

## **FBR, provincial tax authorities remain undecided on GST returns**

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ISLAMABAD: The FBR and four provincial revenue authorities have so far failed to evolve consensus on unified General Sales Tax (GST) returns both for goods and services.

Under the World Bank conditions, the harmonisation of GST among the Center and provinces is pre-requisite for moving ahead. Although, a draft agreement has been signed but now the FBR will have to move fast to implement unified GST returns making lives of businesses comfortable as currently they are bound to file five returns with five tax authorities, increasing cost of doing business.

The provincial tax authorities argued that instead of moving ahead the new officials at FBR had brought before us those issues which were old in nature and were already settled. The institutional history and background information has been lacking connection in case of FBR, they added.

The provincial tax authorities were shocked to witness the old presentation given by the FBR high-ups during a meeting held last week. One top official of one provincial government said that it was really pathetic to see the performance of FBR as they presented old presentation. Even they are unable to frame right kind of draft minutes of the meeting that held on July 23, 2020.

According to FBR's announcement on Monday stating that a joint meeting was held between the representatives of FBR and all the provincial revenue authorities to discuss matters of mutual interest including Common Portal - Single Return to facilitate taxpayers and move swiftly towards an environment conducive for doing business.

The meeting was chaired by Dr Muhammad Ashfaq Ahmed, Member (IR-Operations) and his team. A presentation on Common Portal - Single Portal was made by Ahmed Kamal, Director I&I-IR, Lahore highlighting the current challenges and proposed way forward.

The FBR states that the participants appreciated the initiative taken by FBR and proposed to send their views within 15 days and requested FBR to make such meetings a regular feature so that matters of mutual interest are discussed. Member (IR-Operations) FBR, also appreciated the positive gestures of all the provincial authorities and urged that resolving issues at technical level will pave the way for resolution of common interest at provincial and federal political level.

However, the sources said that provinces were ready to cooperate with the FBR for running of the pilot project but they expressed their dissatisfaction over the progress shared by the FBR on the issue of single portal/single return.

The presentation should have been given by the Pakistan Revenue Automation Limited (PRAL) having technical expertise of the system instead of director intelligence from Lahore. The source further stated that provinces were far ahead on the preparations of the project and were surprised that the presentation of the director intelligence FBR covered initial stages of the project.

Referring to the last year's meeting, an official said that the general manager (Development), PRAL, had elaborated technical aspect and features of automated single return.

The registration of the taxpayers will be through unique identifier (NTN/CNIC based), thereby, the applicant shall be required to be registered centrally with the FBR indicating all relevant jurisdictions.