

Greetings!

1. The Advisor to the Prime Minister on Finance and Revenue, Government of Pakistan has constituted a high level **Technical Committee** to identify, address and remove technical issues being faced by the business community and others regarding Taxation and Customs laws and the taxation systems. The government places great importance on taking measures that will boost exports, speed up the process of industrialization, encourage local manufacturing, wealth creation and promote a tax culture in the country that will lead to greater economic sustainability in Pakistan. Facilitating taxpayers, ensuring tax compliance and enabling greater ease in compliance, and increasing the collection of legitimate tax revenues for the development of the country are a high priority for the government.

The Terms of Reference (TOR) of the Technical Committee are:

- (i) *Identify distortions, anomalies and inequalities in the taxation system which cause difficulties for taxpayers, or which discourage investment, industrialization and documentation, and propose solutions.*
  - (ii) *Propose measures to reduce the dependence on withholding taxes, minimum tax, advance tax, etc.*
  - (iii) *Propose measures for simplification of all taxation procedures, in a manner which does not compromise revenue collection and documentation.*
  - (iv) *Propose improvements in the temporary importation and manufacturing bond schemes in order to enhance their scope and facilitate direct and indirect exporters throughout the value chain.*
  - (v) *Identify issues hindering smooth processing of refund claims through the FASTER system. Propose amendments in the procedures or thresholds relating to sales tax refund of various sub-sectors of exporters, and*
  - (vi) *Propose remedies for issues relating to adjustment of input tax paid against services subjected to sales tax by the provinces.*
2. As the Chairman of the Committee, I solicit your suggestions and ideas on the above TOR. We strongly believe that:
    - The entity/individual closest to the issue is in the best position to recommend improvements for the particular function, process or operation.
    - That no single individual has all the good ideas in any trade/industry/sector/function. Each perspective is valuable and consultative decisions tend to be most successful.
    - That given an opportunity, stakeholders can offer very pragmatic suggestions to bring about efficiency in tax laws and operations of FBR and thus contribute to the progress of the nation.

Our wish is for the entity/individual to feel "more relevant" and turn that relevance into action so that it results in a progressive change in taxation and revenue generation for the country that we as citizens are deeply invested in and have a duty towards.

3. We request that the suggestion(s) must be constructive and specific clause of the TOR be identified. For ease in communication, we request that the suggestion(s)/ideas should be structured by:
  - Stating the problem.
  - Proposing a solution to the problem.
  - Listing possible benefits (including cost benefit) of the suggestion(s)/idea(s).
4. The suggestions can be e-mailed at: [techcomm@fbr.gov.pk](mailto:techcomm@fbr.gov.pk) .**You are welcome to use the appended form or send the suggestion(s) vide an e-mail. Please ensure that the suggestions are emailed latest by 23<sup>th</sup> October 2020.**

Thank you in advance for your suggestion and contributing to creating a better taxation system that will lead to a progressive Pakistan. We highly value your input.

Kind regards,

**Suggestion form:**

**SUGGESTION TOPIC/TOR:** \_\_\_\_\_

**I/we believe the Suggestion will:** (please check all that apply)

- Contribute to the economy and tax collection
- Contribute to efficiency of the industry/trade
- Lead to rapid industrialization
- Lead to increase in exports
- Remove Anomalies/distortions in taxation system
- Reduce dependence of withholding/min. taxation
- Simplification of taxation system
- Improvements in the temporary importation and manufacturing bond schemes
- Bring about efficiency and transparency in the FASTER Refund system
- Address issues relating to adjustment of input tax paid against services subjected to sales tax by the provinces
- Increase effectiveness of the FBR operations.
- Result in Better Taxpayer Service
- Other (please explain)

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**Description/statement of Problem:** \_\_\_\_\_

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**Description of Proposed Solution of the problem:**

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(Attach examples, photos, etc., as needed to explain)

**Possible benefits (including cost benefit) of the idea(s) to the trade/industry/tax syastem:**

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(Attach additional analysis, reference material, etc., as needed to explain)

- Each suggestion should state a specific problem, define or describe its cause and propose definite solution . It should also include the benefits to the sector/industry/stakeholder, the cost to implement versus the savings and when the savings/progress will be realized.
- Please use additional sheets if needed. Thank you.

**OPTIONAL:**

Full Name: \_\_\_\_\_

Location: \_\_\_\_\_ Phone /Cell No.: \_\_\_\_\_

Email: \_\_\_\_\_

Position Title: \_\_\_\_\_

Trade/Industry/Sector: \_\_\_\_\_

Do you wish to be contacted: Yes \_\_\_\_\_ No \_\_\_\_\_