

GOVERNMENT OF PAKISTAN
(REVENUE DIVISION)
FEDERAL BOARD OF REVENUE

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C. No.1(1)Exp-IR/2022-23/156446-R

Islamabad the, 22nd July, 2022

To,

All Chief Commissioners Inland Revenue CTOs/ RTOs.
All Director Generals Inland Revenue
Director General (DNFBP) in FBR at Islamabad.
All Directors Inland Revenue.
All Commissioners Inland Revenue of Appeals/AEOIs /Benami Zones.
Chief Coordinator Computer Wing (Inland Revenue) Islamabad.
All DPCs/DPU's/FT Offices Inland Revenue.

Subject AUTHORIZATION OF BUDGET FOR THE FINANCIAL YEAR 2022-23.

Dear Sir/Madam,

السلام عليكم

I am directed to enclose original copy of the Budget Orders duly signed by the Chief Finance and Accounts Officer (CFAO) submitted to Finance Division for approval of National Assembly for the financial year 2022-23 in respect of recurrent budget of the Field Offices of Federal Board of Revenue along with the copies of Strategy for Release of Funds for Financial Year 2021-23 issued by the Finance Division vide O.M. No. 3(1) FO/2022-23 dated 7th July, 2022 read with O.M. No.F.7(1)Exp.IV/2016-340 dated 7th July, 2022 for strict compliance please. (Annex-A)

2. I am further directed to communicate that the budget proposals made by the Board to Finance Division, on Budget Orders, have been modified by reduction of about 6.5% of the budget estimates pertaining to various Non-ERE object heads. Therefore, the budget appropriation registers may please be adjusted according to the budget available on SAP. Heads of departments/ offices are expected to prepare fresh estimates of ERE in the light of the Finance Divisions said memorandums read with F. No. 1(2) Imp/2022-283 dated 1st of July, 2022 and furnish to the Board by 5th of August, 2022.

3. All the Heads of the Departments/ Field Offices of FBR are responsible for strict adherence to the provisions of Public Finance Management Act-2019 along with General Financial Rules regarding essentials of incurrence of expenditure and standards of financial propriety. All the Heads of the Departments/ Field Offices of FBR are personally responsible for execution/implementation of the budget according to the prescribed legal framework comprising financial rules, regulations, guidelines and other instructions issued from time to time by the Federal Government, Finance Division, Works Division and Federal Board of Revenues.

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4. I am also directed to communicate that the recurrent Budget for the financial year 2022-23 shall be operated by observing the following guidelines: -

- i. All correspondence with FBR on Expenditure budget matters may be made under the signature of Head of Department and addressed to not below the Chief (Admin and Finance) and a copy to Member (Accounting & Auditing) as per guidelines of FBR vide letter C.No.4(1)S&M. Misc./2011/11077-R dated 03.08.2011(Copy enclosed). Otherwise, no proposal / request will be registered and considered in FBR. Unnecessary endorsements, advance copies, WhatsApp messages and any sort of confirmatory communication by staff of the field formations with concerned sections in the Board shall be avoided and highly be discouraged. All the requests shall be forwarded on the format attached with this letter (Annex-B)
- ii. Proper annual procurement plan (Quarterly-basis) may be made and furnished to the Board before sending proposals for re-appropriation of funds. Only essential requests for re-appropriations should be signed by the Heads of the offices with full justification and solid reasons to meet actual shortfall/ requirement.
- iii. In the first quarter, the re-appropriations should be avoided, as far as possible. Frequent re-appropriations are against the norms of financial management / discipline and should be discouraged;
- iv. Additional funds may not be proposed for re-appropriation to the head(s) of account from where the funds have already been extracted (reduced) and vice versa. No re-appropriation is allowed in the budget received through Supplementary Grants. Moreover, attempts to get unnecessary additional allocation shall be treated as mismanagement of financial resources on the part of the head of office/ department;
- v. Following certificates may be provided/ furnished with each proposal of re-appropriation:
 - a. The expenditure to be met by re-appropriation was not foreseen at the time of budget;
 - b. The expenditure cannot be reduced nor postponed to the next year;
 - c. The expenditure does not exceed in any of the head of accounts. The proposed request ensures that the expenditure in all the heads is within the budget grant;
 - d. The expenditure in question was not, specifically, disallowed by Finance Division at the time of approving budget estimates, and
 - e. All proposals for withdrawing funds from A01-ERE for re-appropriations shall be forwarded with a certified that sufficient funds are available in all detailed heads of Pays and Allowances for complete Financial Years.

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- vi. All cases of **Prime Ministers Family Assistance Package** and **Law Charges** for allocation of funds must be supported with the documentary evidence, justifications and detailed computations. The requests for allocation of funds shall be made after completion of documents and admissibility of the claims only;
- vii. Each Head of the Department is liable to ensure that excess expenditure, if any, beyond the circumstances may be got regularized well in time i.e. before 30th April of the financial year;
- viii. All payments of inadmissible allowances/ expenses shall be stopped forthwith and no proposal for allocation of such expenses shall be forwarded to the Board;
- ix. The last dates for all Budgetary Adjustments (Re-appropriations & Surrenders) have been fixed as 15th May, each year. No request for surrenders/re-appropriations can be considered after these dates. Therefore, the saving/excess report may be submitted to the Board latest by 30th of April, 2023 for submission of a final report to Finance Division. The requests of surrenders, if reported after the due date, shall have no reason to accept and will be a reflection of poor management on the part of the heads of field offices; and
- x. In case the funds available found *insufficient* for the proposed/reported saving in a head of Account Strict disciplinary action shall be initiated against the Drawing and Disbursing Officer and the officer dealing with the matters of Budget and Accounts.

Incurrence, Monitoring and Reconciliation of Expenditure:


- i. Necessary arrangements may be made to maintain accurate and reliable system for monitoring of Expenditure along with the budget appropriations. The focus of reconciliation should not only be on the recording of expenditure but the Original budget, re-appropriations, surrenders, supplementary grants, expenditure up to the month and balance of available budget must also be got confirmed before reporting to the Board;
- ii. Utilization of funds after sending the saving report/ allowing funds for re-allocation to other heads to the Board shall be considered as 'In-efficiency' on account of financial indiscipline on the part of the Head of department, AC/DC headquarter and Drawing and Disbursing Officer.
- iii. All offices may ensure to submit bills to AGPR/Accounts Offices according to the prescribed schedule by the Accountant General. Submission of bills after the prescribed date may be avoided so as to ensure proper utilization

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of funds well in time and to avoid embarrassing position before the AGPR/Finance Division; and

- iv. All Heads of the Departments may ensure personally the monthly reconciliation of expenditure as per schedule given below: -


Events	Due Date
A. Monthly reconciliation to be carried out by the offices with the concerned AGPRs/DAOs.	16 th to 20 th of next month
B. Reconciliation Statement to be sent by the offices to the FBR (HQ).	21 st - 22 nd of next month
C. Scrutiny/compilation of the reconciliation report by FBR (HQ).	23 rd - 24 th of next month
D. Report to be submitted by the FBR to DRS/Finance Division	25 th of next month

5. It may be noted for strict compliance that if on the request of Head of Department any reappropriation is made from a particular head of account to any other, no further reappropriation in that head from where the amount is reappropriated shall be made till close of this financial year i.e 30th June 2023.


(Dr. Nasir Khan)
Chief (Admin & Finance)

Copy for information to:-

- i. SA to Chairman, FBR, FBR HQ, Islamabad
- ii. All Members, FBR, FBR HQ, Islamabad
- iii. Chief (HRM-IR), Chief (HRM-Customs), Chief (Training & Development), Chief (PR), Chief (IT)
- iv. DDO FBR/Secretary Admin/Secretary Coord FBR HQ
- v. AGPR, Islamabad / Sub-Offices, Lahore/Peshawar/Quetta/ Karachi/ DAOs with the request to co-operate with office(s) to complete the monthly reconciliation in time.
- vi. Office File.


(Muhammad Ali Khan)
Secretary (Expenditure)