(TO BE PUBLISHED IN THE GAZETTE OF PAKISTAN - PART-II)

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
FEDERAL BOARD OF REVENUE

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C. No. 1(2)IT-Jud/2010. Islamabad, the 13th July, 2010.

NOTIFICATION

Subject: - **JURISDICTION OF COMMISSIONERS INLAND REVENUE, REGIONAL TAX OFFICE, SARGODHA.**

In exercise of the powers conferred by sub-section (1) of section 209 of the Income Tax Ordinance, 2001, sub-section (1) of section 10 of Wealth Tax Act, 1963 (Repealed) read with section 3 of Finance Act, 2003 (I of 2003), sub-section (1) of section 30 and section 31 of the Sales Tax Act, 1990, sub-section (1) of section 29 of the Federal Excise Act, 2005, sub-section (7) of section 7 of Finance Act, 1989 (V of 1989) and in supersession of all previous orders in respect of jurisdiction of the Commissioner Inland Revenue, Sargodha, Federal Board of Revenue is pleased to direct that the Commissioners Inland Revenue, Regional Tax Office, Sargodha, specified in column (2) of the Table below, shall exercise the powers and perform functions under the Income Tax Ordinance, 2001, the Sales Tax Act, 1990, the Federal Excise Act, 2005, section 7 of Finance Act, 1989 (V of 1989) and sub-section (1) of section 10 of Wealth Tax Act, 1963 (Repealed), as specified in column (3) of the Table below, in respect of cases or classes of cases or persons or classes of persons or areas excluding cases or classes of cases, persons or classes of persons or the areas assigned to any other Inland Revenue Office, as specified in column (4) of the Table below.

2. It shall take effect from **01.08.2010**.

TABLE

S. No.	Commissioners Inland Revenue	Powers and functions	Jurisdiction
(1)	(2)	(3)	(4)
1.	Commissioner Inland Revenue (Audit Division).	**INCOME TAX** a) Calling for information and audit of cases under Part-VIII of Chapter-X, amendment of assessment under Part-II of Chapter-X, computation of taxable income under Chapter-III, giving effect to an appeal order under Part-III of Chapter-X arising out of	a) All cases of companies having their place of business or registered office within areas falling within the Civil Districts of Sargodha, Khushab, Mianwali, Bhakkar

		such orders, rectification of orders related to audit, and exercise of powers and functions under any specific provision of law and rules provided in the said Ordinance and Schedules thereto in respect of audit and assessment; b) Assessment under sections 143 and 144 as well as section 145; c) Computation of income chargeable to tax, determining of tax payable thereon, allowing credit for tax paid under Part-V of Chapter-X or under any other specific provision of law and rules provided in the said Ordinance and Schedules thereto; d) Best judgment assessment under section 121 read with sub section (10) of section 177, in respect of cases under audit; e) Exercise powers to determine income under “Anti-avoidance” provisions contained in Chapter-VIII; f) Revision of assessment under section 122A in respect of cases under audit; g) Impose penalty under Part X of Chapter X against defaulters in respect of cases under audit; h) Power to make provisional assessment under section 123 of the Income Tax Ordinance, 2001;	and Mandi Baha-ud-Din of the Province of Punjab; b) All cases of Directors of companies as specified in paragraph (a); c) Cases or classes of cases, persons or classes of persons or cases assigned by the Federal Board of Revenue from time to time; d) All cases or classes of cases, persons or classes of persons other than companies and their directors having their place of business or areas falling within the Civil Districts Sargodha, Khushab, Mianwali, Bhakkar and Mandi Baha-ud-Din of the Province of Punjab; e) All cases of civilian employees of Federal/Provincial Government, paid by the AGPR, Sub-office, and AG Punjab/ Government of Punjab, employees of Banks, Private and Public Limited Companies, Corporations;

		i) Perform any other function in determining and computing income chargeable to tax and correct tax payable under the said Ordinance; and j) To process/finalize complaints in respect of existing taxpayers' cases. **<u>SALES TAX</u>:** a) Audit of registered person; b) Risk based audit through profiling and analysis; c) Review of audit reports for quality and integrity; d) Recovery of un-disputed liability detected during audit; e) Monitoring of audit schedule, etc.; f) Maintenance and analysis of audit records and audit related database; g) Audit of Duty & Taxes Remission on Exports (DTRE); h) Post Refund Audit; i) Audit Management Cell functions; j) Investigative audits after action under section 38 of the Sales Tax Act; k) Any other audit function given by Chief Commissioner Inland Revenue, RTO, Sargodha or FBR for achieving the purpose of Sales Tax Act,	Authorities, Non-profit Organizations/Non-Government Organizations and other persons, whose place of employment is in the Civil Districts of Sargodha, Khushab, Mianwali, Bhakkar and Mandi Baha-ud-Din of the Province of Punjab; f) All cases of non-resident persons or classes of persons falling within the Civil Districts of Sargodha, Khushab, Mianwalai, Bhakkar and Mandi Baha-ud-Din of the Province of Punjab; g) All cases of statutory agents/representatives assessable under sections 172 and 173 of the said Ordinance, falling within the Civil Districts of Sargodha, Khushab, Mianwali, Bhakkar and Mandi Bha-ud-Din of the Province of Punjab in respect of non-resident persons or classes of persons, whether their income arises in one province or

		Law and Procedures thereof; l) Implementing audit planning and audit strategy in accordance with audit guidelines and audit manuals developed by FBR or Member (Taxpayers' Audit); m) Adjudication under Sales Tax Act, 1990; and n) Power to make assessment under section 11 read with section 36 and all incidental provisions of the Sales Tax Act, 1990 in respect of registered persons subjected to audit. **<u>FEDERAL EXCISE</u>:** a) Audit of registered person; b) Risk based audit through profiling and analysis; c) Review of audit reports for quality and integrity; d) Maintenance and analysis of audit records and audit related database; e) Investigative audits; f) Any other audit function given by Chief Commissioner Inland Revenue, RTO, Sargodha or FBR for achieving the purpose of Federal Excise Act, 2005; g) Implementing audit planning and audit strategy in accordance with audit guidelines and audit manuals developed by	more; and h) Cases or classes of cases, persons or classes of persons or areas assigned by FBR from time to time.

		FBR or Member (Taxpayers' Audit); and h) Adjudication under Federal Excise Act, 2005.	
2.	Commissioner Inland Revenue (Enforcement and Collection Division).	**<u>INCOME TAX</u>:** a) Broadening of tax base and exercise jurisdiction for the purpose of booking of new taxpayers; b) Conduct internal and external survey; c) Ensure compliance of filing of statutory returns, statements, maintenance of prescribed accounts, documents and records, impose penalty and take other actions under the law against non-compliers; d) Best judgment assessment under section 121, except in cases under audit: e) Provisional Assessment under section 122C; f) Ensure compliance of filing of statutory statements under section 165 of the said Ordinance; g) Monitor deduction, collection and payment of tax at source by withholding /collecting agents; h) Charge tax on defaulting withholding/collecting agents; i) Impose penalty under Part-X of Chapter-X in respect of cases other than under audit;	All cases or classes of cases or persons or classes of persons pertaining to Audit Division.

		j) Charge default surcharge for non-filing of statutory statements and for default of withholding/collection respectively; k) To take any other related action under the withholding provisions of Income Tax Ordinance, 2001; l) Issuance/adjustment of refunds under Part-VI of Chapter-X of the Income Tax Ordinance, 2001; m) Effect collection and recovery of tax under Part-IV of Chapter-X of the Income Tax Ordinance, 2001; n) Disposal of external and internal audit observations/ objections/paras; o) Revision of assessment under section 122A of the Income Tax Ordinance, 2001 in respect of cases other than under audit; p) Issuance of exemption certificate(s); q) Launching prosecution under Part-XI of Chapter-X; r) Exercise powers under section 111; and s) Any other power and function not specifically assigned to any other Commissioner Inland Revenue. **SALES TAX:** a) Enforcement and	

		Collection of Sales Tax; b) Recovery Cell, c) Disposal of internal and external audit observations/ objections/paras; d) Processing and Sanctioning of Refund claims filed under section 10 and 66 of the Sales Tax Act; e) Ensure compliance of filing of statutory returns, impose penalty and take action under the law against non-compliers, non-filers, short-filers and un-traceable units; f) Power to make assessment under section 11 read with section 36 and all incidental powers under Sales Tax Act, 1990 in respect of non-filers and short filers other than those subjected to audit; g) Concessionary Imports; h) Reporting of Revenues; i) Industrial Surveys as required under concessionary notifications; j) Investigation and prosecution; k) Any other Enforcement function given by Chief Commissioner, RTO, Sargodha or FBR for achieving the purpose of	

		Sales Tax Act, Law and Procedure thereof; l) Implementing enforcement planning and strategy in accordance with guidelines developed by FBR or Member (Enforcement and Accounting); m) Any other power and function not specifically assigned to any other Commissioner; and n) Registration and De-Registration under Sales Tax Act. **<u>FEDERAL EXCISE</u>:** a) Enforcement and Collection of Federal Excise; b) Recovery Cell; c) Disposal of internal and external audit observations/ objections/paras; d) Processing and Sanctioning of Refund claims filed under Federal Excise Act; 2005; e) Dealing with non-filers and un-traceable units; f) Reporting of Revenues; g) Any other Enforcement function given by Chief Commissioner, RTO, Sargodha or FBR for achieving the purpose of Federal Excise Act, 2005; h) Implementing enforcement planning and	

		strategy in accordance with guidelines developed by FBR or Member (Enforcement and Accounting); i) Investigation and prosecution; j) Any other power and function not specifically assigned to any other Commissioner; and k) Registration and De-Registration under Federal Excise Act.	
3.	Commissioner Inland Revenue (Legal Division).	**<u>INCOME TAX</u>:** a) Defend departmental as well as taxpayer's appeals/references, institute appeals and references under Part III of Chapter X and prosecution cases under section 203 of the Income Tax Ordinance, 2001, ensure filing of CPLA/Review before the Supreme Court through AOR/ASC, defend the departmental cause in the Supreme Court, represent the department before ADRCs and in the process of liquidation; b) Defend complaints before FTO; c) File/defend representations before the President of Pakistan; d) Appoint legal advisors and assign cases, wherever required, for representation before appellate fora; e) Recognition of Provident Funds, approve	All cases or classes of cases or persons or classes of persons pertaining to Audit Division.

		Superannuation Funds, and Gratuity Funds under the Sixth Schedule; and exercise all the powers under the said Schedule; f) Grant of approval to pension schemes for the purposes of Clause (12) of Part-I of Second Schedule; g) Grant of approval to gratuity schemes for the purposes of Clause (13) of Part-I of Second Schedule; h) Grant of approval to benevolent fund or group insurance schemes for the purposes of Clause (57) of Part-I of Second Schedule; i) Grant of approval to Non-Profit Organizations under section 2(36); and j) Any other Legal functions assigned by Chief Commissioner Inland Revenue or FBR for achieving the purpose of Income Tax Ordinance, 2001 and Rules thereof. **SALES TAX:** a) Defend departmental as well as taxpayer's appeals/references, institute appeals and references under Chapter VIII of the Sales Tax Act, 1990, ensure filing of CPLA/Review before the Supreme Court through AOR/ASC, defend the departmental cause in the Supreme Court, represent the department before ADRCs and in the process of liquidation;	

		b) Appoint legal advisors and assign cases, wherever required, for representation before appellate fora; c) Defend complaints before FTO; d) File/defend representations before the President of Pakistan; and e) Any other legal functions assigned by Chief Commissioner Inland Revenue or FBR for achieving the purpose of Sales Tax Act, 1990 and Procedures thereof. **<u>FEDERAL EXCISE</u>:** a) Defend departmental as well as taxpayer's appeals/references, institute appeals and references under Chapter V of the Federal Excise Act, 2005, ensure filing of CPLA/Review before the Supreme Court through AOR/ASC, defend the departmental cause in the Supreme Court, represent the department before ADRCs and in the process of liquidation; b) Appoint legal advisors and assign cases, wherever required, for representation before appellate fora; c) Defend complaints before FTO; d) File/defend representations before the President of Pakistan; and e) Any other legal functions assigned by Chief	

		Commissioner Inland Revenue or FBR for achieving the purpose of Federal Excise Act, 2005 and Procedures thereof.	
4.	Commissioner Inland Revenue (Taxpayers' Facilitation & Human Resource Management Division).	a) Receive returns, statements, statutory notices, documents applications from taxpayers, mail from other Inland Revenue authorities, tax payment receipts (challans) from banks and all outside communications; b) Sort and disseminate information, documents, returns, statements and mail mentioned at (a) above, to concerned Divisions or to Inland Revenue authorities as the case may be. c) Communicate assessment orders/penalty orders and demand notices to taxpayers. d) To support line management in identifying human resource needs of the unit, to ensure staff recruitment in line with FBR's policies, training and development of staff maintenance of easily retrievable employees' data detailed as under: (i) Posting of staff up to (BS1-15) with the approval of Chief Commissioner; (ii) Posting of officers (BS16-18) with the approval of Chief Commissioner; (iii) Career planning;	All cases or classes of cases or persons or classes of persons pertaining to Audit Division.

		(iv) Help line management in identifying human resource needs; (v) Maintenance of employees' profiles and personal files; (vi) Development of job descriptions; (vii) Positive attitude building; (viii) Regulation of performance related pecuniary incentives; (ix) Training and development according to training needs analysis; (x) Coordination with FBR on various HRM arrears; (xi) Initiation of disciplinary proceedings, processing and finalization thereof; and (xii) Monitoring and implementation performance appraisal system. (xiii) Any other function relating to Taxpayers' Facilitation & Human Resource Management assigned by Chief Commissioner Inland Revenue or FBR .	
5.	Commissioner Inland Revenue (Information Processing Division).	a) Maintenance of physical and electronic records; b) Receipt of communication from Tax Facilitation Division, Enforcement Divisions, Legal Division and respective Audit Divisions and other Inland Revenue authorities;	All cases or classes of cases or persons or classes of persons pertaining to Audit Division.

		c) Data entry and processing of receipts and information received from Tax Facilitation Division, Enforcement Divisions, Audit Divisions and other Inland Revenue authorities; d) Cross matching of information collected from taxpayers and other sources and issuance of discrepancy report to the respective divisions; e) Dispatch of hard copies to different Divisions on demand; and f) Storage of information, documents, statements, returns and all other communications received from other Divisions, authorities, sources; and g) Any other function relating to information processing assigned by Chief Commissioner Inland Revenue or FBR .	

Explanation:

The expression “place of business” as used in column (4) of the above Table means”: -

(a) In the case of Public Limited Companies, the place where the registered office is situated;

(b) In the case of other companies: -

(i) if the company is primarily engaged in manufacturing or processing, the place where the factory is situated;

(ii) if the company is primarily engaged in business other than manufacturing or processing, the “place” where such business is actually carried on.

Provided that in the cases at (b)(i) & (ii) above, if the manufacturing/processing of business is carried on at more than one place, the expression “place of business” shall mean the principal place where such manufacturing/processing or business is carried on.

(Khalid Aziz Banth)
Member Domestic Operations (North)

To

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9. CEO, PRAL, Islamabad with the request to make necessary changes on the FBR Web-portal under intimation to taxpayers and this office.
10. All officers of the Board.
11. Joint Director (CRO), FBR, Islamabad.

(Dr. Ahmad Shahab)
Secretary (Income Tax Judicial)