce complaints of harassment against FBR.

Meanwhile, Association of Builders and Developers of Pakistan (ABAD) has also lauded the decision, saying that it would have a positive impact and help FBR broaden the tax base.

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