

Case Received on 16/4/12
at 4.45 PM
P.A. To Director
F.E.O.D.

FBR
PAKISTAN

OFFICE OF THE
CHIEF COMMISSIONER INLAND REVENUE
REGIONAL TAX OFFICE-II, KARACHI

No.AC-A/ZONE-III/AD-II/RTO-II/2011/ 5579

Dated: 12-04-2012

Mr. Qasim Nawaz
Managing Director
State Bank of Pakistan, BSC (Bank)
1st floor Canteen building
Karachi.

SUB: **MONITORING OF WITHHOLDING TAX U/S 154 ON EXPORT**

Please refer to the above subject.

The FBR and its field formations are making all out efforts to achieve the assigned revenue targets for the current fiscal year. Like other field formations of the FBR, this office has also been assigned the task of monitoring of withholding tax on exports particularly in respect of:

U/s. 154(1) Deduction of tax on realization of export proceeds by the banks.

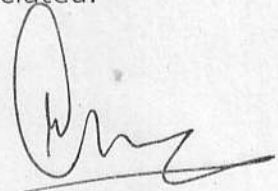
U/s. 154(2) Deduction by authorized dealers in foreign exchange on realization of foreign exchange receipts on account of indenting commission.

In this regard, considerable fall is noticed in the amount of deduction as compared to last year. While acknowledging that to an extent this may be due to reasons such as fall in exports in some arrears, what is worrisome is that tax short fall in collection is more than the anticipated corresponding impact and requires immediate attention of the concerned quarters. Your help in this regard is therefore, required and it is requested that necessary instructions to the banks may please be issued for timely deduction and deposit of the amount withheld on exports and Indenting Commission.

It is further requested that necessary instructions may also be issued to the Head offices of the banks that month wise figures of deduction on export proceeds realizations and on indenting commission may kindly be sent to this office so that the figures are reconciled with our data and the total collection is accounted for.

The undersigned thankfully acknowledged your cooperation on this account in the past where on our similar request necessary instructions were issued to the banks and visible improvement was seen in the collection under the head. It is hoped that issuance of such instruction this year too would definitely lead to achieving the assigned targets of overall collection not only of this office but also by the FBR.

Your cooperation in this regard shall be highly appreciated.



(KH. TANVEER AHMED)
CHIEF COMMISSIONER