


# Monitoring cell to curb tax evasion

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KARACHI: Corporate Regional Tax Office (CRTO) Karachi has established a monitoring cell to take action against companies found involved in sales tax evasion, sources said on Thursday.

The sources said the tax office witnessed downward trend in sales tax payments by CRTO during the first quarter of the fiscal year 2019/20. The tax office further realised the need to monitor activities of companies involved in fake and flying invoices, fake transactions, sales suppression, and streamlining tax mechanism.

Considering such facts, the CRTO Karachi set up sales tax monitoring cell under the supervision of Commissioner Inland Revenue Jafar Raza Kazmir. The cell would analyse / monitor monthly sales tax returns to identify the cases where action is required to be taken under Sales Tax Act 1990 on the basis of abnormalities causing huge decline in sales tax payment.

The monitoring cell would also prepare desk audit report showing details of records / data scrutinised discrepancies observed and potential revenue involved. After due diligence, the cell would take action under a section (38 of the Sales Tax Act, 1990) against an individual as per the law and submit the detailed report with impact of revenue.

Aftab Imam, chief commissioner of CRTO, however, said the monitoring cell should only consider cases, which yield substantial revenue. It is further directed that action in specific cases should be taken with reasonable interval of time. "The exercise should not be made frequently and be restricted to cases involving sizeable revenue leakages," Imam said.