

SC takes major step towards recovering undeclared wealth stashed abroad

Supreme Court Thursday formed a three-member committee to devise a legal mechanism to recover undeclared wealth of Pakistanis stashed abroad. A three-member bench of Chief Justice Mian Saqib Nisar asked governor State Bank of Pakistan to devise the mechanism in consultation with chairman Federal Board of Revenue and federal finance secretary to recover undeclared wealth of Pakistanis who are operating accounts in foreign countries without disclosing particulars of their assets and paying taxes in Pakistan.

Chief Justice Mian Saqib Nisar formed the committee of governor SBP, chairman FBR and federal finance secretary while hearing a suo motu notice about maintaining of foreign accounts by Pakistani citizens without disclosing the same and paying taxes to the national kitty.

Appearing before the bench, the chairman FBR submitted that bilateral agreements are being made to bring the money back from other countries, including Switzerland. Chief Justice Mian Saqib Nisar questioned how substantial amount has been transferred abroad by a large number of Pakistanis, saying a little number of Pakistanis transferred their wealth through legal channels.

The Chief Justice was of the view that it is presumed if undeclared wealth of Pakistanis is brought back the country will get rid of its entire external debt. Expressing great expectations from the governor State Bank of Pakistan and secretary finance, Chief Justice Mian Saqib Nisar said if they are able to accomplish the task to bring such money back then they would be heroes of the nation. The governor SBP assured the court to deliver whereas Justice Ijazul Ahsan asked the governor to seek information about thousands of Pakistanis' bank accounts in Switzerland and Germany, saying India has also secured information about hundreds of its citizens' accounts from Switzerland.

The bench asked the committee to perform its duty without creating any panic by adopting the law whereas the committee has also been asked to point out any grey area in law before the court.

The court also asked the committee to pinpoint how the money was transferred abroad in addition to unveiling people behind transferring the money. Justice Umar Atta Bandial observed the foremost job of the committee is to highlight the names of those Pakistanis who transferred money abroad without paying tax, adding that the committee would have to examine what facility would be granted to Pakistanis who are willing to bring their declared money back.

The chairman FBR apprised the bench that all is set to ink an agreement with Switzerland for information sharing about account holders, adding that now it is the Parliament's job to rectify the agreement. Additional Attorney General for Pakistan Waqar Rana submitted that the names of 441 Pakistanis emerged in the Panama Papers Leaks, adding that the FBR has issued notices to 363 in the matter whereas addresses were not found of other 78 people.

The court was also informed that Nadra failed to provide details of 185 Pakistanis whose names emerged in the Panama Papers scam. During the course of proceedings, the court was informed

that the FBR has recovered Rs 6.62 billion from two people and the amount was deposited in the national exchequer.

Responding to Waqar Rana that FBR is planning to release advertisement to know the addresses of 78 people, Chief Justice Mian Saqib Nisar observed that instead of spending a substantial amount over advertisement for the cause, it would be better for the FBR to upload the advertisement on its website. Justice Umar Atta Bandial remarked that FBR will collect tax from tax evaders.

Chief Justice Mian Saqib Nisar asked whether FBR asked from those other 72 people who established offshore companies, observing that most of the people claimed that there offshore company has face value of one dollar. The Chief Justice asked the FBR to inform the court about details of 10 people randomly who established offshore companies so that the court should summon them.

Responding to appreciation that suo motu in the current matter has positive impact, Chief Justice Mian Saqib Nisar observed the notice is not meant to target anybody so the court will summon even a director of that offshore company. Later, allowing the application for impleadment, filed by former information minister Muhammad Ali Durrani, the court adjourned hearing of the matter for an indefinite period.

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