

INTERNATIONAL THE NEWS

MoU signed for single portal, returns for GST on goods, services

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ISLAMABAD: In a major development for fulfilling the World Bank's conditions, the Federal Board of Revenue (FBR) and the four provincial revenue authorities have signed a Memorandum of Understanding (MoU) for moving towards placing a single portal/returns for General Sales Tax (GST) on both goods and services.

Now only three differences still exist among the FBR and the provinces, including the definition of services, origin, and destination of services and all stakeholders reiterated that these issues would be resolved amicably. It was a milestone achieved today among the FBR and the provinces for introducing a single GST return on goods and services, they said.

Officials said that the National Tax Council was making efforts to evolve a consensus on definition of goods and services and they had sought proposals from the four provinces, then the Centre would also be incorporated to define goods and services clearly. They said it was hoped that all the outstanding issues would be resolved with consensus.

Top official sources said that the FBR and the provinces had agreed for putting in place unified portal and returns and workable solutions would be found to facilitate the taxpayers. The taxpayers used to file five returns on monthly basis for GST on goods and services but now with the harmonization, taxpayers would file a single return on one portal.

The harmonization of GST was one of the major conditions of the WB loan but it will also facilitate the taxpayers to file just one return on GST instead of five returns on monthly basis. When contacted, Special Assistant to PM on Revenues Dr Waqar Masood said that it was the vision of PM Imran Khan that got implemented today.

He said that all stakeholders had decided to evolve a consensus on all issues for betterment of taxation system in the country. On behalf of FBR, the MoU was signed by chairman FBR whereas the heads of all provincial revenue authorities signed the document on behalf of their respective departments.

The representatives of Khyber Pakhtunkhwa Revenue Authority (KPRA) and Balochistan Revenue Authority (BRA) were physically present in the ceremony whereas the representatives of Sindh Revenue Board (SRB) and Punjab Revenue Authority (PRA) participated virtually through zoom.

While addressing on the occasion, Special Assistant to Prime Minister on Revenue Dr. Waqar Masood Khan said that signing of the document was another step towards completion of the prime minister's vision to make the FBR fully automated. "This step will bring facilitation for taxpayers and it will help a great deal in improving the country's position on 'Ease of Doing Business Index'," he added.

The SAPM on Revenue further added that now persons associated with businesses would only have to file one sales tax return instead of many returns. He further said that this step would help bring simplification in the tax system and procedure. He showed his commitment that other issues currently existing between the FBR and provincial revenue authorities would soon be resolved, which would further bring ease for business community. The chairman FBR said the facilitation this MoU will provide ease to taxpayers and that it would lead to simplification of tax system and related procedures. The SAPM on Revenue congratulated the chairman FBR, heads of Provincial Revenue Authorities and FBR's Policy Wing Team on achieving this significant milestone.