

FBR, Nadra sign MoU for data exchange to expand tax base

ISLAMABAD: The Federal Board of Revenue (FBR) and Nadra on Wednesday signed a memorandum of understanding (MoU) for data exchange on real time basis for expanding tax base.

Prime Minister Imran Khan has given mandate to Special Assistant on Revenue Dr Waqar Masood to broaden the tax base so in the first step the FBR and Nadra signed the MoU. On the eve of the last budget for 2020-21, the government made it part of Finance Act for allowing FBR to ensure exchange of real time data with Nadra and other government departments.

However, FBR's former member and renowned tax expert Shahid Hussain Asad said that the tax paid should commensurate with lifestyle of taxpayer. He said that the filing of returns would not solve our problems, but the expenditures side could find out real potential to bring wealthy into tax net.

According to official announcement by the FBR on Wednesday, in line with the vision of the prime minister to automate tax collection system to facilitate the taxpayers, the FBR under the guidance of SAPM on revenue has signed an MoU with Nadra for real time verification of CNICs and associated details.

Linking Nadra and FBR systems will help improve FBR's service delivery standards for taxpayers as it will help automate tax refunds prefill data in withholding statements and tax returns. It will also promote ease of doing business by saving time spent in regulatory compliance. In addition, this data linkage will facilitate onward linking of FBR's system with other organisations. This has a huge potential for identification of persons who are either outside the tax net or conceal their income and assets.

The chairman FBR Shabbar Zaidi in his written letter that was largely circulated on different WhatsApp groups states, "When I look at the declared wealth of MNAs in newspaper today, I thought that I wasted by life as far as earning is concerned. I remained a partner of the largest accounting firm from 1995 to 2014 and senior partner from 2014 to 2019. The firm was the largest taxpayer accounting firm in the country. Our next was almost half of us in taxes. My father was an 'Actuary' and the grandfather was an ICS. My maternal grandfather was PM of State of Bharatpur (Rajputana). I served as chairman FBR and miserably failed. Pro bono. I was given every honour that can be given by this country. But my economics failed in relation to other 'respectable' person in this country. Without knowing the details I feel that this country can never be better in this state of affairs. All corruptions are intrinsically personal. Wealth statement is the test. I can assure that actual personal taxes by all the billionaire MNAs will be less definitely less than mine. But my net wealth is less than one tenth or twentieth of the lowest. They know some 'tax planning' which I do not understand. It is state sponsored corruption. No one is to be blamed. I was given a chance but I failed. No complaint. Nevertheless I am satisfied. I am answerable to Almighty as I have fulfilled His commands but not answerable to fellow human beings as in this case I tried my best. I hope I will be comfortable in my grave. I don't know about Heaven or Hell. But the grave is a reality. My suggestion for correction is not any more think-tank or committees. It is more and more information to public at large. Society if well informed is always very ruthless whilst dealing with its interest. This is not a personal story. This is the reason of immigration of talent amongst upper middle class who do not happen to own land. Be it Jati Umra or Rato Dero. Be it a Sindhi or Punjabi speaking. When one generation makes a mistake the following suffers. We will not repeat the history. Now rights will be snatched if not voluntarily provided. This is another lesson of history. It is only a matter of time. I pray it to be bloodless."