

Exchange of financial information: OECD team briefed about working of FBR's AEOI Data Centre

A four-member delegation of the Organization of Economic Cooperation and Development (OECD) Monday visited Automatic Exchange of Information (AEOI) Data Centre established at the Federal Board of Revenue (FBR) for exchange of financial information under Multilateral Competent Authority Agreements with other tax jurisdictions.

It is learnt that the OECD delegation held a meeting with FBR officials including Chief International Taxes and paid a visit to FBR Data Centre established for AEOI. The OECD delegation would also visit regional centre at Lahore as well. The FBR has established six Automatic Exchange of Information Zones including Commissioner Inland Revenue, AEOI Zone, Peshawar; Commissioner Inland Revenue, AEOI Zone, Islamabad; Commissioner Inland Revenue, AEOI Zone, Lahore; Commissioner Inland Revenue, AEOI Zone, Multan; Commissioner Inland Revenue, AEOI Zone, Karachi; and Commissioner Inland Revenue, AEOI Zone, Quetta, sources added.

According to the FBR, an isolated center, dedicated for receipt of information and data processing, has been established in the FBR Headquarters. The center has been secured both physically and virtually. All the AEOI data shall be accessed, processed and transferred only from the AEOI Center by dedicated human resource. All activities and transactions in the AEOI Center will be monitored and recorded. The monitoring of AEOI zones will also be carried out virtually through this Center.

Only the following officers will have access to the AEOI Center of FBR Headquarters: Chairman, FBR; Member (Inland Revenue-Policy), FBR; Chief (International Taxes), FBR; Secretary (Exchange of Information), FBR; notified PRAL Officials and assigning Jurisdiction to AEOI cases.

The information received from various jurisdictions on automatic basis under a bilateral or multilateral agreement/instrument shall be cross-matched with the existing database in the AEOI Center. In case the reported person is an existing taxpayer, the information shall be passed on to the concerned AEOI Zone as per the aforementioned jurisdiction. In case the reported person is not registered with FBR, the Secretary (Exchange of Information) shall assign jurisdiction of the case to the relevant AEOI Zone based on the current address.

The entire sorting and cross-matching exercise along with assigning of the jurisdiction and any other function related thereto will be carried out only in the AEOI Centre of FBR (HQ) by the designated officials.

Based on the above jurisdiction, the information shall be transferred electronically from the AEOI Centre to the desktop of the Commissioner of relevant AEOI Zone through a secured channel. The Commissioner (AEOI) will not have any access whatsoever to the information pertaining to other AEOI Zones.

On receipt of information, in case of existing taxpayer, the Commissioner AEOI Zone shall seek

physical record from the concerned Large Taxpayers Unit or Regional Tax Office where the case exists. Once such request is made to the existing office, the jurisdiction of the case shall cease to exist in that office and shall be deemed to be transferred to the concerned AEOI Zone.

The Commissioner of the existing Zone shall transfer the case to the concerned AEOI Zone along with its complete record and a summary identifying pending issues, assessments, recoveries, etc.

The Commissioner AEOI Zone shall open and maintain separate confidential covers pertaining to the information received and keep the confidential covers in safe custody, inaccessible to irrelevant and unauthorized staff or persons. The Commissioner AEOI Zone shall also record entry in the manual stock register for AEOI cases and keep such registers in safe custody.

The FBR said that the all transfer of information from AEOI Center to the Commissioners AEOI Zones will take place through Virtual Private Network (VPN) Tunnel. The information will be encrypted and digitally signed. The FBR said that the information will only be accessible on a dedicated computer in AEOI room of the concerned LTU/RTO. Access to the dedicated computer will be password protected.

Each AEOI room will be virtually monitored both in the concerned LTU/RTO and FBR (HQ). Access to the AEOI room shall be restricted to authorized personnel through biometric verification. No storage device including USB, hard-drive, mobile phones, cameras, etc, shall be allowed in the AEOI rooms. No internal intranet access will be available on the dedicated computer and AEOI room.

Registration of unregistered Persons: In case of unregistered person, the concerned Commissioner (AEOI) shall register the person as prescribed in Chapter VIII of Income Tax Rules, 2002.

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