

Collection of government taxes: SBP, FBR and 1-Link enter deal

In order to facilitate the taxpayers and timely collection of taxes, the State Bank of Pakistan (SBP), the Federal Board of Revenue (FBR) and 1-Link have signed an agreement to develop a mechanism enabling public to pay FBR taxes and customs duty using internet banking and ATMs.

The signing ceremony, held Monday in Islamabad, was chaired by Finance Minister Ishaq Dar. Advisor to the Prime Minister on Revenue, Haroon Akhtar Khan was also present at the ceremony. According to State Bank's press release, the facility would be available round the clock/7 days a week. As per the proposed mechanism, banks will add FBR (Inland Revenue) and FBR (Customs) as billers in the Billers Module and develop necessary interface with 1-Link. After the system is made operational, taxpayers/ importers will file their tax and custom duty payment details in the FBR (IRS) and Customs (WeBOC) online modules to generate Payment Slip ID (PSID).

The PSID will then be used to access the tax/duty payment details on banks' webpage or ATM as the case may be. The taxpayer or its agent will then pay the tax by debiting his/her bank account for onward credit to the respective government account in SBP BSC. The whole process will be online and fully automated.

The SBP has also advised banks to add FBR and Customs as billers in the Bill Payment System offered by 1-Link and develop necessary integration with 1-Link in 2 months, ie, by 5th December 2017. The system will be made operational by 31st December 2017 after necessary testing. Banks have been advised to demonstrate full ownership and commitment for successful and timely implementation of this strategically important project, which will bring huge efficiency gains besides facilitating the public in hassle-free payment of government taxes and duties.

Finance Minister Ishaq Dar on the occasion congratulated the State Bank and the FBR for initiating such an important project, which would revolutionize the government tax collection mechanism. He expressed hope that all the formalities would be completed at the earliest and that the system would be operational by 31st December, 2017. The Governor SBP added that the initiative is part of 'SBP Vision 2020', which envisages development of the robust payment system and it's primarily aimed at facilitating taxpayers and public at large in payment of taxes. FBR Chairman Tariq Mehmood Pasha said that the project is the result of collaboration and cooperation between the FBR, the SBP and the private sector and will go a long way in further improving the government tax collection systems.