

KP to take up tax-related issues with FBR

Khyber Pakhtunkhwa government has adopted a coherent policy to mutually take up tax-related issues with Federal Board of Revenue and other relevant bodies at centre in order to broaden the existing tax base in the province. Speaking at a news conference at press club here on Tuesday, Khyber Pakhtunkhwa Revenue Authority (KPRa) Director General, Muhammad Tahir Orakzai said that an effective forum, comprising all revenue authorities across the country was constituted to establish a better co-ordination and sharing information, essentially to raise certain issues relating to tax collection with the FBR and others central bodies.

He said that some litigation cases are hampering to expand the existing tax net in the province. He maintained that authority is much dependent on Inland Tribunal services of FBR to resolve the cases speedily. So, he said an effective coordination system was established between with KPRa and FBR regional office here. But, he said authority had successfully achieved its revenue target during last fiscal year. He informed that an ambitious target of Rs 13.623 billion had set in the current financial year, which would be achieved.

He claimed that the KPRa had generated Rs 10.27 billion during last financial year against the target of Rs 10 billion. He said the authority is taking all possible measures to provide best facilitation services to taxpayers. The official informed that KPRa had mandated to collect sales tax (ST) on more than 93 services. In this regard, he added that the telecommunication sector is at top in tax collection by 53 percent, followed by oil and gas 11 percent, withholding agents, banks and contractors by 6 percent.

He said efforts are being made to widen the existing tax base under voluntarily compliance strategy. He viewed that KP has the potential to generate Rs 30 to 40 billion revenue. He especially mentioned that a study was conducted in Peshawar and Abbottabad, which had brought an encouraging figure. Flanked by KPRa senior officials, Tahir Orakzai said the authority had so far collected revenue of Rs 35 billion since its inception under the provincial finance Act. He said the KPRa would introduce Restaurant invoice management system to bring more transparency and building trust of taxpayers.

He furthermore said that a total of 26 regulations had been implemented, while two to three would be passed shortly. He added the laws would ensure transparency in the collection of taxes. The senior official said that an effective awareness campaign has been chalked out to create awareness among the masses to regularly payout their taxes, which would helpful to meet the tax collection target as well as widen the existing tax net in the province.

He urged the media to play its due role for creation of awareness among the masses to regularly payout taxes.