

Budget proposals to focus on broadening tax base

The budget proposals for sales tax and federal excise of Federal Board of Revenue (FBR) would focus on broadening the tax base and increasing the revenue collection through new measures for 2018-19. Sources told *Business Recorder* here on Thursday that the FBR has issued instructions to field formations and private sectors to submit budget proposals for 2018-19.

According to the FBR, the Board has invited the proposals for the coming budget for FY 2018-19 relating to sales tax and federal excise on the laid down broad parameters. Firstly, the budgetary proposals should be pro-revenue. Secondly, the proposals should focus on broadening the tax base and increasing the revenue. Thirdly, the amendments may be suggested in any of following law/rules etc including Sales Tax Act, 1990; Federal Excise Act, 2005; Sales Tax Rules, 2006; Federal Excise Rules, 2005; Sales Tax Special Procedure Rules, 2007; Sales Tax Special Procedure (Withholding) Rules, 2007; Sales Tax Notifications/ Circulars /General Order/Clarifications/Rules and Federal Excise Notifications/Circulars/General Orders/Clarifications/Rules.

The FBR said that the amendments may be suggested with a view to achieve simplification, remove difficulties and anomalies and to abolish any outdated/obsolete provisions and wherever possible a draft proposed amendment/procedure may be enclosed alongwith revenue impact.

The FBR said that it would specially welcome proposals for eliminating tax fraud, fake and flying invoices, plugging loopholes, if any, facilitating genuine taxpayers and making the procedures transparent.

The proposals should be made keeping in view the consequences for the other related trade groups which might be adversely affected by the proposed measure. It is requested that the requisite proposals may be sent to the Board as soon as possible, latest by February 22, 2018, the FBR added.

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