

# Views of Members of Taxpayers Alliance Pakistan on Federal Budget

1<sup>st</sup> July, 2020

Web page: <https://primeinstitute.org/tax-payers-alliance-pakistan-tpap/>



# About Us

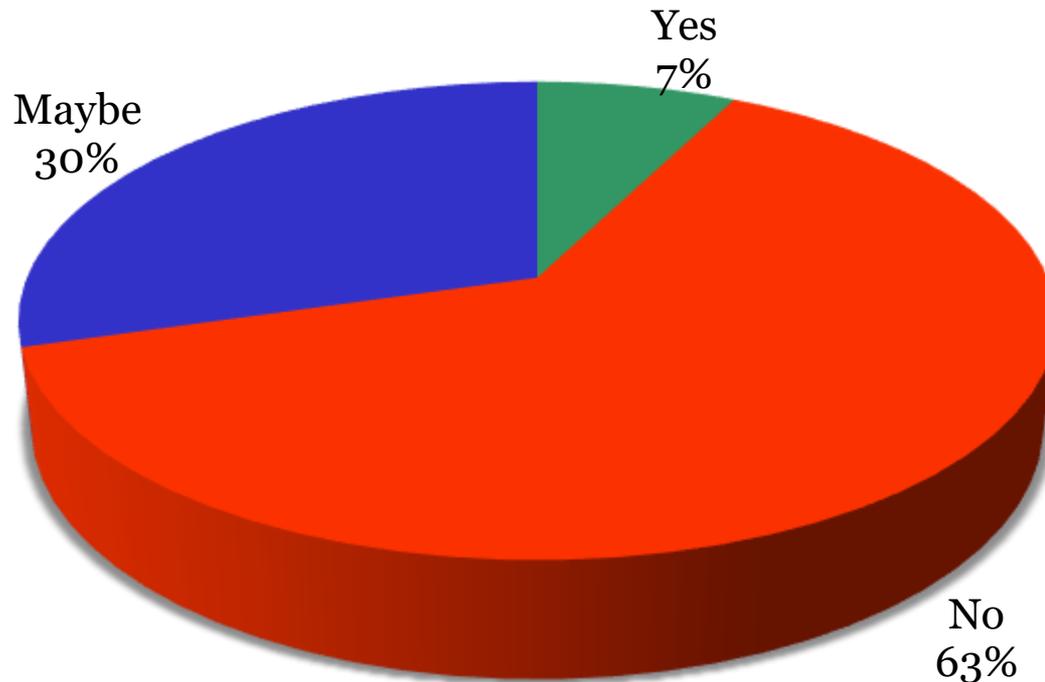
Tax Payers Alliance Pakistan (TPAP) is a voluntary network of Pakistani tax payers to remind everyone about the implications of the contract between the state and its citizens. It is a pressure group of professionals, business owners and individuals to demand low taxes, government transparency and an end in the undue and wasteful government expenditures.

TPAP 's current membership comprises 96 concerned citizens. The findings in this survey are based upon 27 responses received from this group.

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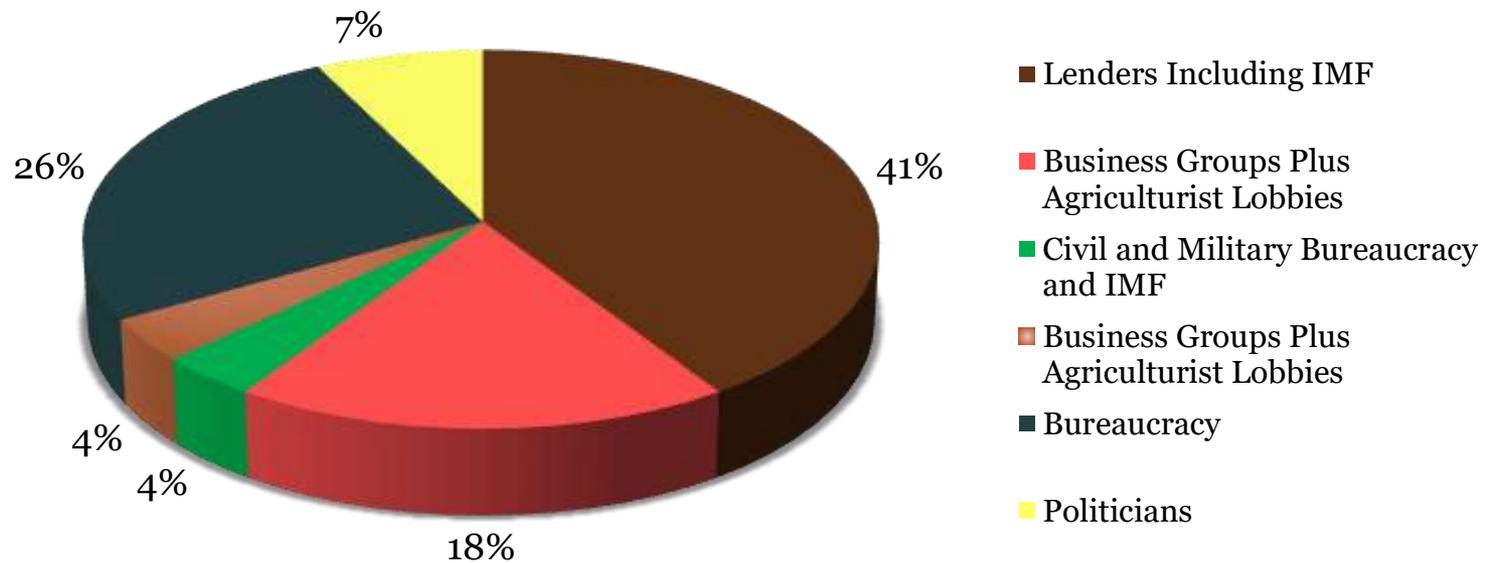
# TPAP Views on Budget

63% of the respondents find that the government did not adequately consult its stakeholders during budget preparation



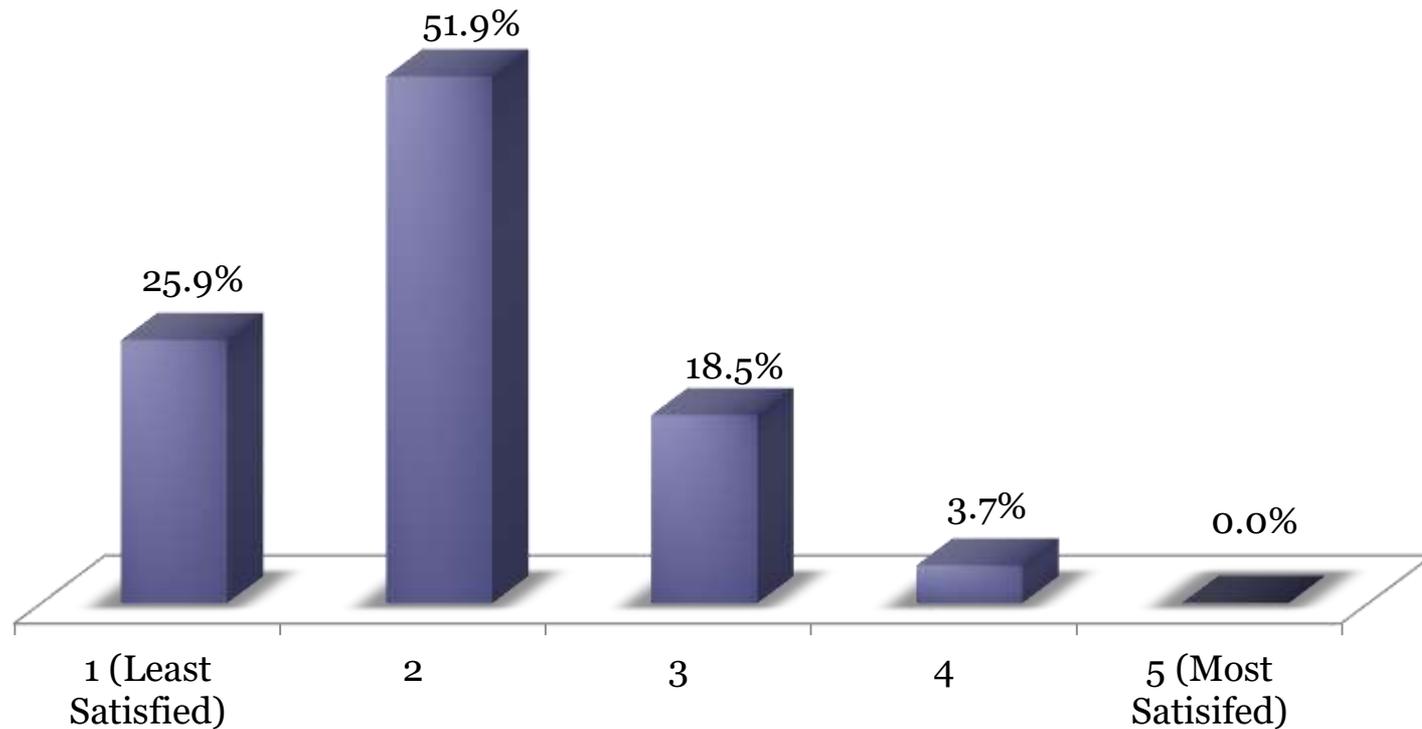
Did the federal government adequately consult various stakeholders during budget preparation?

Around 41% of the respondents view lenders, including IMF, as the most influential stakeholder in budget preparation



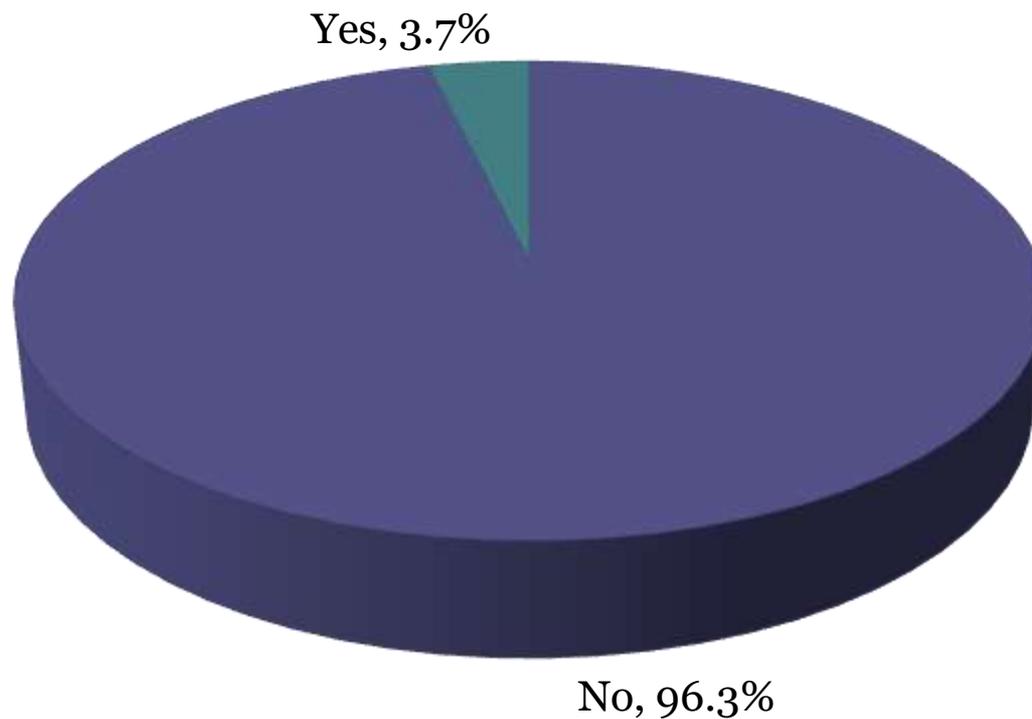
Who is the most influential stakeholder in budget preparation?

**78% of the respondents gave a low satisfaction rating to the federal budget**



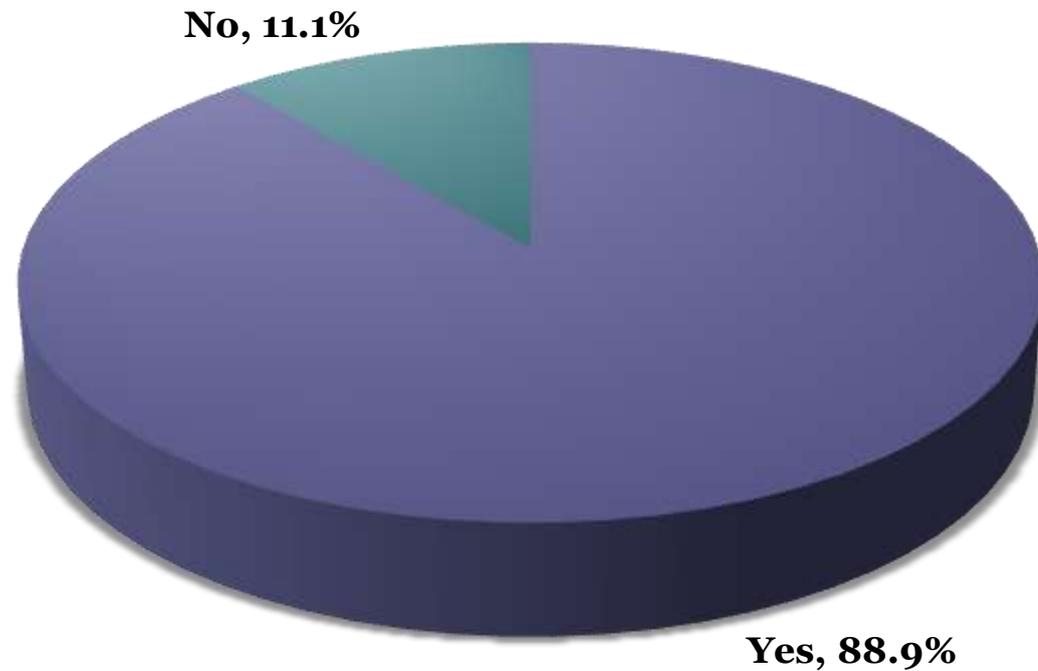
How satisfied are you with the federal budget 2020-21?

An overwhelming majority of 96% of respondents view the tax collection target as unrealistic



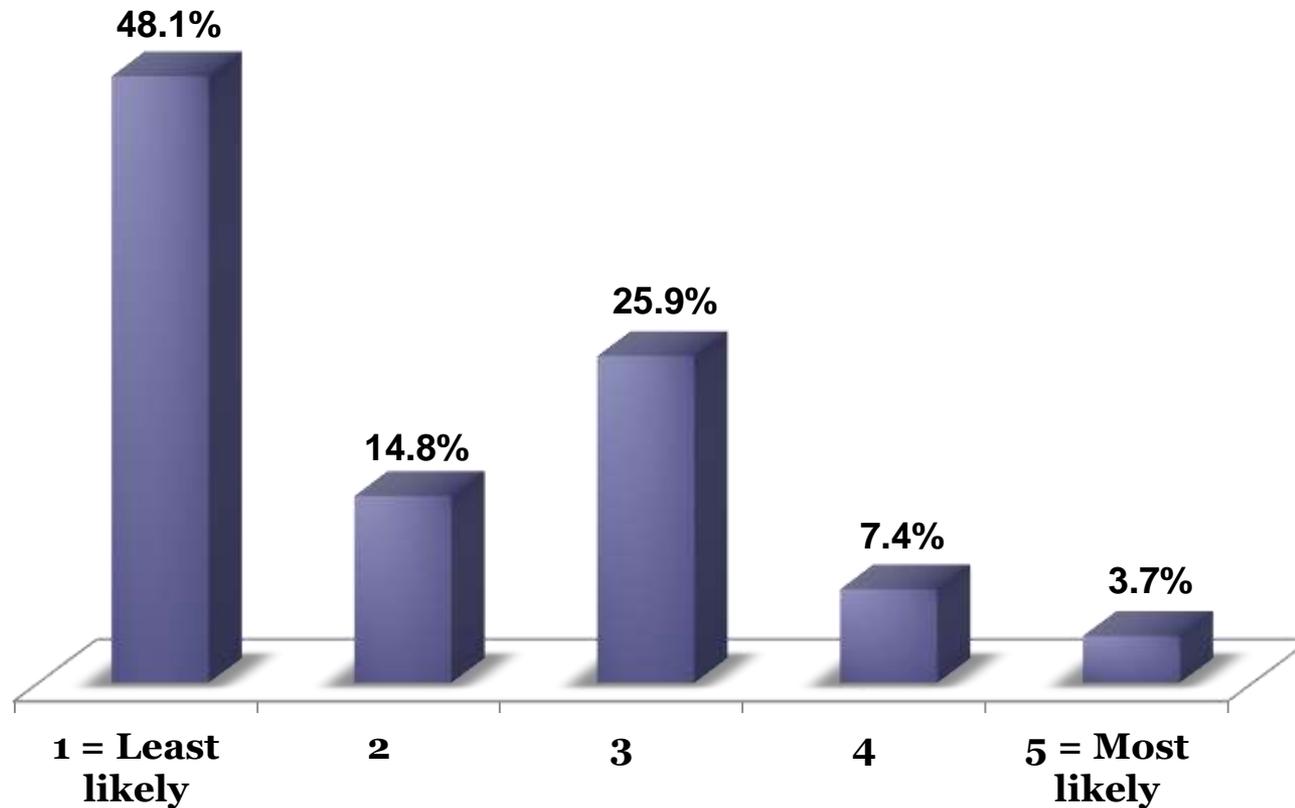
Do you find the tax collection target of Rs 5.46 Trillion as realistic?

89% of the respondents expect that the government will be presenting a mini budget(s) in the upcoming fiscal year



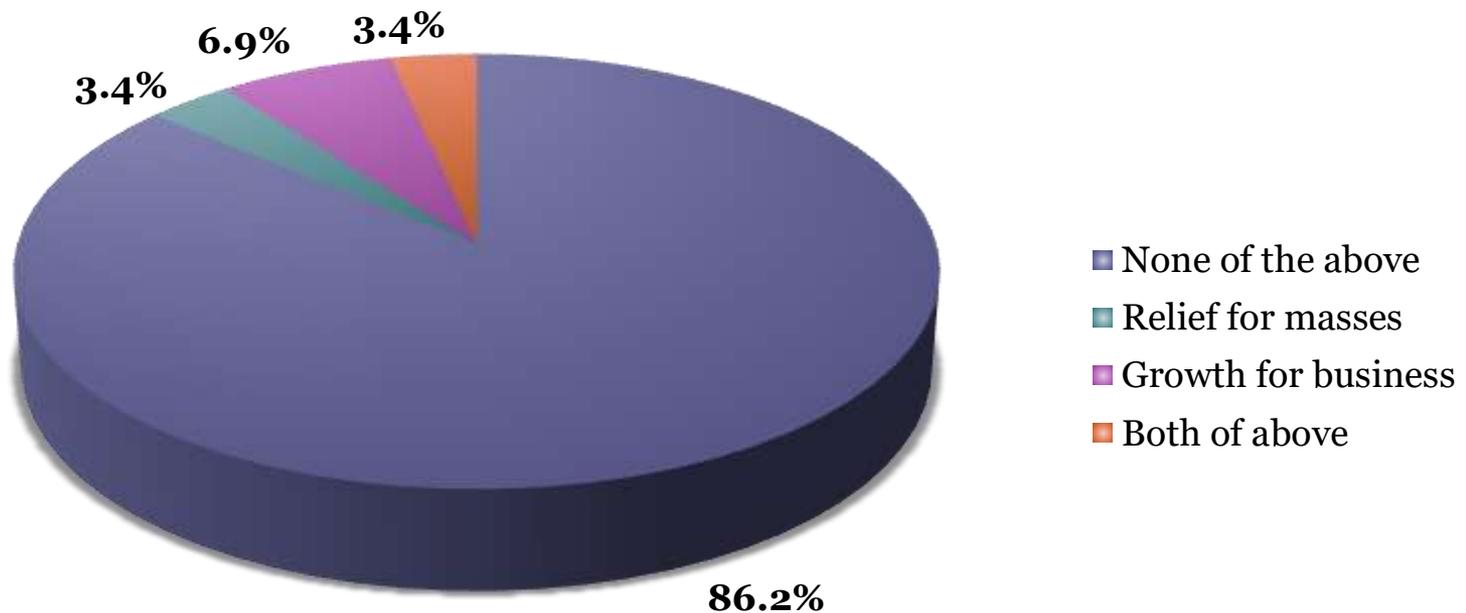
Do you expect a mini budget(s) in the upcoming fiscal year?

63% of the respondents view the PTI as less than likely to retry reforming FBR



In the backdrop of the resignation of Mr. Shabbar Zaidi as Chairman FBR, in your opinion, how likely is PTI to make another attempt at reforming tax administration system in Pakistan?

**86% of respondents do not view this budget to sufficiently provide for either relief for the masses or growth for business**



In your opinion, this budget provides sufficient possible measures to achieve the following?

# General Comments by TPAP Members

- Government should focus on direct taxes and most of the taxes are withholding then why should FBR need so big team? Concerned officers should also go through social media especially Facebook to explore new avenues for anticipated recovery for achieving targets.
- Pakistan Agricultural Sector has enormous potential but unfortunately always remained ignored. More focus could have been made to enhance agri produce & its contribution to GDP, the immediate available sector to minimize havocs of Covid 19.

- It is difficult to forecast the economic conditions going forward. Thus, the budget is more of a formality. In any event, it is a status quo exercise. Not enough set aside for the vulnerable segments of the population. General statement of intent of being pro industry but minds not applied and not thought through. Some of the issues highlighted post the 18<sup>th</sup> Amendment need to be resolved, a new NFC Award is needed once the issues are resolved. Thereafter a budget making exercise would make sense.

- Budget is prepared on conventional style and PTI government seems least concerned about financial matters of masses. Only capping of salaries, pensions and non development expenses is a good announcement. No, measures have been taken to curtail the powers of bureaucracy, to check corruption and to widen the tax net.
- Overall, it appears to be a balance budget, however, from tax perspective, it has not provided any major relief to the taxpayers. It is more specific to empowering the administration of FBR in obtaining information and investigation.

- Unrealistic budget and most of the people will fall below the poverty line. Major part of the budget will go for defense . Budget for health, education and development projects is nominal as compared to the requirements of the country. No programme for employment.
- It's become more of a ritual rather than a serious exercise to put the country on the correct path.
- Expect mini-budget as soon as the Corona Pandemic is over/under control.

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