

# FBR NEWSLETTER



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## Editor's Note

by Syed Nadeem Hussain Rizvi

The December edition of FBR newsletter highlights the efforts by the FBR team to deliver on its promise of improved taxpayer service that is harbinger for simplification of various tax procedure and rules. Documentation and automation of the Tax system would help in ushering in a greater tax compliant culture.

This issue highlights the revenue collected and hails the the decision to not extend the due date for filing of Income Tax returns was also a part of the larger effort to lay seeds of improved compliance that would sprout into greater Tax compliance in the years to come.

In this regard, the latest Letter of Understanding between FBR and Directorate of Federal Government Educational Institutions (Cantonments/Garrisons) builds on earlier efforts of Facilitation and Taxpayer Education (FATE) Wing for inculcating tax culture and shedding light on importance of fulfilling one's tax obligations.

FBR continues to strive for enforcement measures that include operations against Tax Evaders and Anti-Smuggling drive with actions against Benami transactions. While at the same time leaving doors to taxpayers facilitation open by holding E-Kutchery and Redressal mechanism for taxpayer complaints.

# Chairman's Message



by Muhammad Javed Ghani

This calendar year ends on the renewed commitment to continue on the road of transformation which FBR has embarked on. This commitment would continue with the development of new mechanism of improving Taxpayer service by establishing new offices and committees that facilitate the taxpayers in fulfilling their tax obligations.

FBR has streamlined the issuance of refunds and will continue to do so, ensuring that the taxpayers and especially the business community are provided every possible facilitation in Ease of Doing Business (EoDB) that propels the wheel of economic growth.

This will be supplemented by embracing new technological advancements that help bring in initiatives such as E-Kutchery, Redressal mechanism for addressing taxpayer complaints, online module for Green Field Industry and much much more.

However, Taxpayer Education and Facilitation would be complemented by strict enforcement efforts that have zero tolerance for Tax Evaders and Smugglers. Besides, enforcing the letter of the law when it comes to fulfilling one's tax obligations in the stipulated time period allotted by the Tax authorities. The decision to not extend the Income Tax Return filing date was part of the grand scheme of things to foster a Tax compliant society that honors its Tax commitments and obligations.

FBR is confident that its men & women will continue to perform their duties with utmost dedication in the coming calendar year, just as they have done in the face of new wave of COVID-19. Team FBR will do its best in keeping up its efforts of transitioning to a modern Tax service whose ethos is '**Taxpayer First Attitude**'. With the support of its people we can build a self sufficient Pakistan on the back of a Tax compliant culture.

## FBR's MILESTONES

- *LOU inked between FBR and Directorate of Federal Government Educational Institutions (Cantonments/Garrisons)*
- *Monthly E-Kutchery in FBR HQ*
- *Mechanism for immediate redressal of complaints*
- *Operational growth at Gwadar Port*
- *Successful curtailment of smuggling activities & operations against Tax Evaders*
- *Online Module for Green Field Industry*
- *Action initiated against Benami Transactions*
- *Khyber Pakhtunkhwa (KP) Complaint Resolution Committee formed*
- *Establishment of Centralized Income Tax Refund Office (CITRO) for centralised payment of refunds*
- *144 Billion Tax Refunds issued*
- *Issuance of 91 Billion Sales Tax Refunds*
- *Pre-Bidding Conference for Track & Trace System held at FBR HQ*

## Highest monthly growth in December during Jul-Dec 2020

The provisional revenue collection figures for the **first six months of current year**. FBR has collected a net revenue of **Rs.2204 billion**, which is **99.7%** of its **six-monthly target of Rs.2210 billion** for the current Fiscal Year from July to December and which showed a growth of **5%** over **Rs. 2101 billion** which was collected during the same period last year. Income Tax collection for July to December stood at **Rs. 816 billion**. Similarly, collection of Sales Tax, Federal Excise Duty, Customs Duty remained at **Rs. 915 billion**, **Rs. 127 billion** and **Rs. 336 billion** respectively. Moreover, an additional **Rs.10 billion** has been collected from book adjustment. It is expected that revenue to be collected from book adjustment will increase in coming days.

For the month of December only, the total collected revenue stood at **Rs. 508 billion**, which was 97.7% of the target of **Rs.520 billion** and showed a growth of **8.3%** against **469 billion** collected in last December. There is an increase of **Rs. 39 billion** in the revenue collection of December 2019. This is the highest monthly growth during Jul-Dec period.

FBR's performance demonstrates that despite the second wave of COVID, government policies have insulated the economy which is showing growing signs of economic revival across the broad-spectrum business activities.

### Sanctity of last date restored

After many years, FBR has restored the sanctity of last date of filing of income tax return. This has been welcomed by taxpayers who have filed **2.3 million** returns till 31st December compared to **2.17 million** last year. Income Tax paid during filing of returns stood at **Rs. 43.5 billion** compared to only **Rs.28 billion** deposited last. This shows an increased in tax deposit with returns of **55%**.

## Outreach & Capacity Building Sessions for Private Sector AML/CFT Reporting Entities



Under the Anti-Money Laundering Act, the Federal Board of Revenue is responsible for ensuring that Designated Non-Financial Businesses and Professions (DNFBPs) including real estate agents, dealers in precious metals and stones, and FBR-supervised accountants comply with anti-money laundering and counter financing of terrorism obligations.

In this regard Outreach & Capacity Building Sessions for private sector AML/CFT Reporting entities was held in Peshawar from 16-17 December, 2020.

## Chairman holds E-Kutchery in FBR HQ

As a sequel to E-Kutcherries held on monthly basis to comply with the directions of the Prime Minister of Pakistan, Chairman Federal Board of Revenue (FBR)/Secretary Revenue Division, Muhammad Javed Ghani held an E-Kutchery at FBR HQ to listen to the complaints and issues of taxpayers.

The complainants called at +92-51-111-772-772 and interacted directly with the Chairman FBR. Chairman FBR listened to the complaints of the taxpayers and issued on spot directions for resolution of complaints. Chairman FBR appreciated the suggestion put forth by the taxpayers and assured them that their comments and suggestions would be looked into.

Chairman assured that FBR was taking all possible steps to facilitate the taxpayers. He also requested the taxpayers to visit their nearest RTO and Collectorate for redressal of any issue confronted by them. He took stock of the situation arising out of regular holding of E-Kutcherries in compliance with the directions of the Prime Minister. He issued directions in a letter to all Chief Commissioners, Director Generals IR, Chief Collectors and Director Generals Customs afterwards. The letter specifically states that a communication gap exists between tax collectors and taxpayers' which lead to the dissatisfaction of taxpayers'. Even the trivial refund applications and queries remain un-responded, Chairman FBR stated in the letter. It has further been told to the field offices that concerned officers do not appropriately interact and respond to target audience hence the genuine issues remain un-addressed.

Chairman FBR has strictly instructed all the field offices to resolve all outstanding issues of taxpayers'. In case of showing any laxity in resolving the issues, the concerned supervisory officers in the field offices will be held accountable.



## Customs facilitating operations at Gwadar Port



With the efforts of Customs in coordination with Ministries of Commerce and Maritime, cargo ship “*Strategic Endeavor*” containing 22000 tons of fertilizer arrived at Gwadar Port for transit to Afghanistan after being loaded on bonded trucks instead of containerized cargo.

This new initiative taken by Pakistan Customs provides a rare business opportunity generating employment for logistics companies and labor services and promoting trade facilitation. Pakistan Customs is proud to spearhead the national cause with support of armed forces and other security agencies making Gwadar Port fully operational along with reducing transit cost due to N-85 for transit/transshipment consignments. This shall play a vital role in the regional maritime connectivity for CPEC, transit and transshipment for the rest of the countries in region along with ensuring national security and boosting Pakistan’s economy.

## Online Module for Green Field Industry launched

In order to promote investment in the Green Field Industry and to facilitate such investors, Federal Board of Revenue (FBR) has launched online module in *Iris* for facilitating filing of applications for the grant of Green Field Industry Status.

To this end, two separate applications have been provided under the Income Tax Ordinance, 2001 and Sales Tax Act, 1990. Facilitation through the use of ICT tools is a priority agenda of FBR.

FBR is moving fast to accomplish this vision as a leader in developing and launching such faceless compliance tools for facilitation of the taxpayers.

# Letter of Understanding inked between FBR and Directorate of Federal Government Educational Institutions (Cantonments/Garrisons)



In line with the vision of Prime Minister of Pakistan for promoting Taxation system in the country, a special signing ceremony of Letter of Understanding (LoU) between Directorate of Federal Government Educational Institution Cantonments Garrisons and Federal Board of Revenue (FBR) was held on 23-12-2020 at Directorate of Federal Government Educational Institution Cantonments Garrisons. The Ceremony was observed by Member FATE/ Spokesperson FBR Syed Nadeem Hussain Rizvi, Director General Directorate of Federal Government Educational Institution Cantonments Garrisons Major General Muhammad Asghar HI (M), Chief FATE Aisha Farooq and Director Administration Directorate of Federal Government Educational Institution Cantonments Garrisons Brigadier Khalid Mahmood Shafi. The Letter of Understanding was signed by Director Administration Directorate of Federal Government Educational Institution Cantonments Garrisons Brigadier Khalid Mahmood Shafi and Chief FATE of FBR Aisha Farooq.

LoU is aimed to promote Tax culture & Tax awareness in all educational institutions under Directorate of Federal Government Educational Institution Cantonments Garrisons. It shall serve to foster positive taxation culture and awareness among students and teachers through different sets of activities, skills and experiential learning for making them responsible citizens. The training sessions will inculcate among the students about the significance of paying taxes and how to indicate Tax evasion. Federal Board of Revenue will educate and train students and teachers through taxation syllabus, training sessions and seminars. This LoU will be applicable for three years. FBR has decided to launch countrywide awareness sessions through seminars and training sessions to promote tax culture which will help to increase the number of taxpayers and revenue for the country.



## Smuggled goods worth 29 Billion seized in current year

Considerable progress has been witnessed in the value of seized smuggled goods in the ongoing current Financial Year. Smuggled goods valuing Rs. 29 billion have been seized in the current year from July to December, 2020 showing 37 percent increase in comparison with the seized smuggled goods of previous year in the corresponding months valuing Rs. 21 billion.

Similarly, Duty Drawback of Rs. 5 billion has been paid from July to December, 2020. Pakistan Customs has intensified the countrywide operations against the transportation and marketing of smuggled goods which has lessened the negative impact of smuggling on the economy. Moreover, these operations against smuggled goods have safeguarded the interests of local traders who are engaged in lawful trade.

## Pakistan Customs seizes smuggled vehicles worth RS. 120 Million

In line with the vision and directives of the Prime Minister of Pakistan to curb the menace of smuggling, Pakistan Customs in coordination with Frontier Corps and Balochistan Police raided a showroom situated on Quetta- Chamman Highway and seized 24 luxury vehicles. Huge resistance was faced during the operation but strong coordination among agencies under the umbrella of Task Force helped in successful handling of mob gathered to show resistance and lodging FIR against showroom owners.



During the operation, luxury vehicles like Land Cruisers like V8, Premio Car, Honda Cross Road, Toyota Double Cabins, Axio Car and Suzuki Cars were recovered. The approximate value of seized goods is approximately Rs. 120 million.

Pakistan Customs as lead agency in counter-smuggling is committed to achieve the vision of Prime Minister and is taking such landmark steps to seize smuggled goods and protect the market and the interest of traders involved in legal trade. Such actions will not only protect the market from hazardous and smuggled goods but will also promote foreign direct investment by boosting confidence and trust of investors.

## **FBR intensifies operations against illicit and smuggled cigarettes**

Tobacco sector is one of the leading sectors of revenue contribution and realizing this significance, FBR has instructed its field formations to gear up their anti-smuggling operations against illicit and smuggled cigarettes. DG (I&I IR) and DG (I&I Customs) and Collectors have been instructed by the Chairman FBR to supervise the operations and ensure that every possible avenue of illicit trade in tobacco sector be checked so that huge revenue leakages can be prevented.

I & I Customs has seized 6.7 million cartons of smuggled cigarettes from July 2020 to November 2020 having approximate value of Rs. 542 million whereas IREN (Inland Revenue Enforcement Network) established in September 2019 with a Chief Coordinator, Central Field Coordinator and seven regional enforcement hubs all across Pakistan, tasked to conduct raids and seizures on the counterfeit and non-duty paid cigarettes has seized 35.8 million sticks of cigarettes during the period from July 2020 to November 2020. FBR further clarifies that despite ongoing health hazards, its teams are making all out efforts to curb the menace of smuggled, counterfeit and non-duty paid cigarettes.



## **Intelligence & Investigation (Inland Revenue) Faisalabad takes action against non-duty paid cigarette**

The Directorate of Intelligence & Investigation (Inland Revenue), Faisalabad on express directions and unwavering resolve of Federal Board of Revenue, Islamabad and the Director General, Intelligence & Investigation (Inland Revenue) to curb the menace of illicit trade of counterfeit and non-duty paid cigarettes has busted 300 cartons (3,000,000 sticks) of cigarettes of different brands from multiple locations/stock-houses of traders in Faisalabad.

In another similar action undertaken by the Directorate, Tobacco Squad of Intelligence & Investigation (Inland Revenue), Faisalabad on secret information, reached Deputywala Interchange, M-3 Motorway, Faisalabad and found 150 cartons of non-duty paid Cigarettes about half KM away from Deputywala Interchange on Faisalabad Road under a make shift shed. Two persons present there were questioned but they failed to produce any documents i.e. Sales Tax invoices/Bill-T etc. The cigarette appeared counterfeited/non-duty paid and were accordingly taken in to custody. Estimated tax and duties evaded on the recovered merchandise may run in millions of rupees.



# Directorate General Intelligence & Investigation (IR) intensifies country wide operations against Tax Evaders

## Islamabad

Directorate of Intelligence and Investigation-IR, Islamabad has detected a big case of Sales Tax evasion. As per the intelligence gathering, one of the Islamabad based plywood manufacturing unit was involved in evasion of Sales Tax by suppressing its taxable supplies in monthly sales tax returns. Pursuant upon the information and in order to safeguard the public revenue, a raid was conducted and premises of the said unit were searched under section 38 and 40 of the Sales Tax Act, 1990. During the search, various record including invoices, receipt book, CPUs have been impounded and its scrutiny is underway. Furthermore, two raids were conducted by the Islamabad Directorate on 22nd December against two un-registered businesses located in Chakwal involved in huge tax evasion. Record has been impounded and its scrutiny is underway. It is expected that quantum of tax involved will be in hundreds of millions in the three raids conducted by the Islamabad Directorate.

## Faisalabad

A campaign against smuggled, duty non-paid/illicit and counterfeit cigarettes started, in compliance of FBR's special directives dated 11th December, 2020 to "deploy maximum resources for control of the menace of illegal and injurious cigarettes", the Inland Revenue Intelligence & Investigation (I&I-IR) Directorate, Faisalabad has seized 426 cartons (4,260,000 sticks) from traders in Faisalabad and Sargodha, by conducting three different actions in exercise of powers under section 38 of the Sales Tax Act, 1990 and Rule 62 to 67 of the Federal Excise Rules, 2005. The seized consignments are prima facie counterfeited/non-duty paid and are accordingly taken into custody in the presence of the proprietors and the representatives of local Press Club. Estimated tax and duties evaded on the recovered merchandise in all three cases are in Multi Million Rupees.

## Peshawar

In the drive against illicit tobacco trade, the Directorate I&I-IR, Peshawar having jurisdiction over KPK Province, has taken multiple actions against trade of counterfeit and non-duty paid cigarettes. The surveillance squad of Peshawar Directorate, on receipt of a credible information intercepted a truck in Swabi and recovered from it 20 cartons of filter rods having no relevant documents in support of payment of excise duty and taxes. On further inquiry, the team raided godown from where the filter rods were loaded in the truck and 19 more cartons of filter rods were confiscated for lack of having documentary evidence of payment of duty/taxes. A total of 39 cartons of non-duty paid filter rods were recovered which are sufficient for production of 9,126,000 sticks of cigarettes (913 cartons) with anticipated duty/tax evasion of more than Rs. 25,000,000/- in addition to evasion of duty of Rs. 1,521,000/- being payable at clearance stage.

## Multan

On the basis of reliable information, the Directorate I&I-IR, Multan also conducted raids on two PVC manufacturers and successfully retrieved ample record and other documents. These units are involved in massive evasion of taxes by way of concealment of production/ issuance of flying invoices and incurred substantial loss of revenue to government exchequer. In an action against illicit non-duty paid tobacco trade, the Directorate I&I-IR, Multan has also seized 200,000 counterfeit/non-duty paid cigarettes and detained the stock, under section 38 of the Sales Tax Act, 1990 and Rule 62 to 67 of the Federal Excise Rules, 2005.

## Dedicated helpline facilitating taxpayers and public

FBR's Helpline is a free, fast & reliable service that is committed to provide the very best service to the public. FBR's Helpline not only educates the public but also provides them a forum through which the public can put forward their queries and seek resolution to most of their issues via phone, email or website. Helpline team has been at the forefront in resolving issues that come up from time to time such as Income Tax Return information, Sales Tax Return information, E-payments (ADC), Law related queries, Registration related queries, Refund related queries and other miscellaneous matters.

Federal Board of Revenue (FBR) is committed towards bringing about a **Service Oriented Culture** – geared towards resolving challenges faced by investors and taxpayers, helping to improve the **Ease of Doing Business (EoDB)**. FBR understands its responsibilities as a **Partner in Progress** - where its sole responsibility isn't just to collect taxes but also ensure that it provides the very best service; ushering in a tax compliant culture while providing the necessary tools for economic growth. FBR Helpline can be reached through phone (+92-51-111-772-772) and email ([helpline@fbr.gov.pk](mailto:helpline@fbr.gov.pk)), plus complaints can also be lodged through the website ([www.fbr.gov.pk](http://www.fbr.gov.pk)).

Below is the number of calls received in different categories for the period of 1st July, 2020 till 28th December, 2020:

S.#	Description	Number of Calls Received
1	Income Tax Return information	85,630
2	Sales Tax Return information	8,395
3	E-payments (ADC)	5,037
4	Law related queries	6,716
5	Registration related queries	8,395
6	Refund related queries	3,358
7	Other issues	50,371
<b>TOTAL CALLS</b>		<b>167,902</b>

FBR Helpline utilizes international standard **Customer Relationship Management (CRM)** System, which ensures availability of three (3) tier support lines ensuring that FBR Helpline promptly resolves Taxpayer issues. Taxpayers are provided a case number for each complaint lodged and resolution of the case is ensured within 24 hours of the complaint lodged. Cases of complex nature which require legal and technological modification in the system are resolved within 3 days of the lodged complaint.

## Refunds issued of Rs. 144 Billion in the current financial year



In the current Financial Year from July to December, 2020, refunds to the tune of **Rs. 144 billion** against only **Rs. 76 billion** last year have been issued which has shown an **increase of 89 percent**. The healthy figures of refunds issuance have greatly boosted the economic activity in the country.

Despite increase in refunds, FBR has still managed to cross the revenue collection in the first five months of current year. FBR's performance has been achieved despite the fact that the economy has been sluggish in the wake of on-going Covid-19 pandemic. Moreover, the Government had extended significant tax relief measures for the public in the Finance Act-2020.

## Pre-Bidding Conference for Track & Trace System held at FBR HQ

Federal Board of Revenue has successfully held pre-bidding conference for the grant of five year license for IT- based solution for electronic monitoring (Track and Trace System) of specified goods i.e. Tobacco, Cement, Sugar and Fertilizer. The pre-licensing conference was held at FBR Headquarter which was attended by 25 participants physically and another 15 participants joined through Zoom.

Dr. Muhammad Ashfaq Ahmed, Member (IR-Operation) and Mr. Tariq Hussain Shaikh, Project Director, (Track & Trace System) conducted the conference and explained the functions, features and purpose of implementing the Track and Trace System in Pakistan, which includes minimum human interface, preventing leakage of revenue, under reporting sales of specified goods and to ensure proper payment of duty/ taxes.

The participants showed their interest in the project and asked very relevant and pertinent questions. FBR team responded to all queries in professional manner to the satisfaction of the participants, which gave more clarity and understanding about the implementation and operationalization of the Track and Trace System. FBR team further clarified that last date of the bids is 19th December, 2020 which cannot be extended, as the Track and Trace System has been planned to be rolled out by 30.06.2021.



## Rs. 91 billion Sales Tax refund paid in November to the Exporters



Federal Board of Revenue (FBR) has paid **Rs91 billion** refunds of exporters in the month of November 2020, as confirmed by Special Assistant to Prime Minister on Revenue Dr. Waqar Masood.

FBR has expedited the process on the instructions of Prime Minister Imran Khan and no Sales Tax refund claim is pending with the FBR.

FBR is committed to paying all the Income Tax refunds at the earliest while the adjustments would be entertained as per law.

## Taxpayers' allowed to file settlement application for agreed assessment

In a major departure from the past practice, Government has provided for taxpayers to file settlement application for agreed assessment by inserting a new section 122D in the Income Tax Ordinance, 2001 through Finance Act 2020.

Recently FBR has instructed its field formations to establish over-sight committees as envisaged in the law. Taxpayers whose cases have been selected in audit and have been confronted through a show-cause, may avail this opportunity by applying online to the settlement committee, conveying this intention to go for agreed assessment and tax payable thereon. The Committee will decide case within 30 days of filing of application by taxpayer.

Government is expecting that a large number of taxpayers under scrutiny will avail this opportunity. This will decrease the pressure on available FBR resources which are being spent on litigation and will provide instant relief to the taxpayers.

## 27 references initiated against Benami Transactions

Benami Transactions Adjudicating Authority has confirmed 27 references involving amount of Rs. 7.4 billion filed against Benami Transactions by the three Anti-Benami Zones at Islamabad, Karachi, and Lahore which include movable as well as immovable benami properties.

These include 5 cases of Benami shares in which Benami transaction of Rs. 159.644 million was identified, 6 references of Benami immovable properties worth Rs. 5,849.4 million, one case of Benami bank accounts worth Rs. 1040.0 million, and 16 cases of Benami vehicles worth Rs. 351.55 million.

The Adjudicating Authority, an independent authority established under the law, after due deliberation provides opportunity of being heard to the alleged benamidars and beneficial owners and the referring department as well. The Adjudicating Authority after completing all legal and administrative requirements/ formalities either confirms or revokes the attachment orders issued by the Initiating Officers.

The 27 references were submitted by the Benami Zones at Islamabad, Karachi, and Lahore before the Adjudicating Authority which were confirmed involving Benami assets worth of Rs. 7.4 billion shall be confiscated after confirmation of orders from the Federal Appellate Tribunal as per law by the Federal Government.

## Benami Zone Islamabad

In July, 2019, a Directorate General of Anti-Benami Initiative was notified by FBR to monitor the working of three benami zones. At present, Anti-Benami drive is spearheaded by Director General ABI, Dr. Bashirullah Khan Marwat. Benami Zone, Islamabad has been pioneered by Commissioner Mr. Muhammad Faisal Mushtaq Dar along with Deputy Commissioner Mr. Muhammad Fayyaz Hussain and Assistant Commissioner Mr. Hasham Khalid Malik.



Last one year has seen tremendous work on detection, investigation and filing of references on benami properties and Benami Zone, Islamabad have filed thirty two (32) references including references on sixty thousand (60,000) kanals of land out of which 5,000 kanals of land has been confirmed as Benami by Adjudicating Authority and rest of cases are pending for adjudication. Team Benami Islamabad has spearheaded the drive against all odds and is determined to expand its operations despite limited human and logistic resources.

## Alternate Dispute Resolution (ADR)

At present hundreds of cases involving sizeable quantum of revenue are stuck in litigation at different appellate fora. The said prolonged court battle, besides draining financial and human resources has taken away huge chunk of Tax revenue from the Department. To cater for the said situation and to restore the confidence of businessmen in the tax administration, Operations Wing is, at present, encouraging out of court settlement of tax disputes as prescribed under the law. From July, 2020 onwards, ten (10) ADRCs out of twelve (12) applications have been constituted u/s 47A of the Sales Tax Act, 1990 for the resolution of tax disputes. The number of applications under the subject head is expected to gain momentum in the near future.

## Trust building initiative by Regional Tax Office Sargodha

Regional Tax Office Sargodha initiated a unique Trust building event for the business community of the city, media representatives and the entire team of FBR Sargodha Zone Two at Central Jamia Masjid Gol Chowk, Sargodha. Commissioner FBR Sargodha Mr. Asad Tahir Japa addressed the gathering by standing on the Minbar before Friday.



He highlighted the importance of paying taxes for the survival and security of the beloved homeland of Pakistan and presented himself and his team to the public for public accountability. In his address, he spoke to create an atmosphere of trust between the FBR and traders in line with the vision of the Prime Minister of Pakistan and answered questions from the business community in an open forum after Friday prayers.

He announced to play his team on the first Friday of every month in Sargodha, second in Mianwali, third in Khushab and fourth in Bhakkar. Representatives of the business community welcomed the initiative and expressed satisfaction at the question & answer session arranged. On this occasion, special prayers were offered for the security of the homeland and its economic strength.



## Rs. 1520 million refunds issued in Khyber Pakhtunkhwa (KP)

A record Rs. **1520 million** refunds have been issued to taxpayers for the first time in Khyber Pakhtunkhwa (KP) province. Chief Commissioner Regional Tax Office (RTO) Peshawar, Sardar Ali Khawaja confirmed this milestone under the pro-people policy of the government. Highest amount of refunds issued in the history of RTO to deserving taxpayers of about 1500 taxpayers.

Despite the out-break of Covid-19 and other unfavorable economic factors, the Regional Tax Office (RTO) Peshawar collected a total of Rs. **22,867 million** in revenue from July to November this year in the form of Income Tax, Sales Tax and Federal Excise Duty. This is **13%** higher as compared to this period in the last financial year.



RTO Peshawar on the special directives of Prime Minister Imran Khan, holds the monthly electronic '**Khuli Katchery**' to resolve the concerns and grievances of the citizens regarding taxes at their doorstep. Furthermore, state of the art public facilitation centers have been established at the Peshawar office as well as in other districts.

To further facilitate the taxpayers FBR had extended the date of submission of Income Tax returns till December 8, but in case of non-submission of returns by the due date, an individual was given another 15 days to apply. After the December deadline, **7,249** applications were given another 15 days to file their returns. Notices have been issued to those who have not submitted their Tax returns. Legal action will soon be taken against those who do not submit Tax returns, including fines on a daily basis.

## Khyber Pakhtunkhwa (KP) Complaint Resolution Committee formed

Following Sindh and Punjab, the Federal Board of Revenue (FBR) has constituted a "Complaint Resolution Committee Khyber-Pakhtunkhwa (KPIC)" for settlement of Sales Tax refund issues of taxpayers falling under the jurisdiction of field formations of the Khyber- Pakhtunkhwa.

The "Complaint Resolution Committee Khyber-Pakhtunkhwa (KPIC)" comprising following members: Senator Nauman Wazir Khattak Convener; Chief Commissioner-IR, RIO, Peshawar Member; Chief Commissioner-IR, RTO, Abbottabad Member; Adeel Rauf, CEO, Khyber Match and AYS Electronics, Peshawar Members and Saad Zahid, Director Rakaposhi Pharmaceuticals Member Additional Commissioner (HQ), RIO, Peshawar Member/Secretary.

Terms of Reference (TOR) of the Complaint Resolution Committee are as under:

- Review the nature of complaints/issue possible solution and take immediate action for resolution;
- Follow up with concerned field formations till issue is resolved;
- Maintain complete record of complaints/issues, mechanism adopted for resolution and post resolution action required, if any;
- Share data with Board on monthly basis indicating issues received, issues resolved and issues pending for resolution and reasons for pendency.

## Establishment of Centralized Income Tax Refund Office (CITRO) for centralised payment of refunds

Federal Board of Revenue (FBR) has established a Centralized Income Tax Refund Office (CITRO) at the FBR Headquarters for centralised payment of refunds through cheques or promissory notes, and online transfer to the taxpayers' bank account.

The Commissioner shall transmit an order under sub-section (4) of Section 170 of the Ordinance through IRIS to the treasury officer in CITRO under his digital signature, and retain a copy thereof for record. The treasury officer in the CITRO and the co-signatory designated by the board in this regard shall issue the cheque or a promissory note to the FBR Refund Settlement Company Limited, as the case may be, for the sanctioned amount as mentioned in the refund order or online transfer.

The CITRO shall also prepare a statement of payment advice for the concerned bank on a daily basis, for direct transfer to the taxpayer under intimation to the CITRO, the concerned Commissioner as well as the taxpayer. The in-charge of the CITRO shall reconcile the refund cheques and payment advices issued during the month with the bank scrolls received from the State Bank of Pakistan (SBP), and record the outcome of such reconciliation in the system.

## Immediate redressal of complaints



وزیراعظم پاکستان کے ویژن (Vision) کے مطابق بدعنوانی کے خاتمے کے لیے ہمارا ساتھ دیں

فیڈرل بورڈ آف ریونیو نے ہیڈ کوارٹر اسلام آباد اور ملک کے تمام بڑے ٹیکس آفسز میں ٹیکس گزاروں کی شکایات کے ازالے اور کرپشن کے خاتمے کے لیے خصوصی کمیٹیاں تشکیل دی ہیں۔ اس سلسلے میں ٹیکس گزار مندرجہ ذیل طریقہ سے شکایات درج کر سکتے ہیں۔

☆ ایف بی آر ہیلپ لائن 051-111-772-772 یا ریجنل کمیٹی کے دفتر کال کریں۔

☆ ای میل کے ذریعے [complaints@fbr.gov.pk](mailto:complaints@fbr.gov.pk)

☆ ایف بی آر کمپلینٹ پورٹل پر درخواست دے کر۔

☆ بذریعہ ڈاک چیئر مین ایف بی آر یا ریجنل کمیٹی کے انچارج کو خط لکھیں۔

☆ ایف بی آر ہیڈ کوارٹر میں سیکرٹری ایچ ایم سی (IMC) یا ریجنل کمیٹی کے چیئر پرسن سے دفتری اوقات میں بالمشافہ ملاقات کے ذریعے۔

☆ آپ کی شکایات کا مکمل ریکارڈ رکھا جائے گا اور شکایت کے حل تک آپ کو مطلع رکھا جائے۔

**FBR HELPLINE**

**051-111-772-772**

Federal Board of Revenue has constituted special committees for addressing taxpayers complaints against officials involved in unscrupulous activities.

Citizens can file a complaint again fraudulent officials in five ways:

- Call on FBR Helpline ie; 051-111-772-772
- Send email on FBR's official email address
- Use Complaint portal facility to lodge a complaint
- Sent complaint through postal service to the FBR Chairman
- Complaints can also be made directly at Chairman Integrity Management Cell (IMC) at the FBR Headquarters and the Regional Integrity Committees (RICs)

FBR will maintain the record of all the complaints that are made by the citizens and will notify them when their complaint is acted upon. To help solve all the complaints on time, the regulatory authority has established two new committees which will verify the authenticity of complaints.



## Your Contribution

You can also be part of this newsletter by sharing contribution relevant to your office that has helped FBR propel towards its goal of becoming an organization that values a service oriented culture, where the taxpayer comes first.

You can share your contribution via email @ [fbrnewsletter@fbr.gov.pk](mailto:fbrnewsletter@fbr.gov.pk)



## Feedback

Your feedback is extremely important in helping us improve the communication process between FBR and its family. We would like your suggestions, comments and valued advice in helping to further improve the newsletter.

You can send in your feedback to [newsletterfeedback@fbr.gov.pk](mailto:newsletterfeedback@fbr.gov.pk)



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