

Government of Pakistan
Revenue division
Federal board of revenue
Inland Revenue

C. No. 1(5) ST-L&P/TAMA/2022-P

19267-R

Islamabad, the 20th January, 2022


ORDER

Subject: Constitution of Sub-Committee on Tax Administration Modernization and Automation (TAMA) – Sub-Committee on Administrations on Supply Chain Capture.

In order to formalize the functions of Sub-Committee on Supply Chain Capture Business, the following Terms of References (TORs) of the aforesaid sub-committee (Group-II) are hereby notified: -

TORs for Committee on Integration of Businesses

- (i) To identify wholesalers, distributors, small, medium, and large manufacturers/importers who potentially have taxable income but neither, they have been brought into the tax base of Pakistan nor being part of the tax base but are evading and suppressing taxes and invoices.
- (ii) To define the potential target market and quantify the size of the target market.
- (iii) Develop a Business Plan comprising of budget pertaining to project plan, human, IT, and infrastructure resources required to bring the potential target market into the tax base, in order to generate incremental tax revenue.
- (iv) To obtain legal and regulatory protection, facilitation, and support of stakeholders in order to achieve the objective in collaboration and support of FBR.
- (v) To define policy & rules for a licensing framework for appointment of intermediaries who will coordinate and facilitate the integration of supply chain to capture and report all sales transactions.
- (vi) To coordinate with various associations and trade bodies to facilitate the integration of supply chains.
- (vii) Controlling, monitoring & implementation of supply chain capture integration program in coordination with IRS Operations
- (viii) To develop a correlation between invoice and digital/electronic payments for the purpose of audit, in coordination with necessary stakeholders including but not limited to SBP


Khalid Mehmood
Second Secretary (ST-L&P)
Federal Board of Revenue
Islamabad

- (ix) To leverage software to capture the entire supply chain from manufacturer, distributor, wholesaler, retailer, and customers to capture transactions, WHT information and use the developed database to capture potential taxpayers.
- (x) To leverage data analytics to capture Sales Tax demand on the input/output at each stage of supply chain from manufacturer to end consumer, thereby bringing unregistered distributors, sub-distributors, and retailers into the tax net.
- (xi) To develop organizational structure required to deliver on above TORs based on size of potential target market, physical dispersion of potential target market, and committed time lines for achieving TORs. Develop the costs associated with recruitment, third party agreements, or consultancy arrangements required to acquire the desired human resource.
- (xii) To determine IT-related resources required in terms of hardware, software, bandwidth, storage along with financial cost and timelines for delivery.
- (xiii) Determine the infrastructure in terms of premises, furniture, equipment, rent/lease, renovations/internal layout-related costs.


(Khalid Mehmood)
Second Secretary (ST- L & P)

Cc:

- (i) SA to Chairman, FBR, Islamabad
- (ii) SA to Member (IR Operations), FBR, Islamabad
- (iii) All Sponsoring Members, FBR, Islamabad
- (iv) Chief (Tax Reforms), FBR, Islamabad
- (v) Chief FATE, FBR, Islamabad for placing on website.
- (vi) All Member of the Committee.