

IREN Press Release

Inland Revenue Enforcement Network (IREN) of FBR, during counter-evasion operations in the month of April, 2021, has conducted 16 raids countrywide and seized 11,680,000 sticks of cigarettes. Market value of seized cigarettes comes to valuing Rs.51, 416,232 on which duties / taxes amounting to Rs.25, 336,536 were evaded.

It is pertinent to mention that IREN squads are engaged in an enforcement drive to curb movement of illicit cigarettes since November 2019 under the Prime Minister's directive for combating tax evasion and leakages of taxes in tobacco sector. During the period of July 2020 to April 2021 IREN conducted 103 raids and seized 92,609,200 number of sticks of cigarettes, having market value of Rs. 403,372,578 on which estimated duties and taxes comes to Rs.196, 829,149.

FBR has further reported that Track & Trace System (TTS) would be rolled out from 1st July 2021 to cover tobacco manufacturing across the country, and that AJK Government had approached FBR to extend the scope of TTS to cigarette manufacturing units located inside AJK territory. Besides, FBR is in the process of drafting new rules where-under cigarette brands registered with FBR can only be sold in Pakistani markets. It is expected that over the next few months implementation of Track & Trace System and its extension into AJK, coupled with IREN's valiant drive would help overcome the menace of counterfeit, illicit and non-tax paid cigarettes in the market.