



## **Crackdown on non-filers to continue: FBR chairman**

ISLAMABAD: The Federal Board of Revenue (FBR) has decided to utilise all kinds of available data for continuously cracking down on potential non-filers with the purpose to create deterrence and for achieving broadening of narrowed tax base.

“The crackdown against non-filers is continuous process on the basis of all kinds of available data with the FBR in order to create effective deterrence for achieving broadening of tax base,” the Chairman FBR Mohammad Jehanzeb Khan said when The News contacted him for seeking his comments here on Friday.

The chairman FBR said that there was need to hire data evaluators who possessed expertise to find out required data that could be used for the purpose of broadening of tax base by bringing potential non-filers into tax net. “There is need to use the data to broaden the narrowed tax base,” he added.

It is relevant to mention here that the FBR had so far sent out notices to 185 individuals who made transactions of real estate up to Rs 1.54 billion and also purchased expansive vehicles in total 75 cases.

However, all efforts made in the past for broadening of tax base had failed to yield the desired results mainly because all such exercises were undertaken without doing proper homework.

In the last IMF programme from 2013-14 to 2016, it was part of Fund condition to dispatch 300000 tax notices to high net worth individual for the purpose of broadening of tax base. The FBR was supposed for issuing 100000 tax notices in each year so total sent notices would be standing at 300000 in three year period.

To be exact, the FBR issued 295042 tax notices from 2013 to 2016 under the IMF programme out of which 143495 notices were delivered on the addresses of them but 131164 notices remained un-delivered so half of the exercise proved futile mainly because no proper homework was done to undertake this important task.

The results were quite obvious and were completely in accordance with known expectations. The FBR received 58726 returns but most of them paid nil income. The FBR collected only Rs 1.563 billion with new returns out of this effort indicating dismal performance during the period of last programme of the IMF from 2013-14 to 2016.

In order to make the upcoming exercise against biggest tax evaders which the PTI government had launched crackdown, there is need to determine mistakes committed in the past so that it could be avoid in the ongoing exercise. First of all, the FBR did not possess exact addresses on which the tax notices were served so now it requires to get exact postal addresses along with email IDs to send notices otherwise it would again prove another failed exercise.

Now the FBR had obtained postal addresses from the Nadra to send notices on accurate places but expecting too much revenue with the help of ongoing exercise will be expecting too much for the purpose of revenue mobilization because the result might not be too encouraging in weeks and months ahead.