

**Govt to create separate tax policy division**

ISLAMABAD: The government has decided to create a separate tax policy division, constituting a new board, as part of the ongoing reforms in the Federal Board of Revenue (FBR), an official told Dawn on Monday.

In the last cabinet meeting led by Prime Minister Imran Khan it was decided to take away policy formation powers from the FBR.

“We will submit a summary to the next cabinet meeting for the creation of new division and policy board,” the official said, adding after cabinet approval, the same will be notified within next few days.

The FBR will remain within the ambit of existing Revenue Division with its role to be confined to tax administration and collection.

As per the proposed plan, the policy division will be stationed at FBR initially with the senior most tax officers posted here. The tax policy division will fall under the Finance Division. “We will introduce separate rules for posting, transfers, administration and reporting line of all tax officers posted in tax policy,” the official said, adding that it will be totally independent and have no connection with the FBR.

However, it is not clear whether officers from other groups can also be posted in the proposed division. “All these issues will be discussed once the summary is sent to the cabinet meeting,” the official said.

Under the FBR Act 2007, there is a provision to establish a policy board which has an advisory role. However, successive governments have failed to establish it over the past 11 years. “We will submit a summary for the constitution of board in the next cabinet meeting,” the official told Dawn.

According to the source, members of the board will also be notified shortly after its approval from the cabinet. The board will provide guidance in matters relating to vision, mission and guidelines to achieve goals and targets.

The tax reforms are in line with PTI’s manifesto which promised to turn FBR into an autonomous body, independent of any government influence.

Mubarak Zeb Khan