

Finance Supplementary (Amendment) Bill passed

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Non-filers again face ban, but there are exceptions

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ISLAMABAD: The National Assembly on Wednesday passed the Finance Supplementary (Amendment) Bill 2018 with a majority vote wherein the government has restored a ban on non-filers of tax returns from purchasing property and vehicles while income tax changes, including rates for individuals would be effective from July 1.

Addressing the National Assembly, Finance Minister Asad Umar said that the finance bill would be applicable for the whole fiscal year 2018-19 and it cannot be made effective for the remaining period of the fiscal year, therefore the opposition's proposal to make it effective prospectively is rejected.

The minister announced that the ban on non-filers from purchasing property worth over Rs 5 million and vehicles, which was earlier lifted through the Finance Supplementary (Amendment) Bill, has been imposed again with three exemptions to make it more inclusive. The three categories of exemption for non-filers included purchasers of motorcycles up to 200cc, overseas Pakistanis and those acquiring property through inheritance.

The minister said those violating the tax exemption law will be fined, adding that non-filers still have time to pay their returns and become eligible to purchase property and vehicles again.

The Federal Board of Revenue has issued notices to 169 big tax evaders and high net individuals who own immovable properties and luxury vehicles but do not pay taxes.

"Non-filers should be told that the state is not as weak as it appears and has the 'strength' to retrieve money from them," he said, adding that a campaign has been launched against non-filers and this would be expanded in coming days.

"The second phase of the campaign will also be launched this week and notices will be sent out to thousands," he said, adding, "The nation's money will be spent on the nation and people should pay taxes."

The finance minister said that the government will go after those non-filers who have stashed huge amounts in their bank accounts, adding that the government would get information about tax evaders from the banks.

Lashing out at the previous governments, he said that they "are questioning us, who have been in power for 40 days, why we cannot complete what they could not do in 40 years."

"The farmers are also close to our heart. We are giving subsidies on urea and LNG-operated plants. For Rabi season, too, we are giving subsidies worth Rs 6 billion to Rs 7 billion," he said.

Umar said the previous Pakistan Muslim League-Nawaz (PML-N) government had stopped the pensions of widows and Pakistan International Airlines (PIA) could not fly because the department was under so much debt. "The circular debt increased by Rs 453 billion just last year and today the total circular debt stands at Rs 1,200 billion," he said, adding the gas department alone is in a deficit of Rs 154 billion.

"Independent power producers are telling us that they do not have the capacity to produce electricity. I wish that the ones who are questioning the state of Medina had also questioned their own government," he said.

Talking about load-shedding in the country, he said that Khyber Pakhtunkhwa and Balochistan were neglected in installation of the transmission lines and people of these provinces have to face prolonged hours of load-shedding.

"The truth is that even if there is electricity, it cannot be provided to KP and Balochistan owing to lack of transmission lines," he said.

The finance minister said that the National Electric Power Regulatory Authority has negated PML-N's claim to provide cheap electricity as well.

"Their own appointed regulator has recommended that the power tariff be increased by Rs 3.89 per unit," he said.

Furthermore, the finance minister rejected the opposition's suggestion of asking dam-fund donors about the source of their funds.

As the National Assembly Speaker Asad Qaisar initiated the voting process on the bill through verbal voting, opposition members challenged clause-2 of the amendment and demanded that there should be headcount on it.

The Speaker approved the request and during the headcount, 158 members voted in favor of Clause 2 while 120 opposed it.

A clause-wise approval of the bill was then sought in the assembly and the bill was passed through a majority vote by rejecting four amendments put forth by the opposition.