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Experts call for ensuring ease of doing business

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Islamabad: Tax reforms and more fiscal powers to provinces would improve the revenue collection. Sales tax should be collected by the provinces instead of federal agencies for efficient tax regime.

The speakers said this while sharing their views during the public private dialogue to discuss pre-budget proposals and Better Business Regulations jointly held by Sustainable Development Policy Institute (SDPI) and Institute of Business Administration (IBA) Sukkur.

Former Finance Minister of Sindh, Mr Asad Ali Shah, emphasized on the need to reexamine the entire government tax structure. He said that we should focus on digital solutions for transparency of budget making. Besides, Pakistan needs to push for skill development, education, and health sector particularly human capital.

“The government should create an environment for ease of business with reducing cost of business,” Mr Shah said and added further that we need to invest in indigenous skill development at provincial level. Member Sindh Revenue Board, Mr Mushtaq Kazmi, informed the participants that most of the business enterprises need to file five taxes which is quite a hassle.

Thus, Sindh Revenue Board and others revenue agencies are signing MOU with FBR to have central portal for a single return for easing of business. He said that National Tax Council will be advised to reduce the tax rate. Sales tax in term of collection should be with the provinces.

Professor of economics, IBA Sukkur, Dr Waqar Akram, emphasized that it is time to think out of the box for ease of business. Business regulations are important to ease the procedures of doing business with small capital. The key to success lies in Research & Development (R&D) and educational institutes could play an important role in market development and strong policy formulation, he added.

Abdul Majid from Sindh Revenue Board was of view that SBR is improving the ease of business by using Information technology. Thus, the registration process has been eased and tax collection is being made electronically.

Dr Vaqar Ahmad, Joint Executive Director, SDPI, opined that the upcoming budget should respond to three main challenges such as evaluating why foreign investment inflows are declining and if how to capitalize on opportunities arising from COVID-19.

Ms Shaista Ayesha from SEED Ventures, emphasized that developing capacity of youth, IT interventions gender diversity re the areas that should be focused. The registration of business for the women and youth should be simplified and capacity building is required in term of understating of formal economy for women youth enterprises.

President Association of Chartered Certified Accountants (ACCA) Pakistan, Sajjeed Aslam, said micro enterprises in rural Sindh are facing several problems as they have no access to market. 10 to15 percent from the SMEs should be added to the government procurement rather than focusing on established large-scale businesses, he suggested.