

Immoveable properties, FBR revising valuation tables to raise revenue

KARACHI: The Federal Board of Revenue (FBR) is going to revise the valuation tables of immoveable properties to enhance its revenue from sale/purchase transactions; it is learnt.

According to sources, the board has decided to make upward revision in the property rates already notified in the valuation tables of immovable property to increase the size of its revenue from sale/purchase transactions.

For the purpose, the FBR has directed to constitute committees at the level of all Regional Tax Offices (RTOs) excluding Corporate Regional Tax Offices (CRTOs) and Large Taxpayer Units (LTUs) for updating valuation tables of immovable property notified under sub-section (4) of section 68 of the Income Tax Ordinance, 2001.

Replying to a question, sources said that the committees would update the rates already notified in the valuation tables of immovable property by board and issue the rates of properties for the cities, which were not previously determined.

Furthermore, sources said that the committee would designate Inland Revenue (IR) official or appoint any private person for carrying out field survey to determine area-wise fair market values of the properties.

The values, which are going to be updated on properties located in Karachi, Islamabad, Abbottabad, Lahore, Bahawalpur, Faisalabad, Peshawar, Rawalpindi, Multan, Mardan, Jhang, Gujrat, Sukkur, Gujranwala, Hyderabad, Sialkot, Sargodha, Sahiwal, Quetta, Jhelum and Gwadar.

In addition, the committees will also notify the rates for cities, which were earlier not added in the valuation tables of immovable property by FBR.

Moreover, sources said that presently, the purchasers were required to pay 3 percent tax on the difference between the DC value and FBR value of property to explain the source of investment to the extent of differential between FBR value and DC value.

They said that the existing rates notified by the board were on lower side as compared to the actual market value hence FBR had intended to increase the rates of immovable properties up to 80 percent of actual market value to collect sizeable revenue from sale/purchase transactions.

For the purpose, the FBR has directed all RTOs to constitute committees for updating valuation tables of immovable property notified under sub-section (4) of section 68 of the Income Tax Ordinance, 2001, they maintained.