

FBR scrutinising senators' tax records

The Federal Board of Revenue (FBR) is scrutinizing/verifying tax records of Senators through field formations that will be provided to the Election Commission of Pakistan (ECP) in connection with the next Senate Elections to be held on March 3, 2018.

Sources told Business Recorder, here on Sunday, the Regional Tax Offices (RTOs) remained busy in scrutiny of relevant tax records of the Senators on Saturday (February 10) and Sunday (February 11) for onward submission to the FBR. The FBR has received a request from the ECP for provision of information of tax records of Senators in connection with the next Senate Elections. The exercise began on Friday, February 9, which continued on Saturday (February 10) and Sunday (February 11) for compilation of data for onward submission to the ECP.

Sources said that scrutiny of records included past years' return filing status of Senate candidates. The data scrutiny also covers complete tax profile including associated records of their family tree including their parents, spouses, children, associated companies and Association of Persons (AOPs). The FBR has provided the information to the Large Taxpayer Units and Regional Tax Offices which are verifying the available data with the records available with the field formations.

Sources said that the verification exercise also covers scrutiny of records of companies owned by Senators and if they are members of the AOPs, the same record would be checked and verified.

During the exercise, field formations would also check whether Senators are regularly filing their returns, any tax liability against Senators and reasons behind tax liability, and tax demands raised against them and complete profile checks within the context of tax payments. Even tax records of companies associated with the Senators would also be checked during this exercise.

The updated tax related information of Senators would be provided to the ECP for further action at their end, sources said.

The last issued Parliamentarians Tax Directory for 2016 contained tax details of 1,010 parliamentarians against last year's tax details of 996 parliamentarians from upper and lower houses, and provincial assemblies.

As per last Tax Directory, the directory was tabulated from the returns filed manually and electronically. Manually filed Returns were entered into the system. Certain Parliamentarians, whose names are marked by *, have share income as Members of Associations of Persons. Since, AOP pay tax as a separate entity, such share is not taxable in the hands of the Members, it said. According to the tax directory, tax compliance by Parliamentarians plays an important role in promoting a culture of tax compliance in any country.

The directory contains tax details of members of the Senate of Pakistan and Members of the National and Provincial Assemblies.

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