

Tax officials' fear keep 2.2 million people away from tax net: **Senate body**

The members of the Senate Standing Committee on Finance criticized the tax officials, saying that people are not willing to enter into tax net because of the fear of tax officials. The remarks were made by Senator Kamil Ali Agha and others during a meeting of Senate Standing Committee on Finance chaired by Senator Saleem Mandviwalla Tuesday to take up a number of agenda items including tax returns.

Senator Kamil Ali Agha stated that "there are 2.2 million across the country who want to pay taxes and enter into the tax net but are not entering into tax net due to fear of tax officials," he added. The committee said that delay in the decisions of the FBR is primarily because of Prime Minister who has kept the portfolio of finance Minister with himself. Member custom stated that prime minister as finance minister was required to take decisions on all important issues which face delay.

Upon this, chairman of the committee was of the view that other than Prime Minister, there are three other persons equivalent to the status of ministers who have also been assigned to look after the finance ministry and FBR, then why important decision are facing delay. The committee was informed that over three thousand non-custom paid vehicles were confiscated during the last four years with 2150 from Quetta, 1026 from Peshawar and 187 from Karachi.

The committee discussed the issue of more than 10,600 imported vehicles that have not been cleared by the custom officials and are stuck at Karachi port. The committee was informed that approval to clear these vehicles has already been given and notification is required to release the vehicles. The committee was also told about the sudden change in gift scheme by the Ministry of Commerce without consulting the FBR.

However, now the ECC has directed Ministry of Commerce to withdraw the notification imposing restrictions and as soon as the notification is ratified by the Federal Cabinet, the vehicles stuck at Karachi port will be cleared by the customs department. The committee also discussed lacuna in the income tax laws for several services decided to amend the law regarding income tax on certain service sector to resolve the issue.

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