

RECORDER REPORT

Missing IMF revenue target may lead to mini-budget: PBIF chief

KARACHI: Pakistan Businessmen and Intellectuals Forum (PBIF) President+ Mian Zahid Hussain has expressed fear that despite best efforts the government has missed quarterly revenue target set by the IMF, which may lead to a mini-budget.

The revenue target of Rs1,071 billion has been missed by Rs116 billion despite the imposition of new taxes worth Rs735 billion and holding back refunds, he added.

Mian Zahid Hussain said that the government abolished zero-rating and took heavy advance from different companies but to no avail.

He said that the tax collected during the last three months was 13.5 percent of Rs123 billion higher as compared to last year but were less than target which may push the government to cut developmental expenditure.

He noted that turning down summary of Ogra to cut oil prices and extension in the last date of filing returns are steps aimed at increasing revenue.

The IMF has also given a target of Rs75 billion refunds which was missed by Rs45 billions pushing many exporters in a liquidity crunch which is to hurt exports.

He said that the tax target is not realistic which should be revised otherwise the tensions between the government and the business community would escalate.

Discouraging exports has reduced deficit but it has also reduced revenue which the reservations of the business community on tax measures have also deteriorated the situation.

He said that the government has failed to provide energy on economic rates to the export industry despite promises while the real estate and retail sector are shrinking and the double-digit discount rate continues to hit the economy.