

FBR's body unearths massive tax evasion of Rs4.36 billion in Lahore

 thenews.com.pk/print/703730-fbr-s-body-unearths-massive-tax-evasion-of-rs4-36-billion-in-lahore

ISLAMABAD: The FBR's field formations are engaged in operations against tax evasion and tax fraud to comply with the strict directions of tax machinery headquarter.

While implementing the directions of FBR, the Directorate of Intelligence and Investigation has unearthed a massive tax evasion case of Rs4.36 billion in Lahore. In pursuance of information received, discrete intelligence gathering was carried out in relation to a registered person operating a manufacturing concern of edible products in Lahore as a result of which it was observed that registered person was involved in massive evasion of due sales tax/commission of tax fraud by way of suppression of its actual quantum of production and supplies.

The Director Intelligence and Investigation-IR, Lahore after fulfilling the legal formalities constituted a team to take action under Section 38 read with Section 40 of the Sales Tax Act, 1990. The authorised officer along with his team initiated proceedings under Section 38 of the Sales Tax Act, 1990 and after obtaining search warrant in accordance with the provisions of Section 40 of the Sales Tax Act, 1990 from the concerned Area Magistrate and took into custody record/documents/computers/diskettes etc. from business and manufacturing premises of the registered person.

Scrutiny of impounded record/documents inter alia, established that the registered person had committed tax fraud by evading due sales tax to the tune of Rs4.36 billion by concealing its actual production & supplies which was found to be recoverable along with default surcharge amounting to Rs2.45 billion and penalty amounting to Rs4.36 billion for commission of tax fraud as defined under Section 2(37) of the Sales Tax Act, 1990.

Accordingly, contravention report in this regard has been sent to the concerned field formation for adjudication and recovery of the defrauded amount of sales tax. The Directorate of Intelligence and Investigation-IR, Lahore shall continue such operations in future in order to unearth massive evasion of due sales tax/commission of tax fraud by registered persons so that the evaded/defrauded amount of sales tax is recovered and deposited in the national exchequer.