

# SOS APPEAL



## EXPORTS FACE UNCERTAINTY AMID POLICY CHANGES

Exports are under threat from certain lobbying efforts

**The proposed tax regime changes for exporters will have counterproductive effects, leading to significant setbacks for the government**

- **Impact on Export Revenue:** Exporters under the Final Tax Regime (FTR) are paying due taxes irrespective of profit or loss. Exporters will be discouraged and compelled to shift to other businesses owing to narrow profit margin. This will impact Pakistan's export revenue and foreign exchange earnings.
- **Decline in Export:** Emerging Export Opportunities will be captured by regional competitors, losing hard earned export markets.
- **Negative Growth:** Lack of competitiveness and unviability compared to regional competitors will suppress the growth and expansion of the export oriented industry in Pakistan, discourage export & promoting businesses to seek growth opportunities outside the country.

Further increase in taxes will shatter exports of value-added textiles and will bring adverse effects on textile industry. The Government should bring the non-taxpayers into tax-net who currently do not contribute to the national exchequers rather placing extra tax burden on the existing taxpayers.

**The proposed amendment will introduce complexity and human intervention, detracting from the ease of doing business.**

**We request the Government to refrain from experimenting with exports based on unsound advice and to continue FTR regime.**

