FBR QUARTERLY REVIEW

Vol. 9, No. 4, April – June 2010

A Review of Resource Mobilization Efforts of Federal Board of Revenue

FEDERAL BOARD OF REVENUE

Government of Pakistan

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September, 2010

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Foreword

The year 2009-10 was challenging year for Pakistan economy, energy crises, low growth in the manufacturing sector and declining imports have rocked the economy to greater extent. However, despite the severe shocks FBR has been able to collect around Rs.1,329 billion during 2009-10 by attaining a growth of about 15%. FBR maintained the tax GDP ratio at 9.1%.

The current issue of the FBR Quarterly Review provides an update on FBR's resource mobilization efforts. It includes detailed analysis of tax revenues collected by FBR and elucidates various cogent factors responsible for less than the targeted collection.

Besides analysis of tax revenues, the current issue also includes an article on "Impact Evaluation: An Ex Post Analysis of Budgetary Measures FY: 09-10" and a "Statistical Appendix" showing month to month and progressive collection of federal taxes collected during 2009-10 and 2008-09 by FBR .

I appreciate the valuable efforts put in by the research team of Strategic Planning and Research & Statistics in bringing out this issue of FBR Quarterly Revenue Review. We look forward for receiving your valuable comments and suggestions for improving the research efforts.

(Sohail Ahmad)
Secretary Revenue Division/
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September, 2010

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Abbreviations

FBR	Federal Board of Revenue
DT	Direct Taxes
CD	Customs Duties
GST	General Sales Tax
STM	Sales Tax Import
STD	Sales Tax Domestic
FED	Federal Excise Duties
WHT	Withholding Taxes
VP	Voluntary Payments
CoD	Collection on Demand
AOPs	Association of Persons
NTN	National Tax Number
USAS	Universal Self-Assessment Scheme
SED	Special Excise Duty
PCT	Pakistan Customs Tariff
GDP	Gross Domestic Product
CH	Chapter
RTO	Regional Tax Office
LTU	Large Tax Payers' Unit
FY	Fiscal Year
CFY	Current Fiscal Year
PFY	Previous Fiscal Year

I

FBR Tax Collection:
An Analysis of the FY: 2009-10 Outturn[1]

The Economy

The fiscal year 2009-10 was a challenging year for Pakistan economy, despite severe shocks; the economy has shown resilience to a greater extent. The Gross Domestic products (GDP), has recorded a growth of 4.1 percent as compared to the GDP growth of 1.2 percent during the fiscal year 2008-09. The agriculture sector grew by 2 percent; industrial out put expanded by 4.9 percent and Large Scale manufacturing (LSM) posted a 4.4 percent rate of growth. However, the services sector grew by 4.6 percent. A significant turnaround has been witnessed in the performance of commodity sector, which has expanded by 3.6 percent from the anemic growth rates of the previous two fiscal years.

Main factors behind the strong performance of the economy during FY: 2009-10 were the transfers of resources to the rural sector, combined with higher worker remittances, have sustained aggregate demand in the economy. Similarly, bumper cotton production has been instrumental in the overall agricultural growth.

Pakistan economy has also attained initial gains in restoring macroeconomic stability in the aftermath of the balance of payments crisis of 2008. The fiscal deficit has been kept at 5.1 percent of GDP despite the absorption of unprecedented security related spending. The fiscal deficit has reduced from 5.2 percent during FY: 2008-09 and 7.6 percent during FY: 2007-08. Similarly, the current account deficit has also been kept at low level of 3 percent during FY: 2009-10. The same was 5.6 percent during FY: 2008-09 and 8.3 percent in FY: 2007-08.

Another marked improvement has been witnessed in the foreign exchange reserves that have reached to nearly US$ 15 billion, at the end of the year, which were under US$ 6 billion in October 2008. However, challenges in consolidating these early gains have emerged, with inflation in the economy reappearing, and fiscal pressure increasing.

On the revenue front, despite unfavorable economic conditions, FBR has been able to collect around Rs 1,329 billion at the end of the year; although 22.4% higher refunds were

[1] The analysis has been prepared by the research team of the Strategic Planning and Research & Statistics Wing of FBR. The figures quoted with respect to economy have been taken from the Economic Survey of Pakistan 2009-10.

paid back during FY: 2009-10. The growth in net collection has been 14.4% over the actual realization of Rs 1,161 billion during FY: 2008-09. Another improvement has been witnessed in relative term, the Tax GDP ratio has improved to 9.1%, which is a positive sign. Detailed analysis on the performance of FBR is as follows:

FBR Revenue Collection Relative to Target.

FBR revenue target for the FY: 2009-10 was fixed at Rs. 1,380 billion at the time of announcement of Federal Budget. The target was linked with expected growth in GDP, the rate of inflation, tax buoyancy and other key economic indicators such as growth in the Large Scale Manufacturing sector and imports. To reach the target 18.9% growth was required over the actual collection of Rs. 1,161 billion during Fiscal Year 2008-2009.

Unfortunately, FBR remained confronted with general economic slowdown right from the beginning of the year. There was a negative growth in imports till the end of first half of the year. Since import taxes i.e. Customs duty, sales tax on import, withholding tax on import and FED at import stage, constitutes more than 35% of the total revenue collection of FBR, revenue collection was adversely affected due to low growth in imports. Secondly, manufacturing sector, which is base for FED and domestic sales tax, has also exhibited negative growth during first half of the year; therefore, revenue realization from the manufacturing sector and related businesses has also been badly affected. Another, factor behind low growth scenario is shortages of energy in the country throughout the year. The consumption of energy in the industrial sector i.e. electricity and gas has declined by 6.5% and 2.6% respectively. Resultantly production process slowed down and resource mobilization efforts of FBR were adversely affected. However, the macroeconomic indicators slightly improved during second half of the year, but could not bridge the gap that had been created during the first half of the year.

Despite these unfavorable economic conditions, FBR has been able to collect Rs 1,328.6 billion at the end of the year; despite 22.4% higher refunds were paid back during FY: 2009-10 (Table 1). The growth in net collection has been 14.4% over the actual realization of Rs 1,161.2 billion during FY: 2008-09.

Table 1: A Comparaison of Collection vis-à-vis Original and Revised Targets 2009-10

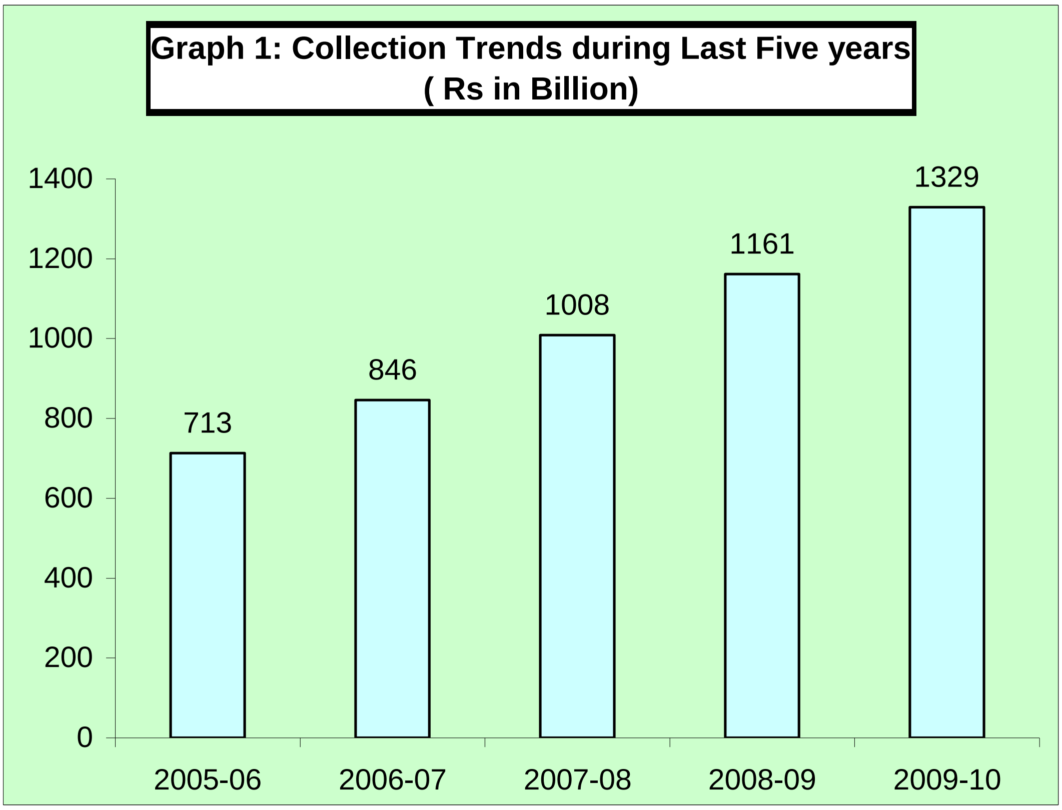
(Rs. Billion)

Tax Heads	Original Targets	Revised Targets	Collection 09-10	Achievement of Target (%)
Direct Taxes	565.5	540.4	528.6	97.9
Sales Tax (GST)	499.4	540.3	517.3	95.7
Federal Excise	152.8	134.4	121.2	90.2
Customs Duties	162.2	164.9	161.5	97.9
All Taxes	1380	1380.0	1328.6	96.3

Note: Figures for FY: 2009-10 are provisional

Revenue Collection in FY: 09-10 Vis-à-Vis FY: 08-09

FBR has collected Rs. 1,328.6 billion (Provisional) during FY: 2009-10, as against Rs. 1,161.2 billion during FY: 2008-09. The additional revenue added by FBR has been Rs 167.4 billion during FY: 2009-10, which is all time high in the history of FBR (Table 2).The performance is commendable when viewed in the context of low growth scenario confronted throughout year. It may also be highlighted that Peak period of the economy was from 2003-04 to 2006-07, when all the macro economic indicators were on the rise, the real GDP was ranging between 5-7% during this period, but the additional revenue in a single year was not to that extent (Graph 1). This achievement has been made despite Rs. 16.5 billion or 22.4% higher refunds/rebates has been paid back to the taxpayers as compared to previous years.



The overall target has been achieved to the extent of 96.3%. Reasons of shortfall are highlighted below:

- General economic slowdown during the first half of the year has hampered resource mobilization.

- Federal PSDP size was slashed down by over 50% which caused loss of revenue by about Rs.12 billion on account of WHT on contracts/supplies- a major revenue spinner of withholding taxes.

- Negative growth in the manufacturing sector during the first half of the year has impacted revenue collection on account of FED. However, gradual increase in the manufacturing sector was witnessed during the second half of the year.

- Energy crises throughout the year have badly affected the production process and ultimately revenue realization.

- Negative growth in imports during the first half of the year resulted in less revenue realization on account of sales tax on imports. However, imports did pick up during second half of the year, but did not generate sufficient revenue to make up the losses.

- CVT generated negligible additional amount of Rs. 1.1 billion against the projected amount of Rs. 15 billion due to increase in the CVT rate from 2% to 4%.

- GST on sugar was reduced from 16% to 8% from August, 2009, which negatively affected revenue realization by about Rs. 10 billion during FY: 2009-10.

- Reduction of GST rate on telecommunication from 21% to 19.5% negatively effected the revenue realization by 11%.

Audit

During 2009-10, FBR could not realized potential additional taxes through audit. Corporate audit cases were selected for audit by Charter Accountant Firms during 2009-10 through random draw but none of them could be completed during 2009-10. A number of taxpayers have got stay orders from courts against random selection of their cases for audit. All these cases are still pending in the courts.

Table 2: A Comparison of Net Collection in FY: 09-10 vis-à-vis FY: 08-09

(Rs Billion)

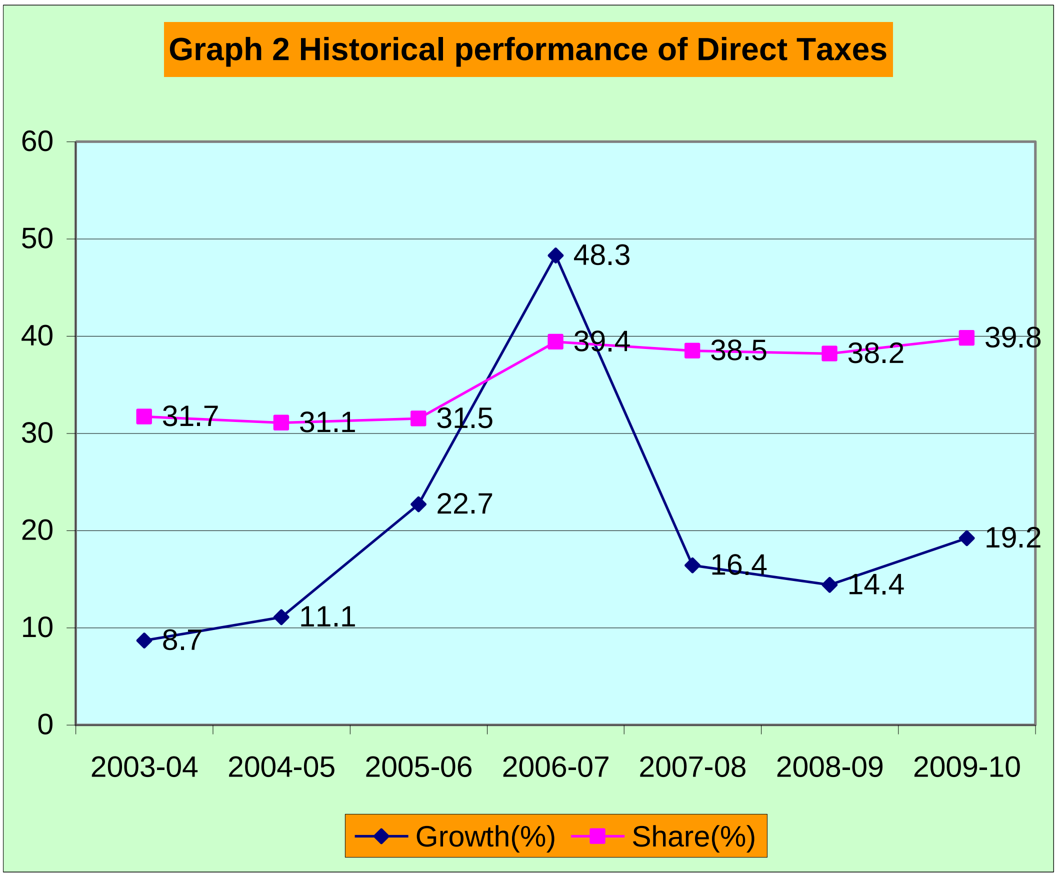
	Collection		Difference	
	FY: 09-10	FY: 08-09	Absolute	Percent
Direct Taxes	528.6	443.6	85.0	19.2
Sales Tax (GST)	517.3	451.7	65.6	14.5
Federal Excise	121.2	117.5	3.7	3.2
Customs Duties	161.5	148.4	13.1	8.8
All Taxes	1328.6	1161.2	167.4	14.4

Figures for FY: 2009-10 are provisional

Tax-wise Analysis

Direct Taxes**:** The direct tax has contributed 40% of total tax receipts during FY: 09-10. The net collection has been Rs.528.6 billion during 2009-10 against the target of Rs. 540.4 billion. An amount of Rs. 54.2 billion refunds has been paid back to the claimants as against Rs. 38.8 billion during FY: 08-09.

If we look at the performance of direct taxes in a historical perspective, the improved tax effort and effective implementation of tax policy and administrative reforms has geared up the collection over the years. The share of direct taxes in total federal tax receipts has increased from around 15% in early 1990s to 32% in FY: 2000-01. It has touched new heights of 40% in FY: 09-10. (Graph 2) Similarly, the growth pattern which was uneven but on the rise during the past few years, has also declined from 48.3% in FY: 06-07 to 19.2% in FY: 09-10. A number of reasons are there for this slowdown in revenue realization in few years. Apart from general economic slowdown and energy crisis during the period under review, the major set back has been due to 52% reduction in the size of federal PSDP, which has adversely affected the revenue realization by about Rs 12 billion from WHT on Contracts. Similarly, CVT was projected to generate additional revenue of Rs 15 billion on account of increase in the CVT rate from 2% to 4% has yielded insignificant amount at the end of the year mainly due to slump in the property business and also fragmentation in the size of property by the property dealers to avoid CVT etc.



It may be recalled that the collection of direct taxes includes income tax and other direct taxes i.e. capital value tax, worker welfare fund and worker profit participatory fund. The contribution of income tax in total direct taxes has been 95.6%. Therefore, our main focus would be on the income tax in this analysis.

The structure of income tax is based on withholding taxes (WHT), voluntary payments (VP) and collection on demand (COD). The collection during FY: 09-10 shows that the share of WHT, VP and COD in gross collection has been 53%, 29.5 % and 17.5% respectively. Details of these components of income tax are presented in Table 3.

Table 3: Head-wise Performance of Direct Taxes

(Rs. Million)

	2009-10	2008-09	Change (%)
Voluntary Payments	165,794	141,680	17.0
Collection on Demand	98,400	77,167	27.5
Deductions at Source (WHT)	298,430	242,137	23.2
Miscellaneous	118	255	-53.8
Gross income tax Receipts	562,741	461,239	22.0
Refunds	54,185	38,798	39.7
Other DT	20,093	21,307	-4.8
Net Direct Taxes	528,649	443,548	19.2

Source: FBR Data Bank

Analysis of Components of Income Tax

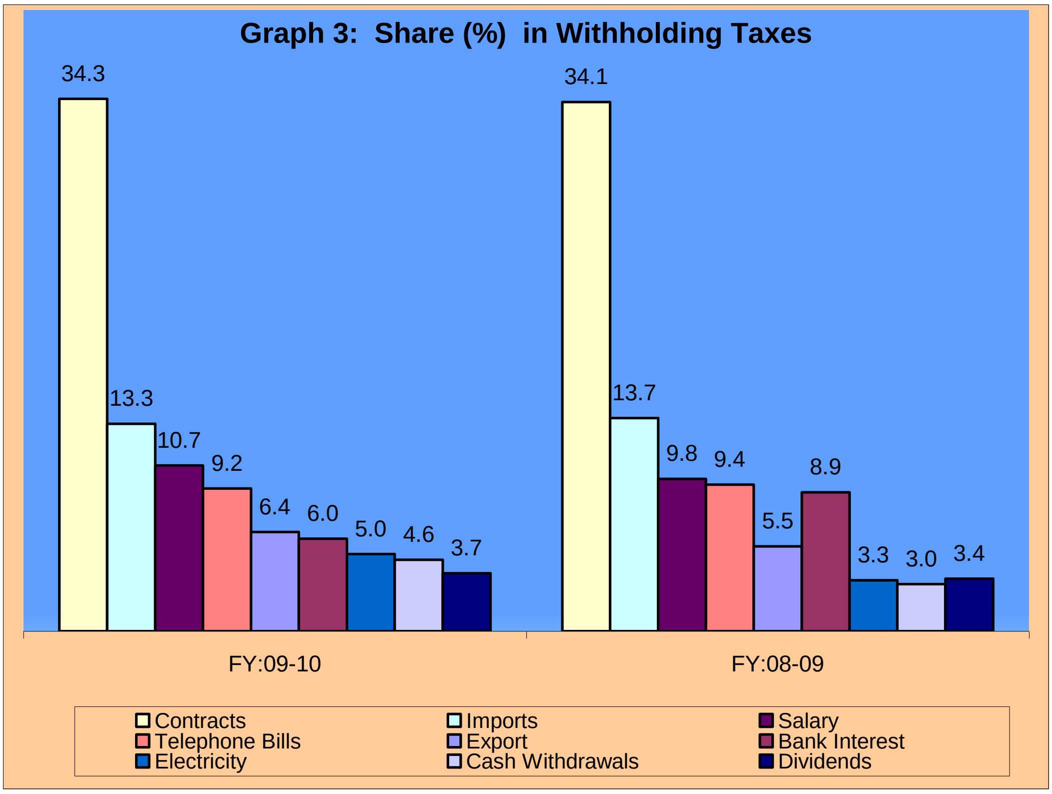
Voluntary Payments (VP): This component includes payments with return and advances. In net terms, Rs. 165.8 billion have been generated during FY: 09-10 as compared to Rs. 141.7 billion in the corresponding period last year, 17% growth has been witnessed in collection from this important component. It may be recalled that the basic objective behind implementation of USAS was to minimize interface between the taxpayer and tax administration, repose confidence in the system and eliminate the element of corruption. No doubt, that the USAS has been successful since its implementation in achieving these objectives. Till FY: 06-07, VP had emerged as a leading source of revenue. However, since FY: 07-08 this important source of revenue is on the declining trend. A sum of Rs. 156.3 billion advance tax has been collected in FY: 09-10 against Rs. 127.2 billion in FY: 08-09, and consequently, its share in total VP has jumped to 94.3% from 89.8%. The second component of VP, is payment with returns which has declined significantly during the period under review. During FY: 09-10, Rs. 9.5 billion were collected against Rs. 14.5 billion in FY: 08-09, indicating a decline of 34.4% (Table 4). Since payment with returns contributes around 6% in total Voluntary payments, therefore, the decrease has little impact on the overall voluntary payments.

Table 4: Collection of Income Tax by Voluntary Compliance

(Rs .Million)

	Collection 2009-10	Collection 2008-09	Change (%)
Voluntary Payments (A+B)	165,794	141,680	17.0
A) With Returns	9,500	14,484	-34.4
B) Advance Tax	156,294	127,196	22.9

Withholding Taxes (WHT): WHT continues to be the leading source of direct tax receipts in view of the large undocumented sector of the economy. However, despite its large contribution, there is ample scope to enhance this collection further. The WHT collection during FY: 09-10 has been Rs. 298.4 billion against Rs. 242.1 billion during FY: 08-09, indicating a healthy growth of 23.2%. The nine major withholding taxes contributed around 92% of total WHT collection. These are: contracts, imports, salary, telephone, export, bank interest/securities, electricity, cash withdrawal and dividends. The share of each category is given in Graph 3.



On the other hand the highest growth in WHT collection has been from imports (66.8%), dividends (41.3%), salary (26.1%), bank interest (24.9%), electricity (21.7%), cash withdrawal (13.5%), contracts (13%), export (16%) and telecommunication (6.4%) etc. The highest growth registered in collection from import is due to rationalization of WHT rate from 2% to 4% during FY: 2009-10 (Table 5). Similarly, the reason of more than 40% growth in collection from dividend is due to increase in the profitability of companies. Like wise, growth of 26.1% from salary is mainly on account of increase in the salary of employees.

Table 5: Deductions at Source:
A Comparison of FY: 09-10 & FY: 08-09 Collection

(Rs .Million)

	2009-10	2008-09	Change (%)
Contracts	95,031	84,099	13.0
Imports	50,211	30,102	66.8
Salary	34,042	26,991	26.1
Exports	16,662	14,361	16.0
Telephone Bills	23,115	21,726	6.4
Bank Interest	17,571	14,072	24.9
Electricity Bills	15,478	12,721	21.7
Dividends	9,278	6,565	41.3
Cash Withdrawal	12,863	11,338	13.5
Sub-Total	*274,249*	*221,974*	23.6
Other WHT	24,181	20,163	19.9
Total WHT	**298,430**	**242,137**	**23.2**

Source: FBR Data Bank

Sales Tax: Sales tax has been the second major revenue generation source of the country during 2009-10. It constitutes around 65% and 39% of the collection of indirect taxes and total federal taxes respectively during 2009-10. A growth of around 14.5% has been recorded in the net collection of sales tax. The collection is realized from two components i.e. sales tax on imports and sales tax on domestic sector.

Comparatively better performance by sales tax on imports against domestic sector has improved its share in the total collection of sales tax from 45% in 2008-09 to 47.8% in 2009-10. The tax collection of sales tax by components is presented in the Table 6.

Table 6: Collection and Growth of GST: FY: 2009-10

(Rs. Billion)

Sources of GST	2009-10			Growth (%)		
	Gross	Refund	Net	Gross	Refund	Net
Import	247.2	0.03	247.2	21.3	-57.1	21.3
Domestic	300.1	30.0	270.1	9.2	11.3	8.9
Total	**547.3**	**30.0**	**517.3**	**14.3**	**11.2**	**14.5**

Source: FBR Data Bank

Sales Tax Domestic Collection and Major Revenue Spinners: The collection of sales tax has been highly concentrated in some commodities. This is confirmed by the fact that only petroleum products and telecom sector contribute more than $3/5^{th}$ of the total sales tax domestic. Major ten commodities contribute 87.9% of the total net sales tax from domestic. The major revenue spinners of sales tax domestic include petroleum products, telecom services, natural gas, other services, cigarettes, sugar, electrical energy, beverages, tea and cement (Table 7).

Table 7: Comparison of Sales Tax Domestic (Net) Collection by Major Commodity: FY: 09-10 & FY: 08-09

(Rs. Million)

Major Commodities	2009-10	2008-09	Growth (%)	Share (%) 09-10	Share (%) 08-09
POL Products	114,349	106,812	7.1	42.3	43.1
Services by Telecom Sector	44,699	50,099	-10.8	16.5	20.2
Natural Gas	18,581	18,799	-1.2	6.9	7.6
Other Services	16,672	6,461	158.0	6.2	2.6
Cigarettes	10,715	9,644	11.1	4.0	3.9
Sugar	9,386	12,102	-22.4	3.5	4.9
Electrical Energy	7,494	8,145	-8.0	2.8	3.3
Beverages	6,991	5,097	37.2	2.6	2.1
Tea	4,566	3,671	24.4	1.7	1.5
Cement	3,989	4,697	-15.1	1.5	1.9
Sub-Total	237442	225527	5.3	87.9	90.9
Others	32,705	22,502	45.3	12.1	9.1
Total	**270,147**	**248,029**	**8.9**	**100.0**	**100.0**

Source: FBR Data Bank

Petroleum is the top revenue generation source of sales domestic and contributed around 42% of the total sales tax domestic during 2009-10. Its collection grew by 7.1%. The refunds payments in the petroleum products have gone up from one billion rupees in 2008-09 to Rs. 2.1 billion during 2009-10. The collection from telecom sector has dropped by around 11% due to reduction of tax rates from 21% to 19.5% in the Budget 2009-10. As far as natural gas is concerned; the collection has declined by 1.2%.

The services excluding telecom sector is the fourth major revenue generation source of sales tax domestic. Its collection has grown robustly by 158% during 2009-10. There are genuine factors for this colossal growth in the revenue realization of other services. Two prolific services i.e. banking/non-banking and insurance services were transferred from FED to sales tax net in the Budget 2009-10. Moreover, new services like services rendered by port & terminals and stock brokers were also been brought into the fold of sales tax.

Resultantly, the share of other services in the sales tax domestic has gone up from 2.6% in 2008-09 to 6.2% in 2009-10.

The collection of cigarettes grew by only 11.1% during 2009-10. The growth seems below the expectation, as the rate of FED was also revised upward in the Budget 2009-10. On the other hand, cement has reflected a decline of 15% in the collection of sales tax domestic. One of the reasons for this decline is lowering of FED rates on cement in the Budget 2009-10. The collection realized from sugar has come down by 22.4% mainly due to slashing down of sales tax rate on sugar by 50% since early 2009-10. This has not only vastly affected the collection of sugar but also adversely impacted overall collection of sales tax domestic.

Sales Tax at Import Stage: Sales tax on imports is a significant component of federal tax receipts. The collection of sales tax has posted an increase of 21.3% during 2009-10 mainly due to higher collection from petroleum products and automobile. Like sales tax domestic, the receipts of sales tax on imports have also concentrated mainly in few sectors. Petroleum products alone contributed around 40% of overall collection of sales tax on imports during 2009-10. Similarly, ten major spinners including petroleum constitute 82.4% of the sales tax import (Table 8).

Since petroleum is the major contributor of the sales tax on import, therefore, the overall collection of sales tax on import depends heavily on its level of contribution. The collection of sales tax from petroleum posted a growth of 30.8%. This growth is attributable to huge growth in imports of some of the POL products like motor spirit, JP-1 and furnace oil.

Plastic is the second major revenue generation source of sales tax. It has contributed 7.7% of the total sales tax on imports. The growth of 14.5% in the collection is aligned with its base i.e. value of imports which grew by 15.4%. As far as automobile is concerned, around 49% growth in the value of imports of automobile has resulted into around 50% growth in the collection of sales tax on imports.

The collection of edible oils (Ch:15) has improved by only 5% during 2009-10 against overall decline of 3.8% in the import of edible oil in 2009-10. This mismatch is mainly due to decline in the imports and collection of two components of palm oil i.e. R.B.D palm oil and crude palm oil. On the other hand, a huge growth of 75% in the imports of palm olien has resulted 108% growth in its collection. This substantial growth in palm olien has not only compensated for decline in the receipts of R.B.D palm oil and crude palm oil but also improved the collection of overall sales tax imports from edible oil.

The collection of sales tax from mechanical machinery and electrical machinery has improved by 19.9% and 11.1% while their values of imports have declined by 15.6% and 13.2% respectively.

The collection of iron and steel has grown by 16.3% against a decline of 2.1% in its import. The reason for this mismatch is a decline of 22.3% in the imports of a major item in iron and steel i.e. ferrous wastes and scrap which is mostly zero rated and has not contributed substantially.

Table 8: Collection of Sales Tax (Import) from Major Items

(Rs Million)

Description	2009-10	2008-09	Growth (%)	Share (%)	Share (%)
POL Products (27)	99,514	76,081	30.8	40.3	37.3
Edible Oil (15)	18,709	17,824	5.0	7.6	8.7
Plastic (39)	19,017	16,606	14.5	7.7	8.1
Vehicles and Parts (87)	16,089	10,736	49.9	6.5	5.3
Iron and Steel (72)	17,578	15,117	16.3	7.1	7.4
Mechanical Machinery (84)	8,167	6,813	19.9	3.3	3.3
Electrical Machinery (85)	6,536	5,883	11.1	2.6	2.9
Organic Chemicals (29)	6,778	5,917	14.6	2.7	2.9
Paper & P. Board (48)	4,909	5,829	-15.8	2.0	2.9
Oil seeds etc (12)	6,419	3,763	70.6	2.6	1.8
Sub Total	203,716	164,569	23.8	82.4	80.8
Other	43,466	38,758	12.1	17.6	19.0
Gross	247,182	203,778	21.3	100.0	100.0
Refund/Rebate	27	63	-57.1		
Net	247,155	203,715	21.3		

Customs Duty

Despite large scale tariff rationalization[2] in the last two decades, the customs duty is still an important component of federal tax receipts. It contributed around 20.2% and 12.2% of indirect taxes and total federal tax receipts respectively during 2009-10. The gross and net collection of customs duty has been Rs.167.3 billion and Rs. 161.5 billion respectively

[2] See for more details "Tariff and Trade in Pakistan- A Preliminary Assessment", published in FBR Quarterly Review Vol.10.No.3. January-March 2010 and is also available at www.fbr.gov.pk

during 2009-10. The gross and net collection grew by 7.2% and 8.8% respectively during 2009-10. The difference between the growth of gross and net collection is the lesser payments of refunds/rebates by around Rs. 1.9 billion. The target of customs duty was Rs.164.9 billion against which collection of Rs. 161.5 billion has been realized. The shortfall is mainly due to decline of 0.3% in the dutiable imports.

Performance of Major Revenue Spinners of Customs: There is a higher degree of vulnerability of collection as only four items i.e. petroleum products, automobiles, edible oils, iron & steel and machinery constituted 41.4% of the total collection during 2009-10. Similarly, 70.6% of the total collection has been realized from 15 PCT chapters. The collection of customs from these fifteen leading commodities (Chapters) is highlighted in Table 9.

Automobile (Ch: 87) is the top revenue spinner of customs which constituted 15.1% of the customs duty during 2009-10. The collection of automobile has grown substantially by 43.7% during 2009-10 due to sizeable growth of 48% in the value of dutiable imports.

Due to extremely low prices of imported HSD in first 4 months of current fiscal year, the collection of customs duty declined by 1.8% against a low growth of 1.7% in the dutiable imports. The main reason for this performance has been lower prices of HSD resulted lower overall collection of petroleum products. Resultantly, the share of petroleum products has dropped from 12.4% in 2008-09 to 11.4% in 2009-10.

As far as edible oils are concerned, a reduction of 9.5% in the collection of customs duty was recorded in 2009-10 as compared to FY: 2008-09. Palm oils are the major revenue generating source of edible oils. Since palm oils are subject to specific duty rates, therefore, the collection of customs has dropped due to decline in the imported quantity of crude palm oil and R.B.D palm oil by 24% and 39% respectively.

The collection of mechanical machinery (CH:84) has dropped by 24.1% mainly due to 27.8% decline in the dutiable imports during 2009-10. Major decline has been recorded due to lesser imports of mechanical appliances, laboratory equipment, pumps and engines. The collection of duty from electrical machinery has decreased by 29.2% due to decline in its imports by 26%. Around 52% decline has been witnessed in the collection of telephone equipments. Similarly, 36% reduction in dutiable imports has been recorded in electrical generating sets and rotary converters, resultantly; the collection from these items dropped by 39%. On the other hand, the collection of iron and steel (CH: 72) grew by 6.1% against 15.3% growth in the dutiable imports. As far as articles of iron and steel (Ch: 73) are concerned, the collection has dropped by 12% due to decline of 23.8% in dutiable imports.

Table 9 : Details of Collection of Customs Duties during 2009-10

(Rs. Million)

Description	2009-10	2008-09	Growth (%)	Share (%) 2009-10	Share (%) 2008-09
1.Vehicles and Parts (87)	25234	17,554	43.8	15.1	11.3
2. POL Products (27)	19021	19,369	-1.8	11.4	12.4
3.Edible Oil (15)	15512	17,134	-9.5	9.3	11.0
4.Mechanical Machinery (84)	10468	13,794	-24.1	6.3	8.8
5.Electrical Machinery (85)	9443	13,334	-29.2	5.6	8.5
6.Iron and Steel (72)	8370	7,887	6.1	5.0	5.1
7.Plastic (39)	7219	6,784	6.4	4.3	4.3
8..Paper & P. Board (48)	4860	5,120	-5.1	2.9	3.3
9.Organic Chemicals (29)	3794	3,743	1.4	2.3	2.4
10.Coffee, Tea, and Spices (9)	2736	2,193	24.8	1.6	1.4
11.Articles of Iron & Steel (73)	2550	2,899	-12.0	1.5	1.9
12.Dyes and Paints(32)	2418	2,238	8.0	1.4	1.4
13. Misc Chemicals Products (38)	2148	2,190	-1.9	1.3	1.4
14. Cosmetic and Perfumery(33)	2280	2,162	5.5	1.4	1.4
15. Soap and Artificial Waxes	2023	2,046	-1.1	1.2	1.3
Sub Total	118,076	118,447	-0.3	70.6	75.9
Other	49,196	37,602	30.8	29.4	24.1
Gross	167,272	156,049	7.2	100.0	100.0
Refund/Rebate	5,783	7,647	-24.4		
Net	161,489	148,403	8.8		

Federal Excise Duty (FED):

Federal excise duty is levied on imports and domestic stages. The major portion of the receipts emanates from domestic sector. The base of the federal excise duty is quite narrow and is limited to few commodities. Despite narrow base, federal excise duty has been an important revenue generation source of federal taxes. Federal excise duty has contributed 9.1% of total tax collection during 2009-10. The tax collection realized has been Rs. 121.2 billion in 2009-10 against Rs. 117.5 billion in 2008-09 yielding a growth of 3.2%. The followings are some of the measures taken in the Budget 2009-10 which are also responsible for this low growth:

i) Transfer of banking & insurance services from FED to sales tax net
Exemption of motor vehicles from FED

ii) The downward revision of FED rates for cement

Analysis of Major Commodities of FED

Among major items, cigarette has been the top most revenue generator with 36.9% share in FED collection, followed by SED (13.3%), cement (13.0%), services (12.6%), beverages (9.4%), natural gas (5.1%) and POL products (3.9%). Only seven major spinners of FED contributed 94.2% of the total FED collection (Table 10).

Table 10:FED Collection from Major Commodities FY: 09-10 and FY:08-09

(Rs. Million)

Description	2009-10	2008-09	Growth (%)	Share (%) 2009-10	Share (%) 2008-09
Cigarettes	44,689	36,860	21.2	36.9	31.4
Cement	15,764	17,618	-10.5	13.0	15.0
Services	15,294	17,485	-12.5	12.6	14.9
Beverages	11,372	10,587	7.4	9.4	9.0
Natural Gas	6,199	5,701	8.7	5.1	4.9
POL Products	4,721	4,121	14.6	3.9	3.5
1%SED	16,090	14,159	13.6	13.3	12.1
Sub Total	114,129	106,531	7.1	94.2	90.7
Other	7,053	10,924	-35.4	5.8	9.3
Net	121,182	117,455	3.2	100.0	100.0

Cigarette is the top revenue generation source of collection of FED. The collection of cigarettes has exhibited a growth of 21.2% during 2009-10 mainly due to increased rates of FED announced in the Budget 2009-10. The decline in the production of cigarettes by 14% is also attributable for less than expected performance.

This has been one of the major factors for non-achievement of target of FED. In the Budget 2009-10, the rate of cement was brought down from 900M/T to 700M/T. Despite growth in the production of cement by around 10%, a decline of 10.5% was recorded in revenue realization. Around 12% decline in the services is understandable in the context that insurance and banking services were transferred from FED to sales tax. The collection from beverages, natural gas and POL products has improved by 7.4%, 8.7% and 14.6% respectively. As far as 1% SED is concerned, a double digit growth has been recorded. It share has also improved from 12.1% in 2008-09 to 13.3% during 2009-10.

Conclusion

An ambitious revenue target of Rs.1380 billion was fixed for 2009-10 which was higher by 19% over the collection of 2008-09. The FY: 2009-10 was a difficult and challenging year for the government and FBR. Despite economic slow down and declining imports, power crisis and law and order situation, FBR has managed to collect a huge sum of around Rs. 1,329 billion which was Rs. 168 billion or 14.4% higher than the collection of previous year. This achievement is despite 23% increase in the payments of refunds/rebates during 2009-10.

II

Who pays Pakistan's taxes?[3]

(Abstracts taken from the study on Tax Incidence in Pakistan)

Who pays Pakistan's taxes? Do they fall inordinately on low-income families, or on labor working in the formal sector, or is the tax burden borne disproportionately by the higher income classes, who also own most of the capital in the country? The fairness of the tax system is not only affected by who pays taxes, but by who does not. The latter group might include those working in the hard-to-tax informal sector, agriculture, those who benefit from legal exemptions, and those who evade taxes.

The incidence of taxes in Pakistan and the resulting distribution of tax burdens is an important policy issue. There are two reasons why a study of tax incidence is especially important for Pakistan: (a) the significant size of the population living at or below the poverty line, and (b) the relatively low overall level of taxes relative to gross domestic product (GDP). The first issue points to the magnitude of the income distribution job to be done, and the second emphasizes the limited ability of the government to address the issue. Even with a low tax effort (taxes collected divided by GDP), the distribution of the tax burden can be skewed in a manner that is not considered "fair"; or may be disruptive to productive investment. While there is no consensus regarding the "right" amount of equity in a tax system, most countries seem to believe that fairness dictates that at the very least, low income individuals should not pay more of their income in tax than high income individuals. Does the tax system of Pakistan fit this paradigm?

The goal of this paper is to estimate the distribution of tax burdens in Pakistan. We are most interested in whether the pattern is regressive or progressive, i.e., whether it falls more heavily on the poor or on higher income households. We have three other important objectives:

To explain the patterns of vertical and horizontal equity that we find;

To examine horizontal inequities, i.e., whether households with the same incomes are subject to different effective tax rates; and

To develop a framework for estimating the tax burden effects that would result from alternative tax reforms. This would result in a heightened focus on equity in the future tax reform discussions.

There are some existing studies of tax incidence in Pakistan, but we cannot find one that takes in all of these same objectives. Previous analyses have generally focused on estimating the burden of individual taxes at the federal level, e.g., consumption taxes.

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[3] Umar Wahid and Sally Wallace have conducted a study on the "Incidence of Taxes in Pakistan" during 2007-08. The abstract has been taken from the voluminous study. The study was conducted in collaboration with the Andrew Young School of Policy Georgia State University Atlanta under the auspicious of the World Bank

Moreover, we add some features in this analysis that are not always present in tax incidence studies:

Throughout the analysis, we work primarily from micro-level data. The data we use are drawn from important Pakistani data sets: the Household Integrated Economic Survey (HIES), Labour Force Survey, and a sample of taxpayer returns. These are all micro-data files (data made up of individual level observations).

This is arguably the first burden study that directly accounts for the effects of tax compliance in Pakistan in the income tax sector.

We study the incidence of all federal and provincial taxes at a very specific level of detail.

One might expect the result that the tax system in Pakistan is regressive, because (a) the tax structure is weighted heavily toward consumption taxes, (b) there is no true tax on capital gains, and (c) the individual income tax weighs lightly in revenue-collection mix. On the other hand, the level of tax collection is quite low in Pakistan by international standards, resulting in the tax administration being centered on the "easy-to-tax." This includes large companies, visibly higher income families, international trade, payrolls and consumption taxes in general. Without the empirical analysis that we provide here, one could not sort out the net effect of these different factors on the tax burden distribution. As we show below, the hunch that the system is regressive turns out to be incorrect.

In some ways, we follow a conventional approach in doing this work. We draw on the theory of tax incidence and knowledge of the Pakistan tax structure to develop our estimate of how taxes are finally borne by owners of capital, by labor, and by consumers.

In other ways our approach is not so conventional, and takes a different approach than do most country studies of tax burdens. The following are notable:

We build in an estimate of the extent of the evasion of the income tax, by household decile.

We provide estimates of the horizontal equity of various components of the tax system.

We simulate the tax burden impacts of alternative assumptions about the incidence of various taxes, and we study the impact on both federal and provincial tax burdens. We use micro data from the HIES, Labour Force Survey and a sample of tax returns to carry out the analysis.

The theory, and our read of the tax structure, leads us to the incidence assumptions shown in Table ES-1. While this table oversimplifies the overall burden analysis, it provides a sense of what was done in the full estimation.

Table ES-1 Tax Incidence Assumptions: Pakistan

Tax	Labor	Capital	Consumption
Individual income	100% for tax on salaried individuals distributed by allocation to wages in HIES	100% for taxes on dividends, rents; distributed by allocation to income from capital, income from property from the HIES	
Corporate Income	50% distributed by allocation to wages (formal and informal)	50% distributed by allocation to capital income from the HIES	Alternative: 50%; distributed by allocation among 34 consumption groups.
GST			100%: Distributed by 34 categories of household consumption
Customs			100%; Distributed by 34 categories of household consumption, merged with customs duty classification
Excise			100%; Distributed by consumption based on disaggregated excise tax receipts.
Taxes on capital and property (dividends, some interest income, stamp duty, rental income)		100% on capital allocated by HIES defined capital income; alternative assumption: 50 and 100% of the tax on property to renters for taxes on rental income and stamp duty, allocated based on rental expenses from HIES	

The distribution of tax burdens across household consumption deciles is done by allocation according to labor shares, consumption shares for a very detailed list of consumption items, capital holdings, etc. We also built up the tax base of each household based on information about their sources of income from the HIES. We took account of compliance differences among income groups for the individual income tax. We do this by simulating tax payments using data from HIES and analyzing that distribution along with the distribution of actual receipts determined from our sample of tax returns.

The final results of the distribution analysis are summarized in Table ES-2 and Figure ES-1.[4] The results may surprise some observers. We find that the distribution of tax burdens in Pakistan is progressive, but that this progressivity comes about almost exclusively because of the burden of the income tax falling on the top income group. Otherwise, over most households, both direct and indirect taxes are about proportional.

Turning first to the *distribution* of the tax burden (columns 2 and 3 in Table ES-1), we see that households in the lowest decile pay about 2.4 percent of total taxes. However, this household decile accounts for only 3 percent of total consumption. By contrast, the highest decile of households accounts for 31.8 percent of consumption, 53 percent of direct taxes, 33 percent of indirect taxes, and 40.3 percent of all taxes. The result of this pattern, as shown by the effective tax rates (columns 5 and 6 of Table ES-2) is that the distribution of tax burdens in Pakistan is progressive.

What about the middle-income groups? The share of taxes borne (columns 2 and 3) rises with income as we might expect, but the effective tax rates (columns 5 and 6) are relatively flat until the highest decile of households is reached. Most Pakistan households pay about the same share of income in taxes.

The effective indirect tax rate is roughly proportional over the distribution. This result is in line with earlier incidence studies by Refaqat (GST 2003) and Martinez-Vazquez (all federal taxes 2006).

Further disaggregating of the tax burden yields interesting results. We find that the GST and Customs duties are proportional to slightly progressive under our incidence assumptions, while the excises are in fact regressive. The regressivity in the excises comes mainly through the tax on tobacco. The overall (approximate) proportionality of the consumption taxes should not imply that Pakistan's general sales tax is a broad-based consumption tax. Some commodities are exempt (particularly food items) while others are not. So the burden effect is a combination of a rate effect as well as a base effect. If low income individuals consume more of their budget in low or non-taxed goods than high income individuals, the consumption tax may be progressive. However, there are "high income items" that are tax exempt as well (including education expenditures, registration expenditures, etc.), which could reduce the progressivity and high income individuals

[4] As explained in the text, income is estimated using total household expenditures (consumption). In other words, consumption is a proxy for income in this analysis. The households are distributed based on total consumption and we report tax burdens as taxes/total consumption expenditures. The burden therefore represents the "tax take" out of family budgets. If we divide by GDP, the burden will fall commensurately.

benefit from food exemptions as well. So the combination of rates, bases, and consumption patterns is at the heart of the distribution of effective tax rates.

With respect to the direct taxes, the big story is the effective rate of the corporate income tax on the progressivity of the direct taxes. The individual income tax is progressive—with most of the burden (70 percent) falling on the top income decile. The taxes on the self-employed are also distributed in a progressive manner over most of the income distribution, with a slight downturn in the effective tax rate in the highest income decile (suggesting a smaller share of self-employed income in the top decile). When we add in the corporate income tax, the overall progressively of the direct tax system increases sharply. The incidence assumption used here is the baseline assumption that 50 percent of the tax is borne by labor and 50 percent is borne by capital. The effective tax rate on the portion of the tax borne by labor is relatively constant across households, but the capital portion is distributed in such a way that 93 percent of the total is borne by the households in the highest income docile.

The provincial taxes are also distributed in a slightly progressive manner. The overall burden of these taxes is relatively small (the provinces raise an amount equivalent to about 0.5 percent of GDP).

Are these results reasonable in a Pakistan context? That is a very difficult question to answer. It is difficult to compare the incidence of taxes among countries because studies often analyze different taxes, make different assumptions about the incidence of taxes, or use different measures of income. However, as noted earlier, a number of country studies report incidence results that suggest that many systems are slightly progressive. Shah and Whalley (1991) review a number of country studies (Colombia, Argentina, Jamaica, Panama, India, U.S. and other countries) and find that most tax systems are somewhat progressive. Alleyne et al's study of Jamaica (2004) finds a mildly progressive pattern in the tax system as well. From this international perspective the *distribution* of taxes in Pakistan, as found in this study, is not out of line with the worldwide experience. However, as often noted the *level* of taxation and therefore of the effective tax rate in Pakistan is low by international standards.

Figure ES-1: Distribution of Tax Burdens in Pakistan

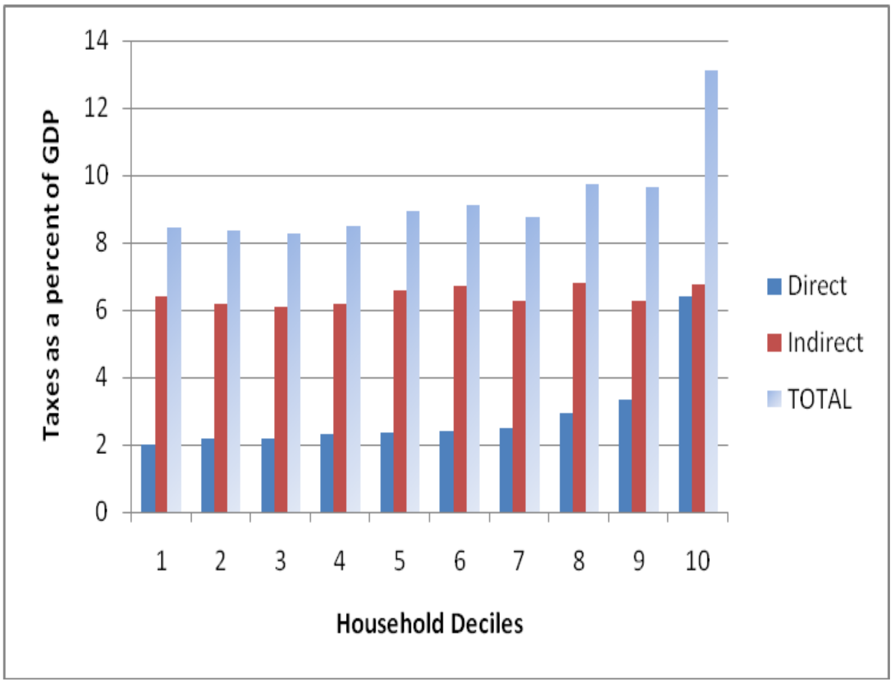

Table ES-2: Incidence of Taxes by HH Consumption Expenditure

Deciles	Households Distributed By Consumption Expenditure				
	Percent of taxes paid			Effective Tax Rate	
	Direct	Indirect	Total	Direct	Indirect
1	1.57	2.94	2.44	2.01	6.42
2	2.49	4.11	3.51	2.20	6.17
3	3.00	4.90	4.20	2.18	6.08
4	3.69	5.82	5.04	2.30	6.20
5	4.28	7.03	6.02	2.35	6.59
6	4.89	8.10	6.91	2.38	6.73
7	5.95	8.75	7.71	2.50	6.26
8	8.37	11.48	10.33	2.91	6.82
9	12.75	14.01	13.54	3.35	6.28
10	53.01	32.85	40.20	6.38	6.74
TOTAL	100	100	100		

III

Impact Evaluation: An *Ex Post* Analysis of Budgetary Tax Measures of FY: 09-10

BY **Mir Ahmad Khan**[5]

"Change always comes bearing gifts."
[Price Pritchett]

Introduction

It is a common belief that inefficient tax system is one of the leading constraints to economic growth. Status quo, therefore, leads to stagnation. In order to enhance the resources of the country, and bringing equity and efficiency in the system, continuous changes in tax policy and administration are required.

Introduction of discretionary measures are a common feature of almost every tax system. In case of Pakistan, the bulk of tax measures are announced at the time of budget every year. A host of measures has been announced in the Budget 2009-10 for raising tax receipts, providing relief to the taxpayers & bringing down the cost of the business, and simplification of law and procedures.

The purpose of this paper is to carry out an *ex post* assessment of impact of tax measures undertaken at the time of Budget 2009-10. A comparison of *ex post* impact analysis with *ex ante* estimates would be useful not only to determine the accuracy of forecasts; it will also guide us to improve tax policy response through discretionary measures in a better way. Besides, the analysis will also be helpful in gauging the contribution of tax measures in the achievement of overall target of the FBR.

Tax-Wise *Ex-Post* Analysis of Budgetary Measures, 2009-10

The tax-wise impact evaluation of some of the important measures announced during the Budget 2009-10 have been carried out and presented in the followings.

Direct Taxes

i) Re-introduction of Minimum Tax and Change of Regime for Advance Tax: The minimum tax under section 113 was abolished through Finance Act, 2008 which was payable by a resident company @0.5%of the turn over for the year where no tax was payable or paid for the relevant year was less than 0.5% of the turn over from all sources for the said tax year.

[5] The author is the Second Secretary, Strategic Planning, and Research & Statistics Wing, FBR.

In the Budget 2009-10, it has been re-introduced @0.5% to generate additional revenues with certain amendments[6]. A projection of Rs. 6 billion was made at the time of Budget 2009-10 while collection according to returns has been around Rs.10.6 billion. Thus, the collection has surpassed the projection by Rs. 4.6 billion made at the time of Budget 2009-10.

Prior to the Budget 2009-10, assessed income was taken into account for determination of advance tax liability. So in order to boost collection, turn over instead of assessed income was introduced for determination of advance tax liability. The collection from advance tax (including minimum tax) has improved significantly from Rs.127.4 billion in 2008-09 to Rs.156.3 billion during 2009-10 entailing an increase of about 23%. The additional collection of Rs.18.4 billion from advance tax (excluding minimum tax) has also surpassed the projection of Rs.7 billion (Table 1). Even if natural growth of 10% is estimated in advance tax collected previous year, the measure is still favourable in revenue realization.

Table 1: The Collection of FED and Sales Tax from Cigarettes During 2009-10

(Rs. Million)

Taxes	Projection	Collection FY: 09-10	Collection FY: 08-09	Diff in Collection	Diff of collection from projection
Advance Tax (Excluding Minimum Tax)	7,000	145,628	127,196	18,432	11,432
Minimum Tax	6,000	10,665	269	10,396	4,396
Total Advance Tax	**13,000**	**156,293**	**127,465**	**28,828**	**15,828**

Source: FBR Data Bank

ii)Enhancement of Withholding Tax Rates on Imports: During Budget 2009-10, in order to generate revenues, the rate of withholding tax on imports was revised upward from 2% to 4% in case of commercial importers while 2% to 3% in case of industrial importers. In fact, the collection of withholding tax is realized from non-petroleum oil imports. The non-oil imports grew only by 4.1% during 2009-10. Despite slow growth in the base of withholding tax on imports, the collection of withholding tax has improved robustly from Rs. 30.1 billion to Rs.50.2 billion, entailing a sizable growth of Rs. 20 billion. The target of Rs. 17 billion was surpassed by around Rs. 3 billion. Thus, the impact of rationalization of withholding tax on imports during 2009-10 has been extremely favourable and prolific.

iii) Upward Revision of rate of CVT from 2% to 4%: The rate of CVT was increased from 2% to 4% in the Budget 2009-10.An amount of Rs.15 billion was projected at the time of

[6] See Circular No. 03 of 2009 dated 17th July 2009 available at www.fbr.gov.pk for details of explanation of important amendments made in the Income Tax Ordinance 2001 for FY: 2009-10.

Budget FY: 09-10 but actual collection has been around Rs. 4.1 billion at the end of 2009-10 against Rs. 3 billion previous year entailing a growth of only around one billion rupees.

iv) Introduction of Income Tax IDP: In order to support the habilitation of internally displaced persons (IDPs), a new tax was introduced charged on bonus income of corporate executives@30% of the bonus. This was a one time levy. Moreover, income tax @5% on tax payable by individual and AOPs whose taxable income exceeds one million rupees. During 2009-10, only one billion rupees have been collected from these measures against target of Rs. 2.1 billion.

Sales Tax and Federal Excise

v) Downward Revision in the Rate of Sales Tax/FED in VAT Mode of Telecommunication Services: The rate of federal excise duty in VAT mode on services from telecommunication was increased from 15% to 21% to generate additional revenues was announced in the Budget 2008-09. Resultantly, the telecom sector had reflected only 11% growth in the collection during 2008-09 against robust growths achieved in 2006-07 and 2007-08.

In the Budget 2009-10, however, the tax rate for telecommunication has slashed down from 21% to 19.5% to provide incentive to the sector and relief for the common man. Table 2 reflects that the collection of sales tax from telecommunication has significantly come down during 2009-10. Hence, a decline of Rs.5.4 billion was recorded in the collection against revenue neutral projection at the time of Budget 2009-10.

Table 2: The Collection of Sales Tax from Telecommunication

Description	Rs. Billion
Collection 2009-10 @19.5%	44.7
Collection 2008-09 @21%	50.1
Decrease (Absolute)	-5.4
Decrease (%)	-10.8
Annual Projection	Neutral
Difference from Projection	**-5.4**

vi) Upward Revision of FED Rates on Cigarettes. For the last many years, the retail prices of the cigarettes have been revised upward and accordingly, the FED was also revised upward. In the Budget 2009-10, an upward revision has also been made to boost revenues and discouraging smoking. A huge additional collection of Rs. 12.5 billion was projected at the time of Budget 2009-10. However, the collection has improved by only Rs. 7.8 billion as evident from Table 3. In this regard, a shortfall of Rs. 4.7 billion was recorded against projection which has vastly affected the achievement of overall target of FED. Similarly, it was estimated at the time of Budget 2009-10 that due to increased FED rates, the collection of sales tax will automatically contribute additional collection of Rs. 2.5 billion but only one billion rupees as additional collection has been recorded from sales tax. Overall shortfall in the collection viz a viz projection has been around Rs.6 billion due to tax measure relating to cigarettes.

Table 3: The Collection of FED and Sales Tax from Cigarettes During 2009-10

(Rs. Million)

Taxes	Projection	Collection FY: 09-10	Collection FY: 08-09	Diff in Collection	Diff of collection from projection
FED	12,500	44,889	36,859	7,830	-4,670
Sales Tax	2,500	10,715	9,696	1,071	-1,429
Total	15,000			**8,901**	**-6,099**

Source: FBR Data Bank

vii) Transfer of Banking or Non Banking Financial Services from FED to FED VAT Mode and Upward Revision of Tax Rate from 10% to 16%: The transfer of banking or non banking services from FED to FED (VAT mode) was announced in the Budget 2009-10. Secondly, the rate was also revised upward from 10% to 16% making it at par with the other services in sales tax. Although the collection from banking and non banking services has improved significantly from Rs. 3 billion in 2008-09 to Rs. 5.2 billion during 2009-10 yielding an increase of Rs. 2.2 bilion yet remained below the projection of Rs.7.5 billion made at the time of Budget 2009-10.

viii) Transfer of Insurance Services from FED to FED VAT Mode and Upward Revision of Tax Rate: Like banking & non banking services, insurance services were also transferred from FED to FED (VAT) mode in 2009-10 and tax rate was also increased from 10% to 16%. Although the collection has been improved by Rs 2 billion from Rs. 3 billion to Rs. 5 billion yet it could not reach the projection for additional collection of Rs. 4 billion at time of Budget 2009-10.

ix) Downward Revision of FED Rates on Cement. In the Budget 2009-10, the FED rate was revised downward from Rs.900/MT to Rs.700/MT to encourage the construction activities in the country. It was projected that it will cause a loss of Rs. 2.5 billion in the receipts of FED but actual loss has been Rs. 1.8 billion. It was also estimated at the time of Budget that a loss of one billion in sales tax will also be incurred due to reduction in FED rates on cement. Actually, a loss of Rs.0.7 billion was recorded in sales tax from cement.

Details of projections and tax receipts of cement have been spotlighted in Table 4.

Table 4: The Collection of FED and Sales Tax from Cement During 2009-10

(Rs. Million)

Taxes	Projection	Collection FY: 09-10	Collection FY: 08-09	Diff in Collection	Diff of collection from projection
FED	-2,500	15764	17618	-1854	+646
Sales Tax	-1,000	3989	4696	-707	+293
Total	-3,500			**-2,561**	**+939**

Source: FBR Data Bank

x) Withdrawal of FED from Motor Cars: FED@ 5% was introduced in the Budget 2008-09 to generate additional revenues both at import and locally manufactured motor cars with engine capacity exceeding 850cc. In order to reduce the consumer cost of the motorcars and provide relief to the automobile industry, FED was withdrawn in the Budget 2009-10. A loss of around Rs. 2.4 billion has been recorded during 2009-10 against projection i.e. loss of Rs. 1.5 billion. Details of loss from this measure on import stage and domestic is highlighted in Table 5.

Table 5: Loss Due to Withdrawal of FED from Automobile During 2009-10

(Rs. Million)

Federal Excise Duty	Collection FY: 09-10	Collection FY: 08-09	Loss
Domestic	115	2185	-2,070
Import Stage	4	361	-357
Total	119	2,546	-2,427
Projection			-1500
Difference from Projection			**-927**

Source: FBR Data Bank

xi) Introduction of FED in VAT Mode to Ports and Terminals: In order to augment the base of services for generation of additional revenues, ports and terminals operators have been brought into the fold of FED VAT mode. A collection of Rs. 1.1 billion has been realized against a projection of Rs. 2.5 billion at time of budget 2009-10.

xii) Introduction of FED in VAT Mode to Stock Brokers: Keeping in view huge profit of stock brokers, FED in VAT mode has been introduced @16%. A collection of Rs. 433 million has been realized against an estimate of one billion rupees at time of Budget 2009-10.

Conclusion

The overall impact of budgetary measures announced in the Budget 2009-10 has been favourable. This reflects that tax collection can be improved substantially if the exemptions are gradually withdrawn and tax rates are rationalized. Total projection of Rs. 62.6 billion as additional amount from the tax measures (excluding administrative measure) was made at the time of Budget 2009-10. The tax-wise break-up of this amount was Rs.25.5 billion from sales tax & federal excise, and Rs. 37.1 billion from direct taxes.

The impact of most of the revenue measures pertaining to the direct taxes has been extremely positive except huge measure relating to CVT. The measures like advance tax, rationalization of WHT rate on imports and revival of minimum tax have been quite productive. As a whole, the measures taken in the Budget have boosted the collection of direct taxes and surpassed the projections.

As far as impact of revenue measures relating to sales tax and federal excise are concerned, the additional collection has been Rs. 6.2 billion against the projection of Rs.25.5 billion. Although tax receipts from measures like cigarettes and services have increased substantially but remained below the projections.

STATISTICAL APPENDIX

COMPARATIVE STATEMENTS OF

MONTH-TO- MONTH AND ROGRESSIVE

PROVISIONAL COLLECTION OF

FEDERAL TAXEAS 2009 – 10

All Taxes

Two Year Comparative – Month to Month & Progressive Collection

(Rs. in Million)

MONTHS	M/P	FY 2009-10			FY 2008-09			COMPARISON			Growth (%)		
		Gross	Reb/Ref	Net	Goss	Reb/Ref	Net	GROSS	Reb / Ref	NET	Gross	Reb/Ref	Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
JULY	M	84,483	9,803	74,680	79,315	6,852	72,463	5,168	2,951	2,217	6.5	43.1	3.1
AUGUST	M	89,848	3,659	86,189	84,255	5,440	78,815	5,593	-1,781	7,374	6.6	-32.7	9.4
	P	**174,331**	**13,462**	**160,869**	**163,570**	**12,292**	**151,278**	**10,761**	**1,170**	**9,591**	**6.6**	**9.5**	**6.3**
SEPTEMBER	M	106,492	3,502	102,990	115,815	5,002	110,813	-9,323	-1,500	-7,823	-8.0	-30.0	-7.1
1st Quarter		**280,823**	**16,964**	**263,859**	**279,385**	**17,294**	**262,091**	**1,438**	**-330**	**1,768**	**0.5**	**-1.9**	**0.7**
OCTOBER	M	114,643	6,686	107,957	95,776	3,594	92,182	18,867	3,092	15,775	19.7	86.0	17.1
	P	**395,466**	**23,650**	**371,816**	**375,161**	**20,888**	**354,273**	**20,305**	**2,762**	**17,543**	**5.4**	**13.2**	**5.0**
NOVEMBER	M	92,822	4,963	87,859	82,219	7,410	74,809	10,603	-2,447	13,050	12.9	-33.0	17.4
	P	**488,288**	**28,613**	**459,675**	**457,380**	**28,298**	**429,082**	**30,908**	**315**	**30,593**	**6.8**	**1.1**	**7.1**
DECEMBER	M	126,883	4,380	122,503	131,690	6,938	124,752	-4,807	-2,558	-2,249	-3.7	-36.9	-1.8
2nd Quarter		**334,347**	**16,028**	**318,319**	**309,685**	**17,942**	**291,743**	**24,663**	**-1,913**	**26,576**	**8.0**	**-10.7**	**9.1**
Upto 2nd Qtr		**615,170**	**32,992**	**582,178**	**589,070**	**35,236**	**553,834**	**26,101**	**-2,243**	**28,344**	**4.4**	**-6.4**	**5.1**
JANUARY	M	125,979	13,492	112,487	86,109	9,480	76,629	39,870	4,012	35,858	46.3	42.3	46.8
	P	**741,149**	**46,484**	**694,665**	**675,179**	**44,716**	**630,463**	**65,971**	**1,769**	**64,202**	**9.8**	**4.0**	**10.2**
FEBRUARY	M	100,804	4,060	96,744	83,873	6,349	77,524	16,931	-2,289	19,220	20.2	-36.1	24.8
	P	**841,953**	**50,544**	**791,409**	**759,052**	**51,065**	**707,987**	**82,902**	**-521**	**83,422**	**10.9**	**-1.0**	**11.8**
MARCH	M	124,007	5,817	118,190	111,918	4,795	107,123	12,089	1,022	11,067	10.8	21.3	10.3
3rd Quarter		**350,790**	**23,369**	**327,421**	**281,900**	**20,624**	**261,276**	**68,890**	**2,745**	**66,145**	**24.4**	**13.3**	**25.3**
Upto 3rd Qtr		**965,960**	**56,361**	**909,599**	**870,970**	**55,860**	**815,110**	**94,991**	**502**	**94,489**	**10.9**	**0.9**	**11.6**
APRIL	M	126,735	9,787	116,948	93,590	7,767	85,823	33,145	2,020	31,125	35.4	26.0	36.3
	P	**1,092,696**	**66,149**	**1,026,547**	**964,560**	**63,627**	**900,933**	**128,136**	**2,522**	**125,614**	**13.3**	**4.0**	**13.9**
MAY	M	121,279	11,019	110,260	101,644	6,774	94,870	19,635	4,245	15,390	19.3	62.7	16.2
	P	**1,213,975**	**77,168**	**1,136,807**	**1,066,204**	**70,401**	**995,803**	**147,771**	**6,767**	**141,004**	**13.9**	**9.6**	**14.2**
JUNE	M	204,645	12,830	191,815	168,461	3,114	165,347	36,184	9,716	26,468	21.5	312..0	16.0
4th Quarter		**452,659**	**33636**	**419,023**	**363,695**	**17,655**	**346,040**	**88,964**	**15,981**	**72983**	**24.5**	**90.5**	**21.1**
Upto 4th Qtr		**1,418,620**	**89,998**	**1,328,622**	**1,234,665**	**73,515**	**1,161,150**	**183,955**	**16,483**	**167,472**	**14.9**	**22.4**	**14.4**

(*) M- Monthly, P-Progressive

Direct Taxes

Two Year Comparative - Month to Month & Progressive Collection

(Rs. in Million)

MONTHS	M/P	FY 2009-10			FY 2008-09			COMPARISON			Growth (%)		
		Gross	Reb/Ref	Net	Goss	Reb/Ref	Net	GROSS	Reb / Ref	NET	Gross	Reb/Ref	Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
JULY	M	23,882	6,412	17,470	20,741	2,272	18,469	3,141	4,140	-999	15.1	182.2	-5.4
AUGUST	M	27,538	1,117	26,421	23,921	1,767	22,154	3,617	-650	4,267	15.1	-36.8	19.3
	P	**51,420**	**7,529**	**43,891**	**44,662**	**4,039**	**40,623**	**6,758**	**3,490**	**3,268**	**15.1**	**86.4**	**8.0**
SEPTEMBER	M	42,959	1,504	41,455	49,417	1,805	47,612	-6,458	-301	-6,157	-13.1	-16.7	-12.9
1st Quarter		**94,379**	**9,033**	**85,346**	**94,079**	**5,844**	**88,235**	**300**	**3,189**	**-2,889**	**0.3**	**54.6**	**-3.3**
OCTOBER	M	47,916	4,275	43,641	27,025	1,452	25,573	20,891	2,823	18,068	77.3	194.4	70.7
	P	**142,295**	**13,308**	**128,987**	**121,104**	**7,296**	**113,808**	**21,191**	**6,012**	**15,179**	**17.5**	**82.4**	**13.3**
NOVEMBER	M	30,295	3,399	26,896	26,838	3,918	22,920	3,457	-519	3,976	12.9	-13.2	17.3
	P	**172,590**	**16,707**	**155,883**	**147,942**	**11,214**	**136,728**	**24,648**	**5,493**	**19,155**	**16.7**	**49.0**	**14.0**
DECEMBER	M	59,485	3,967	55,518	78,671	5,063	73,608	-19,186	-1,096	-18,090	-24.4	-21.6	-24.6
2nd Quarter		**137,696**	**11,641**	**126,055**	**132,534**	**10,433**	**122,101**	**5,162**	**1,208**	**3,954**	**3.9**	**11.6**	**3.2**
Upto 2nd Qtr		**232,075**	**20,674**	**211,401**	**226,613**	**16,277**	**210,336**	**5,462**	**4,397**	**1,065**	**2.4**	**27.0**	**0.5**
JANUARY	M	57,794	12,117	45,677	32,202	7,203	24,999	25,592	4,914	20,678	79.5	68.2	82.7
	P	**289,869**	**32,791**	**257,078**	**258,815**	**23,480**	**235,335**	**31,054**	**9,311**	**21,743**	**12.0**	**39.7**	**9.2**
FEBRUARY	M	37,296	2,066	35,230	27,244	3,595	23,649	10,052	-1,529	11,581	36.9	-42.5	49.0
	P	**327,165**	**34,857**	**292,308**	**286,059**	**27,075**	**258,984**	**41,106**	**7,782**	**33,324**	**14.4**	**28.7**	**12.9**
MARCH	M	51,726	1,687	50,039	50,997	2,401	48,596	729	-714	1,443	1.4	-29.7	3.0
3rd Quarter		**146,816**	**15,870**	**130,946**	**110,443**	**13,199**	**97,244**	**36,373**	**2,671**	**33,702**	**32.9**	**20.2**	**34.7**
Upto 3rd Qtr		**378,891**	**36,544**	**342,347**	**337,056**	**29,476**	**307,580**	**41,835**	**7,068**	**34,767**	**12.4**	**24.0**	**11.3**
APRIL	M	51,540	5,575	45,965	30,079	4,718	25,361	21,461	857	20,604	71.3	18.2	81.2
	P	**430,431**	**42,119**	**388,312**	**367,135**	**34,194**	**332,941**	**63,296**	**7,925**	**55,371**	**17.2**	**23.2**	**16.6**
MAY	M	41,908	5,229	36,679	34,203	1,886	32,317	7,705	3,343	4,362	22.5	177.3	13.5
	P	**472,339**	**47,348**	**424,991**	**401,338**	**36,080**	**365,258**	**71,001**	**11,268**	**59,733**	**17.7**	**31.2**	**16.4**
JUNE	M	110,495	6,837	103,658	81,008	2,718	78,290	29,487	4,119	25,368	36.4	151.5	32.4
4th Quarter		**203,943**	**17,641**	**186,302**	**145,290**	**9,322**	**135,968**	**58,653**	**8,319**	**50,334**	**40.4**	**89.2**	**37.0**
Upto 4th Qtr		**582,834**	**54,185**	**528,649**	**482,346**	**38,798**	**443,548**	**100,488**	**15,387**	**85,101**	**20.8**	**39.7**	**19.2**

Indirect Taxes

Two Year Comparative - Month to Month & Progressive Collection

(Rs. in Million)

MONTHS	M/P	FY 2009-10			FY 2008-09			COMPARISON			Growth (%)		
		Gross	Reb/Ref	Net	Goss	Reb/Ref	Net	GROSS	Reb / Ref	NET	Gross	Reb/Ref	Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
JULY	M	60,601	3,391	57,210	58,572	4,578	53,994	2,029	-1,187	3,216	3.5	-25.9	6.0
AUGUST	M	62,310	2,542	59,768	60,334	3,673	56,661	1,976	-1,131	3,107	3.3	-30.8	5.5
	P	**122,911**	**5,933**	**116,978**	**118,906**	**8,251**	**110,655**	**4,005**	**-2,318**	**6,323**	**3.4**	**-28.1**	**5.7**
SEPTEMBER	M	63,533	1,998	61,535	66,398	3,197	63,201	-2,865	-1,199	-1,666	-4.3	-37.5	-2.6
1st Quarter		**186,444**	**7,931**	**178,513**	**185,304**	**11,448**	**173,856**	**1,140**	**-3,517**	**4,657**	**0.6**	**-30.7**	**2.7**
OCTOBER	M	66,727	2,411	64,316	68,751	2,142	66,609	-2,024	269	-2,293	-2.9	12.6	-3.4
	P	**253,171**	**10,342**	**242,829**	**254,055**	**13,590**	**240,465**	**-884**	**-3,248**	**2,364**	**-0.3**	**-23.9**	**1.0**
NOVEMBER	M	62,526	1,563	60,963	55,381	3,492	51,889	7,145	-1,929	9,074	12.9	-55.2	17.5
	P	**315,697**	**11,905**	**303,792**	**309,436**	**17,082**	**292,354**	**6,261**	**-5,177**	**11,438**	**2.0**	**-30.3**	**3.9**
DECEMBER	M	67,398	413	66,985	53,019	1,875	51,144	14,379	-1,462	15,841	27.1	-78.0	31.0
2nd Quarter		**196,651**	**4,387**	**192,264**	**177,151**	**7,509**	**169,642**	**19,500**	**-3,122**	**22,622**	**11.0**	**-41.6**	**13.3**
Upto 2nd Qtr		**383,095**	**12,318**	**370,777**	**362,455**	**18,957**	**343,498**	**20,640**	**-6,639**	**27,279**	**5.7**	**-35.0**	**7.9**
JANUARY	M	68,186	1,376	66,810	53,908	2,278	51,630	14,278	-902	15,180	26.5	-39.6	29.4
	P	**451,281**	**13,694**	**437,587**	**416,363**	**21,235**	**395,128**	**34,918**	**-7,541**	**42,459**	**8.4**	**-35.5**	**10.7**
FEBRUARY	M	63,508	1,994	61,514	56,629	2,754	53,875	6,879	-760	7,639	12.1	-27.6	14.2
	P	**514,789**	**15,688**	**499,101**	**472,992**	**23,989**	**449,003**	**41,797**	**-8,301**	**50,098**	**8.8**	**-34.6**	**11.2**
MARCH	M	72,281	4,130	68,151	60,921	2,394	58,527	11,360	1,736	9,624	18.6	72.5	16.4
3rd Quarter		**203,975**	**7,500**	**196,475**	**171,458**	**7,426**	**164,032**	**32,517**	**74**	**32,443**	**19.0**	**1.0**	**19.8**
Upto 3rd Qtr		**587,070**	**19,818**	**567,252**	**533,913**	**26,383**	**507,530**	**53,157**	**-6,565**	**59,722**	**10.0**	**-24.9**	**11.8**
APRIL	M	75,196	4,213	70,983	63,512	3,050	60,462	11,684	1,163	10,521	18.4	38.1	17.4
	P	**662,266**	**24,031**	**638,235**	**597,425**	**29,433**	**567,992**	**64,841**	**-5,402**	**70,243**	**10.9**	**-18.4**	**12.4**
MAY	M	79,371	5,790	73,581	67,441	4,888	62,553	11,930	902	11,028	17.7	18.5	17.6
	P	**741,638**	**29,822**	**711,816**	**664,866**	**34,321**	**630,545**	**76,772**	**-4,499**	**81,271**	**11.5**	**-13.1**	**12.9**
JUNE	M	94,150	5,993	88,157	87,453	396	87,057	6,697	5597	1,100	7.7	1,413.4	1.3
4th Quarter		**248,717**	**15,996**	**232,721**	**218,406**	**8,334**	**210,072**	**30,311**	**7,662**	**22,449**	**13.9**	**91.9**	**10.8**
Upto 4th Qtr		**835,788**	**35,815**	**799,973**	**752,319**	**34,717**	**717,602**	**83,469**	**1,098**	**82,371**	**11.1**	**3.2**	**11.5**

Total Sales Tax
Two Year Comparative - Month to Month & Progressive Collection

(Rs. in Million)

MONTHS	M/P	FY 2009-10			FY 2008-09			COMPARISON			Growth (%)		
		Gross	Reb/Ref	Net	Goss	Reb/Ref	Net	GROSS	Reb / Ref	NET	Gross	Reb/Ref	Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
JULY	M	40,996	2,565	38,431	36,868	3,397	33,471	4,128	-832	4,960	11.2	-24.5	14.8
AUGUST	M	41,155	2,110	39,045	38,975	2,351	36,624	2,180	-241	2,421	5.6	-10.3	6.6
	P	**82,151**	**4,675**	**77,476**	**75,843**	**5,748**	**70,095**	**6,308**	**-1,073**	**7,381**	**8.3**	**-18.7**	**10.5**
SEPTEMBER	M	41,149	1,567	39,582	42,457	2,320	40,137	-1,308	-753	-555	-3.1	-32.5	-1.4
1st Quarter		**123,300**	**6,242**	**117,058**	**118,300**	**8,068**	**110,232**	**5,000**	**-1,826**	**6,826**	**4.2**	**-22.6**	**6.2**
OCTOBER	M	43,932	1,801	42,131	44,045	1,700	42,345	-113	101	-214	-0.3	5.9	-0.5
	P	**167,232**	**8,043**	**159,189**	**162,345**	**9,768**	**152,577**	**4,887**	**-1,725**	**6,612**	**3.0**	**-17.7**	**4.3**
NOVEMBER	M	40,965	1,116	39,849	35,967	2,370	33,597	4,998	-1,254	6,252	13.9	-52.9	18.6
	P	**208,197**	**9,159**	**199,038**	**198,312**	**12,138**	**186,174**	**9,885**	**-2,979**	**12,864**	**5.0**	**-24.5**	**6.9**
DECEMBER	M	43,875	41	43,834	32,628	1,622	31,006	11,247	-1,581	12,828	34.5	-97.5	41.4
2nd Quarter		**128,772**	**2,958**	**125,814**	**112,640**	**5,692**	**106,948**	**16,132**	**-2,734**	**18,866**	**14.3**	**-48.0**	**17.6**
Upto 2nd Qtr		**252,072**	**9,200**	**242,872**	**230,940**	**13,760**	**217,180**	**21,132**	**-4,560**	**25,692**	**9.2**	**-33.1**	**11.8**
JANUARY	M	45,767	781	44,986	34,619	1,754	32,865	11,148	-973	12,121	32.2	-55.5	36.9
	P	**297,839**	**9,981**	**287,858**	**265,559**	**15,514**	**250,045**	**32,280**	**-5,533**	**37,813**	**12.2**	**-35.7**	**15.1**
FEBRUARY	M	42,697	1,531	41,166	37,573	2,178	35,395	5,124	-647	5,771	13.6	-29.7	16.3
	P	**340,536**	**11,512**	**329,024**	**303,132**	**17,692**	**285,440**	**37,404**	**-6,180**	**43,584**	**12.3**	**-34.9**	**15.3**
MARCH	M	45,862	3,728	42,134	37,420	1,721	35,699	8,442	2,007	6,435	22.6	116.6	18.0
3rd Quarter		**134,326**	**6,040**	**128,286**	**109,612**	**5,653**	**103,959**	**24,714**	**387**	**24,327**	**22.5**	**6.8**	**23.4**
Upto 3rd Qtr		**386,398**	**15,240**	**371,158**	**340,552**	**19,413**	**321,139**	**45,846**	**-4,173**	**50,019**	**13.5**	**-21.5**	**15.6**
APRIL	M	49,922	3,763	46,159	40,725	2,653	38,072	9,197	1,110	8,087	22.6	41.8	21.2
	P	**436,320**	**19,003**	**417,317**	**381,277**	**22,066**	**359,211**	**55,043**	**-3,063**	**58,106**	**14.4**	**-13.9**	**16.2**
MAY	M	53,265	5,349	47,916	44,796	4,633	40,163	8,469	716	7,753	18.9	15.5	19.3
	P	**489,585**	**24,352**	**465,233**	**426,073**	**26,699**	**399,374**	**63,512**	**-2,347**	**65,859**	**14.9**	**-8.8**	**16.5**
JUNE	M	57,524	5,655	52,069	52,667	297	52,370	5,057	5,358	-301	9.6	1,804.0	-0.6
4th Quarter		**160,911**	**14,767**	**146,144**	**138,188**	**7,583**	**130,605**	**22,723**	**7,184**	**15,539**	**16.4**	**94.7**	**11.9**
Upto 4th Qtr		**547,309**	**30,007**	**517,302**	**478,740**	**26,996**	**451,744**	**68,569**	**3,011**	**65,558**	**14.3**	**11.2**	**14.5**

Sales Tax (Imports)
Two Year Comparative - Month to Month & Progressive Collection

(Rs. in Million)

MONTHS	M/P	FY 2009-10			FY 2008-09			COMPARISON			Growth (%)		
		Gross	Reb/Ref	Net	Goss	Reb/Ref	Net	GROSS	Reb / Ref	NET	Gross	Reb/Ref	Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
JULY	M	17,078	1	17,077	17,882	9	17,873	-804	-8	-796	-4.5	-88.9	-4.5
AUGUST	M	18,086	2	18,084	17,496	43	17,453	590	-41	631	3.4	-95.3	3.6
	P	**35,164**	**3**	**35,161**	**35,378**	**52**	**35,326**	**-214**	**-49**	**-165**	**-0.6**	**-94.2**	**-0.5**
SEPTEMBER	M	16,962	3	16,959	20,412	2	20,410	-3,450	1	-3,451	-16.9	50.0	-16.9
1st Quarter		**52,126**	**6**	**52,120**	**55,790**	**54**	**55,736**	**-3,664**	**-48**	**-3,616**	**-6.6**	**-88.9**	**-6.5**
OCTOBER	M	21,125	1	21,124	22,322	0	22,322	-1,197	1	-1,198	-5.4	#DIV/0!	-5.4
	P	**73,251**	**7**	**73,244**	**78,112**	**54**	**78,058**	**-4,861**	**-47**	**-4,814**	**-6.2**	**-87.0**	**-6.2**
NOVEMBER	M	16,634	1	16,633	14,221	1	14,220	2,413	0	2,413	17.0	0.0	17.0
	P	**89,885**	**8**	**89,877**	**92,333**	**55**	**92,278**	**-2,448**	**-47**	**-2,401**	**-2.7**	**-85.5**	**-2.6**
DECEMBER	M	19,412	12	19,400	11,455	1	11,454	7,957	11	7,946	69.5	1,100.0	69.4
2nd Quarter		**57,171**	**14**	**57,157**	**47,998**	**2**	**47,996**	**9,173**	**12**	**9,161**	**19.1**	**600.0**	**19.1**
Upto 2nd Qtr		**109,297**	**20**	**109,277**	**103,788**	**56**	**103,732**	**5,509**	**-36**	**5,545**	**5.3**	**-64.3**	**5.3**
JANUARY	M	23,082	4	23,078	14,760	2	14,758	8,322	2	8,320	56.4	100.0	56.4
	P	**132,379**	**24**	**132,355**	**118,548**	**58**	**118,490**	**13,831**	**-34**	**13,865**	**11.7**	**-58.6**	**11.7**
FEBRUARY	M	17,030	1	17,029	14,526	1	14,525	2,504	0	2,504	17.2	0.0	17.2
	P	**149,409**	**25**	**149,384**	**133,074**	**59**	**133,015**	**16,335**	**-34**	**16,369**	**12.3**	**-57.6**	**12.3**
MARCH	M	23,514	1	23,513	14,265	2	14,263	9,249	-1	9,250	64.8	-50.0	64.9
3rd Quarter		**63,626**	**6**	**63,620**	**43,551**	**5**	**43,546**	**20,075**	**1**	**20,074**	**46.1**	**20.0**	**46.1**
Upto 3rd Qtr		**172,923**	**26**	**172,897**	**147,339**	**61**	**147,278**	**25,584**	**-35**	**25,619**	**17.4**	**-57.4**	**17.4**
APRIL	M	23,044	0	23,044	17,312	1	17,311	5,732	-1	5,733	33.1	-100.0	33.1
	P	**195,967**	**26**	**195,941**	**164,651**	**62**	**164,589**	**31,316**	**-36**	**31,352**	**19.0**	**-58.1**	**19.0**
MAY	M	25,944	1	25,943	17,317	1	17,316	8,627	0	8,627	49.8	0.0	49.8
	P	**221,911**	**27**	**221,884**	**181,968**	**63**	**181,905**	**39,943**	**-36**	**39,979**	**22.0**	**-57.1**	**22.0**
JUNE	M	25,271	0	25,271	21,810	0	21,810	3,461	0	3,461	15.9	-	15.9
4th Quarter		**74,259**	**1**	**74,258**	**56,439**	**2**	**56,437**	**17,820**	**-1**	**17,821**	**31.6**	**-50.0**	**31.6**
Upto 4th Qtr		**247,182**	**27**	**247,155**	**203,778**	**63**	**203,715**	**43,404**	**-36**	**43,440**	**21.3**	**-57.1**	**21.3**

Sales Tax (Domestic)
Two Year Comparative - Month to Month & Progressive Collection

(Rs. in Million)

MONTHS	M/P	FY 2009-10			FY 2008-09			COMPARISON			Growth (%)		
		Gross	Reb/Ref	Net	Goss	Reb/Ref	Net	GROSS	Reb / Ref	NET	Gross	Reb/Ref	Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
JULY	M	23,918	2,564	21,354	18,986	3,388	15,598	4,932	-824	5,756	26.0	-24.3	36.9
AUGUST	M	23,069	2,108	20,961	21,479	2,308	19,171	1,590	-200	1,790	7.4	-8.7	9.3
	P	**46,987**	**4,672**	**42,315**	**40,465**	**5,696**	**34,769**	**6,522**	**-1,024**	**7,546**	**16.1**	**-18.0**	**21.7**
SEPTEMBER	M	24,187	1,564	22,623	22,045	2,318	19,727	2,142	-754	2,896	9.7	-32.5	14.7
1st Quarter		**71,174**	**6,236**	**64,938**	**62,510**	**8,014**	**54,496**	**8,664**	**-1,778**	**10,442**	**13.9**	**-22.2**	**19.2**
OCTOBER	M	22,807	1,800	21,007	21,723	1,700	20,023	1,084	100	984	5.0	5.9	4.9
	P	**93,981**	**8,036**	**85,945**	**84,233**	**9,714**	**74,519**	**9,748**	**-1,678**	**11,426**	**11.6**	**-17.3**	**15.3**
NOVEMBER	M	24,331	1,115	23,216	21,746	2,369	19,377	2,585	-1,254	3,839	11.9	-52.9	19.8
	P	**118,312**	**9,151**	**109,161**	**105,979**	**12,083**	**93,896**	**12,333**	**-2,932**	**15,265**	**11.6**	**-24.3**	**16.3**
DECEMBER	M	24,463	29	24,434	21,173	1,621	19,552	3,290	-1,592	4,882	15.5	-98.2	25.0
2nd Quarter		**71,601**	**2,944**	**68,657**	**64,642**	**5,690**	**58,952**	**6,959**	**-2,746**	**9,705**	**10.8**	**-48.3**	**16.5**
Upto 2nd Qtr		**142,775**	**9,180**	**133,595**	**127,152**	**13,704**	**113,448**	**15,623**	**-4,524**	**20,147**	**12.3**	**-33.0**	**17.8**
JANUARY	M	22,685	777	21,908	19,859	1,752	18,107	2,826	-975	3,801	14.2	-55.7	21.0
	P	**165,460**	**9,957**	**155,503**	**147,011**	**15,456**	**131,555**	**18,449**	**-5,499**	**23,948**	**12.5**	**-35.6**	**18.2**
FEBRUARY	M	25,667	1,530	24,137	23,047	2,177	20,870	2,620	-647	3,267	11.4	-29.7	15.7
	P	**191,127**	**11,487**	**179,640**	**170,058**	**17,633**	**152,425**	**21,069**	**-6,146**	**27,215**	**12.4**	**-34.9**	**17.9**
MARCH	M	22,348	3,727	18,621	23,155	1,719	21,436	-807	2,008	-2,815	-3.5	116.8	-13.1
3rd Quarter		**70,700**	**6,034**	**64,666**	**66,061**	**5,648**	**60,413**	**4,639**	**386**	**4,253**	**7.0**	**6.8**	**7.0**
Upto 3rd Qtr		**213,475**	**15,214**	**198,261**	**193,213**	**19,352**	**173,861**	**20,262**	**-4,138**	**24,400**	**10.5**	**-21.4**	**14.0**
APRIL	M	26,878	3,763	23,115	23,413	2,652	20,761	3,465	1,111	2,354	14.8	41.9	11.3
	P	**240,353**	**18,977**	**221,376**	**216,626**	**22,004**	**194,622**	**23,727**	**-3,027**	**26,754**	**11.0**	**-13.8**	**13.7**
MAY	M	27,321	5,348	21,973	27,479	4,632	22,847	-158	716	-874	-0.6	15.5	-3.8
	P	**267,674**	**24,325**	**243,349**	**244,105**	**26,636**	**217,469**	**23,569**	**-2,311**	**25,880**	**9.7**	**-8.7**	**11.9**
JUNE	M	32,453	5,655	26,798	30,857	297	30,560	1,596	5,358	-3,762	5.2	1804.0	-12.2
4th Quarter		**86,652**	**14,766**	**71,886**	**81,749**	**7,581**	**74,168**	**4,903**	**7,185**	**-2,282**	**6.0**	**94.8**	**-3.1**
Upto 4th Qtr		**300,127**	**29,980**	**270,147**	**274,962**	**26,933**	**248,029**	**25,165**	**3,047**	**22,118**	**9.2**	**11.3**	**8.9**

Federal Excise Duty

Two Year Comparative - Month to Month & Progressive Collection

(Rs. in Million)

MONTHS	M/P	FY 2009-10			FY 2008-09			COMPARISON			Growth (%)		
		Gross	Reb/Ref	Net	Goss	Reb/Ref	Net	GROSS	Reb / Ref	NET	Gross	Reb/Ref	Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
JULY	M	9,313	0	9,313	8,187	0	8,187	1,126	0	1,126	13.8	-	13.8
AUGUST	M	9,594	5	9,589	8,940	0	8,940	654	5	649	7.3	-	7.3
	P	**18,907**	**5**	**18,902**	**17,127**	**0**	**17,127**	**1,780**	**5**	**1,775**	**10.4**	**-**	**10.4**
SEPTEMBER	M	9,488	0	9,488	8,334	0	8,334	1,154	0	1,154	13.8	#DIV/0!	13.8
1st Quarter		**28,395**	**5**	**28,390**	**25,461**	**0**	**25,461**	**2,934**	**5**	**2,929**	**11.5**	**#DIV/0!**	**11.5**
OCTOBER	M	9,602	17	9,585	10,626	22	10,604	-1,024	-5	-1,019	-9.6	-	-9.6
	P	**37,997**	**22**	**37,975**	**36,087**	**22**	**36,065**	**1,910**	**0**	**1,910**	**5.3**	**-**	**5.3**
NOVEMBER	M	10,025	3	10,023	8,549	0	8,549	1,476	2	1,474	17.3	#DIV/0!	17.2
	P	**48,022**	**25**	**47,998**	**44,636**	**22**	**44,614**	**3,386**	**2**	**3,384**	**7.6**	**9.1**	**7.6**
DECEMBER	M	8,658	0	8,658	8,944	0	8,944	-286	0	-286	-3.2	#DIV/0!	-3.2
2nd Quarter		**28,285**	**19**	**28,266**	**28,119**	**22**	**28,097**	**166**	**-3**	**169**	**0.6**	**-13.6**	**0.6**
Upto 2nd Qtr		**56,680**	**25**	**56,656**	**53,580**	**22**	**53,558**	**3,100**	**2**	**3,098**	**5.8**	**9.1**	**5.8**
JANUARY	M	9,076	0	9,076	8,095	0	8,095	981	0	981	12.1	#DIV/0!	12.1
	P	**65,756**	**25**	**65,732**	**61,675**	**22**	**61,653**	**4,081**	**2**	**4,079**	**6.6**	**9.1**	**6.6**
FEBRUARY	M	8,944	0	8,944	9,009	0	9,009	-65	0	-65	-0.7	#DIV/0!	-0.7
	P	**74,700**	**25**	**74,676**	**70,684**	**22**	**70,662**	**4,016**	**2**	**4,014**	**5.7**	**9.1**	**5.7**
MARCH	M	9,732	0	9,732	10,340	2	10,338	-608	-2	-606	-5.9	-100.0	-5.9
3rd Quarter		**27,752**	**0**	**27,752**	**27,444**	**2**	**27,442**	**308**	**-2**	**310**	**1.1**	**-100.0**	**1.1**
Upto 3rd Qtr		**84,432**	**25**	**84,408**	**81,024**	**24**	**81,000**	**3,408**	**0**	**3,408**	**4.2**	**0.0**	**4.2**
APRIL	M	10,775	0	10,775	10,609	17	10,592	166	-17	183	1.6	-100.0	1.7
	P	**95,208**	**25**	**95,183**	**91,633**	**41**	**91,592**	**3,575**	**-16**	**3,591**	**3.9**	**-41.5**	**3.9**
MAY	M	11,658	0	11,658	10,976	3	10,973	682	-3	685	6.2	-100.0	6.2
	P	**106,866**	**25**	**106,841**	**102,609**	**44**	**102,565**	**4,257**	**-19**	**4,276**	**4.1**	**-43.2**	**4.2**
JUNE	M	14,341	0	14,341	14,921	31	14,890	-580	-31	-549	-3.9	-100.0	-3.7
4th Quarter		**36,774**	**0**	**36,774**	**36,506**	**51**	**36,455**	**268**	**-51**	**319**	**0.7**	**-100.0**	**0.9**
Upto 4th Qtr		**121,207**	**25**	**121,182**	**117,530**	**75**	**117,455**	**3,677**	**-50**	**3,727**	**3.1**	**-66.7**	**3.2**

Customs

Two Year Comparative - Month to Month & Progressive Collection

(Rs. in Million)

MONTHS	M/P	FY 2009-10			FY 2008-09			COMPARISON			Growth (%)		
		Gross	Reb/Ref	Net	Goss	Reb/Ref	Net	GROSS	Reb / Ref	NET	Gross	Reb/Ref	Net
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
JULY	M	10,292	826	9,466	13,517	1,181	12,336	-3,225	-355	-2,870	-23.9	-30.1	-23.3
AUGUST	M	11,561	427	11,134	12,419	1,322	11,097	-858	-895	37	-6.9	-67.7	0.3
	P	**21,853**	**1,253**	**20,600**	**25,936**	**2,503**	**23,433**	**-4,083**	**-1,250**	**-2,833**	**-15.7**	**-49.9**	**-12.1**
SEPTEMBER	M	12,896	431	12,465	15,607	877	14,730	-2,711	-446	-2,265	-17.4	-50.9	-15.4
1st Quarter		**34,749**	**1,684**	**33,065**	**41,543**	**3,380**	**38,163**	**-6,794**	**-1,696**	**-5,098**	**-16.4**	**-50.2**	**-13.4**
OCTOBER	M	13,193	593	12,600	14,080	420	13,660	-887	173	-1,060	-6.3	41.2	-7.8
	P	**47,942**	**2,277**	**45,665**	**55,623**	**3,800**	**51,823**	**-7,681**	**-1,523**	**-6,158**	**-13.8**	**-40.1**	**-11.9**
NOVEMBER	M	11,536	445	11,091	10,865	1,122	9,743	671	-677	1,348	6.2	-60.3	13.8
	P	**59,478**	**2,722**	**56,756**	**66,488**	**4,922**	**61,566**	**-7,010**	**-2,200**	**-4,810**	**-10.5**	**-44.7**	**-7.8**
DECEMBER	M	14,865	372	14,493	11,447	253	11,194	3,418	119	3,299	29.9	47.0	29.5
2nd Quarter		**39,594**	**1,410**	**38,184**	**36,392**	**1,795**	**34,597**	**3,202**	**-385**	**3,587**	**8.8**	**-21.4**	**10.4**
Upto 2nd Qtr		**74,343**	**3,094**	**71,249**	**77,935**	**5,175**	**72,760**	**-3,592**	**-2,081**	**-1,511**	**-4.6**	**-40.2**	**-2.1**
JANUARY	M	13,343	595	12,748	11,194	524	10,670	2,149	71	2,078	19.2	13.5	19.5
	P	**87,686**	**3,689**	**83,997**	**89,129**	**5,699**	**83,430**	**-1,443**	**-2,010**	**567**	**-1.6**	**-35.3**	**0.7**
FEBRUARY	M	11,867	463	11,404	10,047	576	9,471	1,820	-113	1,933	18.1	-19.6	20.4
	P	**99,553**	**4,152**	**95,401**	**99,176**	**6,275**	**92,901**	**377**	**-2,123**	**2,500**	**0.4**	**-33.8**	**2.7**
MARCH	M	16,687	402	16,285	13,161	671	12,490	3,526	-269	3,795	26.8	-40.1	30.4
3rd Quarter		**41,897**	**1,460**	**40,437**	**34,402**	**1,771**	**32,631**	**7,495**	**-311**	**7,806**	**21.8**	**-17.6**	**23.9**
Upto 3rd Qtr		**116,240**	**4,554**	**111,686**	**112,337**	**6,946**	**105,391**	**3,903**	**-2,392**	**6,295**	**3.5**	**-34.4**	**6.0**
APRIL	M	14,499	450	14,049	12,178	380	11,798	2,321	70	2,251	19.1	18.4	19.1
	P	**130,739**	**5,004**	**125,735**	**124,515**	**7,326**	**117,189**	**6,224**	**-2,322**	**8,546**	**5.0**	**-31.7**	**7.3**
MAY	M	14,448	440	14,007	11,669	252	11,417	2,779	189	2,590	23.8	74.6	22.7
	P	**145,187**	**5,445**	**139,742**	**136,184**	**7,578**	**128,606**	**9,003**	**-2,133**	**11,136**	**6.6**	**-28.1**	**8.7**
JUNE	M	22,085	338	21,747	19,865	68	19,797	2,220	270	1,950	11.2	397.1	9.8
4th Quarter		**51,032**	**1,229**	**49,803**	**43,712**	**700**	**43,012**	**7,320**	**529**	**6,791**	**16.7**	**75.6**	**15.8**
Upto 4th Qtr		**167,272**	**5,783**	**161,489**	**156,049**	**7,646**	**148,403**	**11,223**	**-1,863**	**13,086**	**7.2**	**-24.4**	**8.8**