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115,223 issued notices by tax authorities

ISLAMABAD: Tax authorities have issued notices to 115,223 high net worth unregistered persons involved in banking transactions of Rs 977 billion.

Sources in the Finance Ministry said that Federal Board of Revenue has issued notices on the basis of data obtained from electricity distribution and gas companies for broadening of tax base. They added that data of more than 3.5 million industrial and commercial users was gathered and informal letters were issued to all such consumers asking them for registration. In the first phase, notices for registration were issued to industrial consumers, they said and added that in order to develop a holistic view of taxpayers, data was obtained from sources like banks, vehicles and real estate transactions and a data bank was developed.

Based on this data bank, notices to 115, 223 high net worth unregistered persons have been issued involving an amount of banking transactions of Rs 977 billion.

The data of properties was also obtained by the Federal Board of Revenue (FBR) from Punjab Information Technology Board, Board of Revenue (PITB/BOR) for fiscal years 2017 and 2018. As per data, total number of property transactions during the abovementioned period was 1,438,212 involving a value of property transactions to the tune of Rs 1,495 billion.

Sources further stated that based on this information and data bank, another 142 high net worth non-filers (registered) including 10 celebrities have been identified and notices were issued to them by field formations.

The value of transactions remained Rs 482 .5 billion in tax year 2017 and Rs 1,013 billion in tax year 2018, totaling to Rs 1,495 billion. However, it remains unclear how much revenue was mobilized from the unregistered persons who have been served notices.

During the last one year, the FBR has recovered an amount of Rs 1.64 billion from 6,451 high net worth cases, which were identified on the basis of economic transactions.

Around 6,451 high net worth cases were identified on the basis of economic transactions. Specialized units have been created within Regional Tax Offices (RTOs) for fast track processing of these cases. As a result of which, 2,989 returns have been enforced. Demand created is Rs 4,915 million and the tax recovered is Rs 1,648 million. An amount of Rs 189 million has been paid by the taxpayers who availed the amnesty on the basis of the action taken by the specialized units.