

ANJUM IBRAHIM

No new taxes?

“Hafeez Sheikh says that there will be no new taxes in next year’s budget.”

“Please, please, someone stop him! In the Name of Allah The Most Beneficent The Most Merciful I pray that...”

“I don’t understand; why does that upset you?”

“If past practice of the gentleman is anything to go by, no new taxes means higher taxes on existing taxpayers and you know what that means? For middle class people like me higher sales taxes or withholding taxes which are also in the sales tax mode, for the poor it would mean not passing on the decline in the international oil price with public transport cost rising and...”

“Speaking of the international price of oil I heard him on a television programme stating that the government is considering hedging while if you recall the Economic Coordination Committee of the Cabinet that he chairs recently decided to abandon the idea of hedging because no one had bothered to consult the cash strapped Pakistan State Oil, the major importer of oil and products, an entity that is owed receivables in hundreds of billions of rupees and...”

“Hey, so if the good Doctor Sheikh, he is a PhD by the way, anyway if he has a habit of...of...”

“Misrepresenting facts?”

“Well, I would say he is a romancer or exaggerator.”

“OK, if you reckon he is a romancer then surely he may well impose new in the budget right?”

“And the question then is on whom would he impose new taxes on? Households like yours and mine are already grappling with a decline in the value of each rupee earned, those of us who still have a job and those who have not witnessed a pay cut...”

“But that’s what people are experiencing the world over and its all to do with the Coronavirus.”

“Hey you can’t give the entire credit to the virus. I mean you have to give some credit to our economic team leaders and here I am referring to the state of the economy before the virus set in - and need I add Hafeez Sheikh as the foremost leader in our economic team takes greater credit while Reza Baqir as the Governor State Bank takes the residual credit.”

“I agree Baqir was a trail blazer before the pandemic set in, his policies were the icing on the cake and whoever took a bite of the cake stifled economic activity...”

“You mean the high rate of interest and the rupee erosion not only stifled private sector activity but also raised the government’s debt...”

“Indeed, two in one.”

“Who can argue with the benefits of two in one!”