

ADR FOR TAX DISPUTE RESOLUTION IN PAKISTAN

Prepared by FBR in collaboration with
CODE PAKISTAN and NCSC.



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LIST OF ACRONYMS

| | |
|------|---|
| AC | Assistant Commissioner |
| ADR | Alternative Dispute Resolution |
| AM | Associate Members |
| CA | Chartered Accountants |
| CCC | Chief Collector Customs |
| CCIR | Chief Collector Inland Revenue |
| CEA | Central Excise Act |
| CMA | Cost Management Accountants |
| CODE | Cursor of Development and Education |
| FBR | Federal Board of Revenue |
| FEA | Federal Excise Act |
| FIA | Federal Investigation Agency |
| ICMA | The Institute of Cost and Management Accountants of Pakistan |
| ITA | Income Tax Act |
| ITO | Income Tax Ordinance |
| LTO | Large Tax Offices |
| NAB | National Accountability Bureau |
| NCSC | National Centre for State Courts |
| STA | Sales Tax Act |
| RTO | Regional Tax Offices |
| UK | United Kingdom |

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EXECUTIVE SUMMARY

Alternative Dispute Resolution (ADR) mechanisms that facilitate in the settlement of tax disputes have become an increasingly attractive proposition for more and more jurisdictions around the world. The success of this mechanism stems from the fact that the process gives parties to a dispute the opportunity to resolve their tax issues through means that are markedly more cost and time effective than the conventional litigation process. The use of ADR has, thus, proven to be an efficient and effective means of resolving disputes with a list of advantages to its credit, which in contradistinction to litigation, include the use of experts (i.e., the parties are allowed to choose a person who is well-versed in the relevant subject area to help them resolve the dispute such as a tax expert), greater flexibility in terms of procedure as parties are allowed to choose the venue and even the representatives to resolve the dispute in question, and the speedier resolution of cases.

In Pakistan, ADR has maintained an almost impermanent existence within the legal infrastructure in some form or the other since its advent. The Income Tax Law of 1922 with its rudimentary provision for dispute resolution provided the foundation for the establishment of a system that has since developed through numerous legal instruments into its current manifestation. Over the years, the ADR system in Pakistan has witnessed innumerable variations to its structure, none of which has garnered any prominence. Indeed, in 2004, ADR was officially instituted into all the prevailing tax laws of the country but the resultant scheme failed to gain any traction. The demise of the scheme has been attributed to the legal contradictions that were contained within the different tax laws, all of which led to an un-codified framework for the implementation of ADR schemes. The ambiguities mentioned herein included, inter alia, the replacement of the standing ADR Committee with one that was to be formed by the FBR on an ad hoc basis subsequent to an application by a taxpayer, and several other disparate provisions across relevant tax laws on issues pertaining to composition and jurisdiction of the Committee, the non-binding nature of

the settlement, and the finality of the decisions by the Committee.

In recent years, a number of amendments have been introduced into the Income Tax laws to address previous limitations by removing exclusionary clauses that had restricted the scope of ADR in resolving tax-related disputes. While such developments have been instrumental in enhancing the purview of ADR in regard to tax disputes, they need to be broadened to encompass other tax laws as well. More so, the many ambiguities and contradictions pertaining to the operations of ADR in tax laws need to be addressed in order to promulgate a more effective system.

Undeniably, the implementation of an effective ADR system calls for further scrutiny of the existing scheme from the viewpoint of streamlining the process to enable it to better serve not only the tax authority but also, and more crucially, the taxpayers. The issues that have been identified as challenges to the effective implementation of ADR schemes encompass matters concerning the composition of the ADR Committee, aspects of the decision-making process, questions regarding the conclusiveness of the decisions arrived at through the ADR process, and the principles of confidentiality and immunity. Additional features of the present-day tax laws that have been flagged for further examination include exclusionary clauses pertaining to questions of law, payment of disputed demand, matters affecting the stay of disputed tax demand pending ADR, and default surcharges/additional tax.

While improvements to the existing scheme are, unquestionably, essential to creating a more effective ADR system, they need to be supplemented by additional efforts. Such efforts may include the periodical training of key personnel on the ADR scheme, targeted outreach efforts to strategically market and promote the use of ADR among taxpayers, and the institutionalization of a monitoring system for the ADR scheme to routinely gauge the efficacy of its implementation and impact.

THE EVOLUTION OF ADR IN PAKISTAN

As has been the course adopted by numerous jurisdictions before implementing an ADR process in their respective states, the need to revisit the many and varied natures of past ADR processes, the types of disputes which were addressed through ADR processes, and the evolution of the said processes overtime is an essential pre-requisite to designing the future and scope of ADR in Pakistan

An examination of past ADR practices could certainly inform any future deliberation process that is intended for designing and implementing a more effective ADR scheme. A study to this effect would shed clarity on a number of issues that to date remain unsettled, including whether disputes involving factual or legal questions, or both, are subject to settlements, as well as, what are the exclusions in the existing system and why. It would further enable a better understanding of whether those exclusions are indispensable, or if there are persuasive grounds for removing exclusions, and whether such removal would help in promoting the ADR process.

Therefore, in order to resolve the future path for an effective ADR system, a look back into preceding schemes is paramount. In light of such a task, the key question would be what, if any, amendment would be satisfactory to existing provisions and how the impediments to such, if any, would be removed.

Timeline of Past ADR Schemes

1947-52

In Pakistan, the provision of a rudimentary form of dispute resolution can be found in the taxation laws and the Income Tax Act of 1922 (hereinafter referred to as the “1922 Act”) that was adopted by Pakistan upon gaining independence in the year 1947. However, these governing provisions of law subsisted with certain obligatory adjustments/amendments. Section 34 of the 1922 Act, which predominantly dealt with income tax assessments,

provided as per subsection (1B)¹ a limited scope for the settlement of disputes through means other than the adjudicatory process. The scheme was time constrained and could be invoked by the taxpayer after issuance of a notice under the relevant section of the 1922 Act. However, invocation of this process could only transpire prior to a formal assessment of tax liability. This granted the taxpayers limited input in the process, as though the proposal for settlement could be filed by the taxpayer, the remainder of the formalities were at the discretion of the Central Board of Revenue (the Revenue Board). Moreover, it was the prerogative of the Revenue Board to either accept or reject the proposal. The acceptance of the proposal by the Revenue Board could only be undertaken following a formal approval by the Central Government. The scope of the process was considered to be fairly expansive as there appeared to be no exclusions based on the nature of the disputes. As for a settlement arrived at through this process, this was afforded finality as per subsection (1D) of section 34.² The nature of finality was, however, broad and covered all proceedings relating to matters that were a subject of the settlement.

1993-2000

During this regressive era, there appeared to be no formal mechanism for dispute resolution other than the traditional litigation process upon the expiry of period covered by the 1922 Act. This was on account of the fact that various statutes governing taxation, i.e., Income Tax Ordinance 1979 (which succeeded the Income Tax Act 1922), Sales Tax Act 1990, Central Excise Act 1944 and the Customs Act 1969, did not have any provisions to cover a dispute resolution mechanism other than the litigation process.

The first formal mechanism for dispute resolution was introduced in 1993 wherein Chapter XIII-A, comprising 11 sections that covered different aspects of settlement, was introduced in the Income Tax Ordinance 1979 (hereinafter referred to as the “1979 Ordinance”). Section 138A of the 1979 Ordinance³ enabled the Federal Government to establish a permanent dispute resolution commission (hereinafter referred to as the

1- Section 34 (1D) of the Income Tax Act 1922 states that “Any settlement arrived at under this section shall be conclusive as to the matters stated therein; and no person, whose assessments have been so settled, shall be entitled to reopen in any proceeding for the recovery of any sum under this Act or in any subsequent assessment or reassessment proceeding relating to any tax chargeable under this Act or in any other proceeding whatsoever before any court or other authority any matter which forms part of such settlement.”

2- Section 138A. Income Tax Settlement Commission - (1) The Federal Government shall appoint an Income Tax Settlement

3- Commission to exercise the powers and discharge the functions conferred on it under this Chapter.

“Commission”). Chapter XIII-A was eventually repealed vide the Finance Act 2000 and the entire ADR process was scrapped.

The Finance Act 1996 introduced noteworthy provisions in the Sales Tax Act 1990 wherein Chapter VIII-A was inserted. These provisions established a structure for a dispute settlement machinery akin to the one that had existed under the Income Tax laws and authorized the selection of Members of the Commission under both the laws from within the revenue service. However, in the year 1996, the Federal Government became empowered to appoint non-service members called ‘Associate Members’ (hereinafter referred to as “AMs”). These AMs were selected from an approved list of chartered accountants and cost management accountants with formidable professional standing and reputation. The taxpayer, likewise, had an option to request for inclusion of an AM of his/her choice to partake in the Commission for resolution of dispute.

The year 1996 was, therefore, a pivotal time as it paved the way for appointment and authorization of private non-governmental members participating in decision-making on matters of taxation, which had until then been the exclusive domain of the state machinery. Regrettably, however, these provisions too were omitted by the Finance Act 2000.

During this period, it would seem, the scope of the jurisdiction of the Commission was very extensive as any matter of dispute pending before any tax authority, either before or after adjudication, including a matter pending before an appellate authority, could be brought before the Commission. This was subject to some pecuniary limits of disputed tax so as to remove negligible and trivial matters from the jurisdictional domain of the Commission. Furthermore, the taxpayer was given a non-retractable option to trigger the settlement process, i.e., once an application was made by the taxpayer the same could not be withdrawn. Nonetheless, the Commissioner could raise an objection against the taxpayer’s application on the grounds that there was either established or likely to be established evidence of concealment of income and/or tax fraud. The Commission had the final authority to accept or overrule the Commissioner’s objection. In line with the ADR decision-making process, the Commission followed the majority principle for decision-making and any decision reached was deemed to be final and binding upon both the taxpayer and the Revenue Board.

Post 2004

In the year 2004, the concept and procedure of ADR was formally introduced in all taxing statutes, i.e., Income Tax Ordinance 2001, Sales Tax Act 1990, Federal Excise Act 2005 and Pakistan Customs Act 1969. However, despite the institution of these provisions and associated jural revisions, the process of resolving disputes in non-adjudicative settings did not encounter much success. One of the reasons accredited with the failure of the launch of the new regime was the change in the dispute settlement process that required an ADR Committee (hereinafter referred to as the “Committee”) to be formed by the Federal Board of Revenue solely on an ad hoc basis and subsequent to an application by a taxpayer,⁴ whereas previously, there remained a permanent Commission.

There are some other disparities in comparison with the repealed legislations as well, such as composition and jurisdiction of the Committee, non-binding nature of settlement, and finality of its decision.

Recent Developments in Tax Laws

An examination of various statutory provisions contained within the laws of taxation revealed that the sections relating to ADR in all relevant statutes were non-obstante clauses i.e., they have a dominant position whereby in case of any conflict with another law, the provisions related to ADR would prevail. Another common factor observed in all the statutes was that disputes related to tax liability, admissibility of refunds, and the imposition of additional tax, default surcharge or penalty were all brought under the jurisdictional ambit of ADR. However, this came with the proviso that any dispute that remained pending before a tax authority for adjudication could be brought to ADR unless an order had been passed under the relevant statute and an appeal remained pending before any appellate authority including a court of law. Those cases were also excluded where criminal proceedings were initiated or where the interpretation of the question of law having effect on identical cases was involved.

And while there does exist a provision under the Income Tax law that permits settlement of cases prior to the formal adjudication of issues by the assessing authority through an agreed assessment,⁵ this is a qualified grant of

4- FBR's The Mechanism of Alternative Dispute Resolution (ADR) (Taxpayers' Facilitation Guide) - April 2017

5- 122D of the Income Tax Ordinance 2001

permission as any matter pending before a primary assessing authority is not regarded as a dispute. Hence, such cases are also excluded, by way of existing statutes, from the scope of the ADR process.

Nonetheless, under tax statutes, the Commissioner is empowered to compound offences regarding payment of taxes, fines/penalty and/or default surcharges even where the offence is proved in the court of law and a non-appealable sentence is handed down.⁶ Therefore, in principle at the very least, the initiation of criminal proceedings does not provide sufficient justification for limiting the scope of ADR in the settlement of disputes. Recent amendments to income tax laws have further strengthened this position as cases where criminal proceedings have been initiated are no longer deemed ineligible for the ADR process.⁷

Similarly, the expulsion of cases involving a question of law entirely or cases involving a mixed question of facts and law was also analyzed and consequently amended to bar such an exclusion.⁸ Such a revision was deemed necessary for the reason that most questions of fact under the tax laws are so intricately intertwined with questions of law that distinguishing between the two would be too arduous a task.

Another development in the income tax laws is the power of discretion (mixed question of facts and law) conferred upon the Revenue Board to decide the formation of the Committee after taking into consideration all relevant facts and circumstances.⁹

While there is no doubt that the existing scope of ADR has been significantly broadened in recent years as far as Income Tax law is concerned, the same cannot be said for other tax related statutes. Nevertheless, there is a growing agreement among relevant stakeholders on the need for expanding the scope of other tax laws over time as well.

6- Section 202 of the Income Tax Ordinance 2001. Power to compound offences. "Notwithstanding any provisions of this Ordinance, where any person has committed any offence, the [Chief Commissioner] may, with the prior approval of the Board, either before or after the institution of proceedings, compound such offence subject to payment of tax due along with [default surcharge]and penalty as is determined under the provisions of this Ordinance."

7- Section 134A of Income Tax Ordinance 2001 (as amended by Finance Act 2021) - in,— (a) in sub-section (1), in clause (c),— (i) the expression "where criminal proceedings have been initiated or" shall be omitted; (ii) for the full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely: "Provided that if the issue involves a mixed question of fact and law, the Board, while taking into consideration all relevant facts and circumstances, shall decide whether or not ADRC may be constituted." (b) after sub-section (1), amended as aforesaid, the following new sub-section shall be inserted, namely: "(1A) The application for dispute resolution shall be accompanied by an initial proposition for resolution of the dispute, from which, the taxpayer would not be entitled to retract."

8- Section 134A of Income Tax Ordinance 2001 (as amended by Finance Act 2021).

9- Section 134A (2) of Income Tax Ordinance 2001 (as amended by Finance Act 2021).

DESIGNING AND IMPLEMENTING AN EFFECTIVE ADR SCHEME

In light of the unsettled laws and policies regulating the ADR system in Pakistan, it is of paramount importance to design and introduce an ADR scheme that will accomplish the dispute resolution aims and objectives of the FBR. This would entail an interest in the development of an effective ADR mechanism that would allow the Revenue Board to recoup most, if not all, of the PKR 1.856 trillion (possibly more by the time of the publication of this report) of tax revenue currently stuck in tax litigation¹⁰ by reducing the number of present and future complaints, grievances and/or lawsuits. Additionally, the FBR would also wish to reduce the cost and time of resolving disputes, as well as improve and maintain a mutually abiding relationship with the taxpayer whilst complying with prevailing laws.

The proposed mechanism for ADR would undoubtedly benefit from the categorization, at the outset, of the nature of disputes that the FBR currently does and in the future will encounter. The next stage would be to assess which of these disputes could be addressed adequately under the proposed ADR scheme. Such an assessment could, in theory, comprise a factual and/or legal basis for the disputes, figures in term of their number, a look into the regularity with which such disputes have arisen, the number of disputants and/or litigants that have embarked upon more than one set of litigation/dispute resolutions, the application of accurate assessment laws/criteria, and/or criminal culpability on the part of either party.

Indeed, the longevity of the proposed ADR scheme would be contingent upon innumerable factors including, but not limited to, the following:

- a. The ease with which the scheme can be sought by either party;
- b. The time it takes for the composition of the Committee;
- c. Straightforwardness of the procedures of adducing evidence,

10- Malik Asad, "Rs1.856tr Revenue Stuck in Litigation, FBR Chief Tells PAC," Dawn, (October 14, 2020). The same was further confirmed by senior officials of the FBR during a meeting on July 28, 2021 in Islamabad that was held as part of the activities undertaken for the project on Mainstreaming ADR for Equitable Access to Justice in Pakistan.

- both oral and documentary;
- d. The time it takes to resolve a dispute;
- e. The expense(s) that may be involved;
- f. Whom the costs of resolving disputes are assessed against;
- g. The authority of the officer(s) licensed to resolve disputes;
- h. The overt impartiality of the Committee;
- i. Compliance with new statutory and/or regulatory requirements; and
- j. The finality of the resolution (discussed in detail below)

Currently, there are numerous ADR choices available and extremely well defined guidelines on the use of each ADR method under most legislations of the European and American states. These guidelines and access to resources on the suitability of a particular method enable the selection of the most appropriate scheme. In countries like the UK, guidance in relation to suitable ADR methods is available from Her Majesty's Revenue & Customs Helpline, the Citizens' Advice Bureau, tax advisors and firms of solicitors. These agencies provide specialist advice to the taxpayer on questions that ought to be addressed in choosing an ADR method, i.e., the types of disputes, whether the disputes involve factual and/or legal questions, the types of settlements that will be available under each scheme, and whether the taxpayer must negotiate a settlement or submit the dispute for a non-judicial decision. The advisors tend to also guide the taxpayers on the level of involvement that the taxpayer may wish to have in the process, the extent of control that the taxpayer may be authorized to have in the decision making and settlement of the dispute, and whether the taxpayer may benefit from opting for the process of arbitration instead.

As such, the introduction of an ADR scheme in line with the European and American models would signify a much smoother transformation towards addressing tax disputes. Another imperative step to aid in the development of a successful ADR scheme is the identification and possible re-establishment of procedures/methods that had met the approval of both the taxpayer and the Revenue Board in the past. Therefore, the rollout of a new and more incentivized scheme should be designed and launched to reassure participation at a national level.

It is suggested that those responsible for launching a revised scheme may contemplate whether the introduction of a scheme of incentives and

rewards might incorporate: (a) pecuniary or other economic benefit for the FBR officials; (b) publicly recognizing the efforts and the results of the FBR officer(s); (c) active involvement of FBR officials who have achieved notable success in ongoing tax disputes; and (d) formulation of new initiatives that would potentially assist in the Committee becoming more efficient and successful. Similarly, the taxpayer could benefit from more timely and less cumbersome settlements.

Indeed, whilst designing a scheme of ADR, or suggesting proposals for amendments in the existing schemes for that matter, there is a need to recognize the issues prevailing in the current tax regime in relation to tax dispute settlement and the goals intended to be achieved through the ADR process. In general, when alternative means of resolution of disputes are considered, one must look at the volume of pendency of litigation i.e., number of cases held up in the formal adjudicative process, quantum of revenue involved therein and the projected time period of resolution through the said adjudicative process. Another important aspect is the cost of litigation settlement, both direct and indirect, for not only the Revenue Board but also for the taxpayer and the possibility of a favorable outcome for either party. Therefore, any proposed ADR scheme would need to address the following concerns:

Composition of the Committee

A thorough scrutiny of all the statutes governing taxation reveals that they provide overwhelming dominance and centralized control to the FBR, stretching from authority to formulate the Committee to the decision regarding the composition of the Committee itself. Under the current regime of the Inland Revenue laws,¹¹ the taxpayer does not have a say in the formulation or composition of the Committee. It is the unfettered right of the FBR to appoint a Committee comprising a Chief Commissioner as its head with two other members selected from an FBR maintained and approved panel of chartered accountants, cost management accountants and advocates (with at least ten years' experience in the field of taxation), and reputable businesspersons. The ranks of FBR representatives have gradually been moved up from a junior officer to the head of the concerned field formation, i.e., Chief Commissioner/Chief Collector.

11- Income Tax Ordinance 2001, Sales Tax Act 1990 and Federal Excise Act 2005.

The Customs Act, in comparison, provides more latitude to the taxpayer as it empowers him/her to nominate a person from a panel of chartered accountants, advocates and businesspersons notified by the Revenue Board. The third member is selected by the FBR from the panel of reputable businesspersons nominated by the Chambers of Commerce and Industry and notified by the Revenue Board. As discussed above, during the brief period between 2018 and 2020, the prerogative to nominate a representative of his/her own choice was also provided to the taxpayer under the Income Tax and Federal Excise laws.

Under the Customs Act, the concerned Chief Collector is a member of the Committee but unlike the Inland Revenue statutes, the Chief Collector cannot be appointed as its head.

These disparities in the tax law provisions point to the need for greater harmonization within all relevant statutes as the current scheme is perceived to have a built-in conflict of interest. Moreover, the scheme also lacks blatant neutrality and creates an unequal footing between disputants with taxpayers being at a distinct disadvantage.

Retired Judges as Members/Head of the Committee

There was an attempt in 2018 to bring more credibility to the ADR process by involving retired judges from a panel maintained by the FBR, not only as members but also as heads of the Committee. The judges were appointed to the Committee by the FBR of its own volition or after consent from the other two members. This initiative did not work for a number of reasons, the more significant one being the lack of impetus on the part of the Government to actively implement the plan. Additionally, no positive steps were taken to encourage participation by the taxpayer, which is evident from the fact that this scheme was never publicized and no formal request was ever made to the governing bodies of judges or the concerned supervisory courts for enrolling in this scheme. The final nail in the coffin of this scheme came because of the lack and/or inadequacy of the remuneration packages. Thus, the inclusion of judges in the ADR process remained a non-starter.

The current ADR scheme has been in place in, more or less, an identical format for approximately two decades but substantial progress is yet to be accomplished. It is, therefore, suggested that eradicating mistrust resulting from lack of impartiality is of paramount significance.

The Decision-Making Process

Another vital aspect to the success of any dispute resolution mechanism is the decision-making process, which not only entails the time frames for the entire process of ADR but the decision-making process itself. It is this process that defines, firstly, whether the decision should be by consensus (unanimous) or through majority, secondly, who should be responsible for approval of the decision, thirdly, whether there should be an exit strategy in place or whether the taxpayer should be allowed to exit at his/her own discretion, and, finally, whether the taxpayer should have veto power in the acceptance of the decision.

Addressing first the issue of the time frame within which the FBR has to form a Committee, there is an apparent lack of uniformity on the matter across different statutes with varied indications ranging from thirty to sixty days, and many of the variations coming through the Finance Acts.

It would appear that once the Committee is formed, it has wide-ranging powers under all the statutes, allowing the Committee to conduct inquiries, seek expert opinions, and direct any officer(s) or any other person(s) to conduct audits. The decision of the Committee is made by consensus under the Inland Revenue laws but by majority under the Customs Act¹², revealing further inconsistencies regarding the process within different statutes.

The Committee is required to decide the dispute under the Income Tax law within 60 days of its appointment, which is extendable by another 30 days; whereas under the Sales Tax and Federal Excise laws, the time allowed to the Committee for deciding the dispute is 120 days, and under the Customs Act it is 90 days. The Income Tax law has been amended vide the Finance Act 2021 to empower the FBR to form a second Committee where the first Committee fails to decide the issue within the stipulated time. The time limits specified for decision-making by the second Committee are the same as those for the first Committee. Where the second Committee also fails to reach a decision within the prescribed time limits, the Revenue Board can dissolve the second Committee and the dispute goes back to the formal litigation process. There is no such

12- Prior to 2018, the Committee did not have the power to pass any decisions or orders, instead recommendations would be sent by the Committee to the FBR, which had the final decision-making power. Indeed, the final decision-making power filtered down from the central government to the Board of Revenue and then further down to the Committee as under the Income Tax Act of 1922, the order was passed by the Board with the approval of the central government. In the period between 1993 and 2000, the decision-making power devolved to the Settlement Commission only to be concentrated with the FBR during 2004 and 2018. It was not until after 2018 that these powers were reinstated with the Committee.

power to formulate a second Committee under the other statutes.¹³

In all statutes, after the decision of the first assessing authority, appeal to the Commissioner or Collector Appeals is to be filed within 30 days of the date of service of the Notice of demand/order. It is also mandatory to give details of the facts on the basis of which the appeal is being filed and that there is uniformity in the time provided to the first appellate authority to reach a decision. The ADR process can be triggered on the passing of the first order of the assessing authority once the appeal against such an order is filed and admitted in court and is thus pending. Therefore, pendency of appeal is a precondition in all statutes for pressing in action of the ADR process. Appeals are held in stay or abeyance until the Committee is functioning. Once the Committee decides the matter and an order is passed, the appeal will be withdrawn provided that the taxpayer accepts the decision. However, if the Committee fails to reach a decision within the stipulated time, the Board will dissolve the Committee and inform the appellate authority, at which point, the appeal will be revived from the stage at which it was pending.

Finality of Decisions

There is no provision in the existing statutes that provides any finality to the decisions arrived at through the ADR process. The law demands that once the amount of disputed tax, as determined by the Committee, is paid then all decisions, orders and judgments made or passed shall stand modified to that extent.

Since tax statutes invariably provide powers to the FBR, or any supervising authority, to amend or modify the orders passed by such or the subordinate authorities (i.e., the Committee), therefore, there is an inherent fear that decisions arrived at as a result of the ADR process will not attain finality and may possibly be subject to further scrutiny at a subsequent stage.

Another very real threat to the integrity of the scheme is that there are other agencies that may reinvestigate any matter subject to the ADR process. This inherent fear gets encouragement from the absence of a finality clause that subsisted in earlier statutes. The Income Tax Act of 1922 and the Income Tax Ordinance of 1979 both provided specific immunity from a probe not only

13- In the past, similar powers to constitute second Committee existed under the Sales Tax and Federal Excise Laws in 2009 but these powers were withdrawn by the Finance Act 2018.

under the relevant taxation statutes but also against scrutiny on the same matter under various other laws. Subsection (1D) of section 34 of the Act has already been referred to hereinabove¹⁴ and reference is now made to section 138H of the Income Tax Ordinance 1979.¹⁵ This provided conclusiveness to the order of settlement and the matters stated therein and, more significantly, such a matter could no longer be reopened in any proceedings under any laws in force. Therefore, in order to subdue the genuine fears of the taxpayer and the tax officials alike, the finality of decisions arrived at through the ADR process needs to be reinforced.

Conversely, as a taxpayer has veto power under all the tax statutes, the taxpayer has a broad discretion to opt for or leave the ADR process whenever he/she desires to without any financial and/or legal consequences or the need for any prior notice. To date, the taxpayer has also had full discretion to reject the final decision of the Committee, except for a brief period of two years (i.e., between 2018 and 2020) when the decision of the Committee was considered binding upon the taxpayer.

Recently, the Finance Act 2021 introduced a somewhat baffling condition whereby the taxpayer is required to file a non-retractable initial proposition for resolution of the dispute.¹⁶ The cause for confusion lies in the fact that under the prevailing legislations, the taxpayer has final veto to either accept or reject the decision of the Committee, and therefore, the purposefulness of this non-retractable proposition seems to be devoid of logic.

The Principle of Confidentiality

In almost all jurisdictions, a public and judicial policy of encouraging settlement is the prime justification for the exclusion of evidence, oral or written, exchanged for the purpose of attempting to effectuate a settlement during a dispute resolution process. This privilege applies both at the exchange of evidence stage and at the subsequent set of proceedings between the ADR

14- Section 34 (1D) of the Income Tax Act 1922 states that “Any settlement arrived at under this section shall be conclusive as to the matters stated therein; and no person, whose assessments have been so settled, shall be entitled to reopen in any proceeding for the recovery of any sum under this Act or in any subsequent assessment or reassessment proceeding relating to any tax chargeable under this Act or in any other proceeding whatsoever before any court or other authority any matter which forms part of such settlement.”

15- 138H. Order of Settlement to be conclusive.- Every order of the Commission passed under section 138E shall be conclusive as to the matters stated therein and no matter covered by such order shall, save as otherwise provided in this Chapter be re-opened in any proceeding under this Ordinance or under any law for the time being in force.

16- Section 134A of Income Tax Ordinance 2001 - “(1A) The application for dispute resolution shall be accompanied by an initial proposition for resolution of the dispute, from which, the taxpayer would not be entitled to retract.”

participants. Therefore, ensuring confidentiality is a strategic feature to the success of the ADR process.

During the ADR process, the parties are encouraged to be forthright with the Committee and each other, not just about their willingness to compromise, but also about their respective legal positions. It is only once these legal positions attain clarity that the possibility of finding an agreeable solution increases. However, there is an underlying concern on the part of taxpayers that ADR may become a discovery process in which protected communications become the means by which the FBR may be alerted to facts for which they may then seek "otherwise discoverable" evidence. The concern that the information revealed during the ADR process may be used outside of the process by the FBR and/or other agencies to the possible disadvantage of the taxpayer hinders him/her from divulging information openly and honestly, and consequently obstructs the effectiveness of the ADR process.¹⁷

The possibility of such prejudice to their legal rights, or of exposure to legal liability and prosecution, is not only the concern of the taxpayers but that of the FBR officials too. Therefore, for the ADR process to be deployed with any degree of success, not only would the taxpayer need to be reassured but also the FBR officials that the evidence adduced during the ADR process and the settlement arrived at before the negotiators/mediators/arbitrators (hereinafter referred to as the Neutrals), will be subject to legislative qualifications and be kept confidential.

In many cases, the taxpayers may wish to share information with the Neutrals that they are not willing or prepared to disclose to the FBR officials. However, without the assurance that the Neutrals will be able to maintain the desired level of confidentiality, the taxpayers would be reluctant to do so. The lack of any such assurance may also deter those who might wish to make use of the ADR process for dispute resolution. Therefore, to allay the concerns of the taxpayer, in particular, the Neutrals could be encouraged to address this issue in the set of rules that will govern the ADR process. These rules could generally provide which of the ADR communications will be kept confidential and what exceptions, if any, would be applicable. It would remain the prerogative of both the FBR and the taxpayers whether or not the exceptions to the confidentiality

17- During the FBR Trainings on ADR, one of the concerns echoed by the officials of the FBR was that, repeatedly, the taxpayers have asked them whether by resorting to the ADR process, in an attempt to settle pending or threatened litigation, will the information they reveal later potentially be used against them in any litigation by the FBR or public authorities, i.e., NAB and/or FIA.

principle are expressly provided for in the rules of the ADR process.

In terms of exceptions to the principle of confidentiality, it could well transpire that the Neutrals and/or the FBR officials may be under a legal obligation to report certain information received from the taxpayer to other agencies, or other departments of the FBR itself. This may even lead to the possibility that the Neutrals and/or the FBR officials partaking in the ADR process may need to testify about information received or observations made during the ADR process. It is important to note that the rules under which the ADR process is steered may not effectively preclude this, particularly if the evidence is sought by another government agency. It seems prudent, therefore, that the ADR rules place the parties on notice about the exclusion to the principle of confidentiality on grounds of public policy. Such rules should also place special warnings about the extent to which an exception to the principle of confidentiality may be justified or not, as the case may be, for communications about criminal conduct, both past and ongoing.

The Principle of Immunity

For the Taxpayer

As discussed above, the general principle is that a privileged status for communications, both leading up to and during the ADR process is not all encompassing. Where certain negotiations materialize into a settlement, evidence on the negotiations and the contents of any document(s) drawn up thereafter would be admitted to prove the existence or terms of the said agreement. If the position were to be to the contrary, the objective of the settlement, by keeping the evidence confidential, would be by keeping the evidence confidential, would be significantly undermined. Crucially, disclosure of evidence could also be enforced where either party alleges that the terms of settlement arrived at following the ADR process were subject to fraud, misrepresentation, duress, and/or undue influence, to mention a few. Essentially, provisions of criminal law would not grant a privileged status to negotiations entered into, unless these are in a formal plea-bargaining structure in relation to criminal offence(s).

However, before the FBR officials can successfully rescind a settlement agreement entered into with the taxpayer, certain facts must be established, namely:

- i. In case of any misrepresentation this false representation was made by the taxpayer before or/and at the time the settlement agreement was concluded, this formed the basis of entering into

the said agreement, the taxpayer knowingly made the misrepresentation, and there is no statutory bar to rescinding the said agreement.

- ii. If alleging fraud, the FBR would need to demonstrate that the representation was made dishonestly/fraudulently, i.e., without an honest belief in the veracity of the said representation. The FBR will neither need to prove that the false representation influenced their offices to enter into the agreement in question, nor that the taxpayer knew, or ought to have known, that the FBR placed any reliance on such a representation. Albeit, the FBR would need to demonstrate that the representation in question did influence their offices to agree to the terms of the agreement.

Similarly, a declaration made by a taxpayer to the effect that he/she is unable to pay his/her debts to the creditors may be adduced as evidence in subsequent proceedings to prove insolvency of the taxpayer; for instance, at the High Court. The principle of confidentiality is also set aside where there is evidence of threats made during the ADR process, contempt, and/or breach of statutory provisions.

For the Tax Collectors and Persons other than Tax Collectors

For ADR to succeed, it is also essential that the FBR officers be entitled to certain privileges and immunities. One such immunity is a legislative protection from prosecution arising from tasks undertaken in their official capacity, including all activities that are reasonably connected with their official functions.¹⁸ To this effect, it is proposed that, the Board or the Chairman may act as the first point of contact for/against accused officers/member of the ADRC. It will then be the sole prerogative of the Board to determine if, when, and how immunity will be relinquished. Likewise, the Board should ultimately determine what process of accountability is most applicable and which authority would have jurisdiction over the matter.

The only exception to the above-discussed immunity is where any person engaged in the ADR process acts in a private capacity. It should again be within the jurisdiction of the Commissioner to determine whether the specific act or

18- The need immunity for officers partaking in the Committee proceedings against inquiry by Members of FBR / Directorate Generals of FBR and other external agencies, such as the FIA and NAB, has been implored repeatedly by the members attending these trainings.

series of acts in question constitutes as a private act. Where the Board or the Chairman so determines, he/she will inform the investigators, claimant, and/or the relevant authorities that the act in question does not benefit from immunity. The proponents of exclusion of immunity from such acts argue that criminal activities would not be authorized by the FBR and hence do not have any connection to the person engaged in ADR within the organization. Therefore, any person engaged in ADR who is guilty of violations, criminal or otherwise, would not enjoy protection from prosecution. Since immunity is not designed to guard the officers from justice, the Board will not need to consult with the accused officer about waiving immunity.

Outreach

Any future ADR scheme designed by the FBR needs to take the form of a written policy with unwavering backing at the senior-most level. Such a policy would ideally provide an explanation as to what ADR is and would further need to reflect the FBR's commitment to using ADR and recognize its significance. Within the proposed scheme itself, the relevant and applicable ADR laws, statutes, and regulations would need to be encapsulated. The procedures of the scheme would need to be standardized in order to make them easy to adopt.

Likewise, a well-worded mission statement regarding the aims and objectives for the introduction of the new scheme would assist the taxpayers in comprehending not only the significance of the scheme, but also how it may benefit the FBR and the taxpayer alike. Additional information could be added to include explanatory notes about a list of various options available under the mechanism, and information on appropriate ADR methods for specific disputes, as well as the criteria and procedures under which the mechanism would be triggered and followed. Access to such information would provide the taxpayer with insight into the ADR process, and address questions regarding who can request ADR, the rank/designation of the official who may grant or deny such a request, and who would be authorized to approve the settlements.

Additionally, the rules and regulations of the ADR scheme should clearly spell the roles and responsibilities of personnel appointed in the administration, including the secretarial support of not only the scheme but also the Committee itself. The scheme should also provide the names, qualifications, areas of expertise and the selection process of the "Neutrals". Detailed planning and budgeting of the funds and resources necessary to implement the scheme, including the budget for the staff would also need to be drawn up.

One of the necessary steps to ensuring the success of the scheme would be the introduction of developmental training plans for FBR officials on key features like the understanding of the scheme, its enforceability, and negotiation and advocacy skills. The trainings may also shed light on the reasons for the inefficacy of past ADR schemes in order to ensure that such practices do not trickle back into the system. Moreover, senior management from the big four accountancy firms in Pakistan, Tax Bars, and Chambers of Business Community could be engaged in the process to provide valuable insight into the source(s) of discontent with the ADR scheme and any remedial action deemed essential.¹⁹ It would be important to time the training programs so that they fit into the appropriate stage of the process.

Additionally, public awareness campaigns may be created to promote a greater understanding of the subject among taxpayers, and to subsequently build their confidence in utilizing the mechanisms proposed under the scheme. The decision-makers within FBR need to appreciate that even where a great scheme is introduced, it would regardless fail if not adopted by the taxpayers. Public awareness campaigns serve as marketing efforts that aid in building public trust through media and other communication methods. Where such campaigns and educational endeavors are properly strategized, they would help secure support for the use of the scheme.

Finally, a system focusing solely on evaluation, tracking, and reporting would need to be formalized. This system would need to contain a procedure for the objective evaluation of the workings of the ADR scheme. It would also need to specify the procedures for the reporting and collection of necessary data. Reports should be tailored to not only provide data on the impact of the scheme, its efficiency, effectiveness, taxpayer satisfaction, but also on the ADR scheme's administration, its functional organization, service delivery, and quality.

19- The proposal was made by one of the senior officers of the FBR who attended the Islamabad based training (July 26-27, 2021) and the senior level huddle that was held on July 28, 2021 in Islamabad.

RECOMMENDATIONS

The following recommendations were developed in the course of the project on “Mainstreaming ADR for Equitable Access to Justice in Pakistan” in consultation with FBR officers from across the country.

1. Question of Law

The scope of ADR under the existing system has exclusions that are law-specific. Under two Inland Revenue laws (STA 1990 and FEA 2005), matters where criminal proceedings have been initiated and/or where interpretation of questions of law, possibly effecting other cases exist, have been excluded from the purview of the ADR process. An almost analogous position exists under the Customs Act 1969. More recently, vide the Finance Act 2021, amendments have been introduced by the Income Tax Ordinance 2001 whereby the FBR has been empowered to constitute a Committee after considering all relevant facts and circumstances even if the issue involved are mixed questions of fact and law.

Since in taxation disputes there is infrequently a blurring of questions of law and fact, which cannot be compartmentalized with any degree of clarity and certainty, it is, therefore, proposed that the scope of ADR ought to be extended to cover all such issues in disputes; including the questions of law. To this effect, it is suggested that all exclusions contained in subsection (1) of the relevant sections of different statutes (ITO, CA, FEA, STA) may be omitted. Moreover, since the decision of the Committee is an administrative one, it will not be set as a precedent, either retrospectively or prospectively, in favor of or against the same taxpayer and/or any other taxpayer.

2. Composition of the Committee

Under all the prevailing tax statutes, the Committee comprises three members in which the CCIR/CCC is invariably appointed as one of the members of such a Committee. Under the Custom Act, the CCC cannot head the Committee, whereas under the Inland Revenue Laws, CCIR always heads the Committee. As the concerned CCIR/CCC may be perceived to have an interest in the case before the Committee, this may compromise the principle of

impartiality/neutralty, and/or it may be perceived by the taxpayer to be partisan. Therefore, it is proposed that the concerned CCIR/CCC should not be a member of the Committee and instead an officer of Revenue service, not below the rank of CCIR or CCC from another field formation, may be appointed, albeit not as the Chairperson of the Committee.

The criteria for the appointment of the other two members of the Committee is inconsistent across taxing statutes; under the Inland Revenue laws, the other two members are appointed by the FBR solely at its own discretion from the panels of advocates/CAs/CMA's and the taxpayer is not granted the right to choose any of the members of the Committee. In comparison, under the Customs Act, one of the members of the Committee can be appointed by the taxpayer from a panel of advocates/CAs/CMA's maintained by the FBR and/or from a panel of businesspersons nominated by the Chambers of Commerce and Industry. The third member of the Committee is also selected by the FBR from a panel of businesspersons nominated by the Chambers of Commerce and Industry. This discretion, granted under the Customs Law to the taxpayer, reaffirms the notion of neutrality and egalitarianism.

Therefore, a mirror approach in all taxing statutes would inevitably lead to the synchronization of all relevant laws and bring about more acceptability.

The inclusion of retired judges within the Committee was experimented with between 2018 and 2020. However, since July 2020, they have been specifically excluded from the ADR process. It is, therefore, suggested that the reintroduction of judges (retired), not below the rank of District and Sessions Judge as members/Chairperson(s) of the Committee, may bring about greater acceptability of the present ADR scheme. Indeed, from the taxpayers' point of view, the inclusion of judges may bring greater credibility, sanctity, and neutrality to the process.

It is, therefore, proposed that the composition of the Committee across the taxing statutes could be as following:

- a. One of the members to be appointed by the FBR from the list of officers of revenue service, not below the rank of CCIR/CCC;
- b. The second member to be nominated by the taxpayer from the panel of advocates/CAs/CMA's/retired officers of revenue service not below the rank of CCIR/CCC;
- c. Panel to be notified by the FBR comprising of retired judges who are deemed eligible for appointment as District and Sessions

Judge or any former Judicial Member of any appellate tribunal.

As the concerned CCIR/CCC would not be part of the Committee, this could lead to difficulties in the administration/working of the Committee. Therefore, it is further proposed that the AC Headquarter of the concerned field formation may be appointed as Secretary to the Committee for better administrative and logistic support.

The alternative to the above-stated proposal is that the said Committee, appointment of which may be delegated to the Chief Commissioner, could comprise of five members instead of three in the following manner:

- a. A retired judge of the Supreme Court or High Court preside over the Committee;
- b. Two members from within the department. One of whom could be the Commissioner/Collector from a neutral jurisdiction and the other an officer of the scale of BS-19 or above from the relevant wing of the FBR; and
- c. Two private members. One of the private members could be the nominee of the taxpayer (i.e., chartered accountants and legal advisors). The second private member, the fifth member overall, could be selected by the taxpayer from the panel of Senior Advocates/CAs/ICMAs or industry or sector specialist, maintained by the Revenue Board from the pool of ADR experts.

In terms of secretarial support for the Committee, it is suggested that standing instructions could be issued to each LTO/RTO/ and all field formations to provide such assistance in the first instance. Certainly, criteria for appointments for the secretarial support team and rules regulating their duties would need to be formulated. Alternatively, it is proposed that independent ADR Centers could be established in Karachi, Lahore, Multan and Rawalpindi/Islamabad.

Note, however, that though the alternative proposal for the constitution of the five members Committee and the independent ADR Centers would potentially yield outcomes deemed most acceptable by the taxpayers, in particular, the implementation of the same would depend predominantly upon the availability of resources in terms of funding and time.

3. Timelines

Formation of the Committee: Currently the FBR is empowered to appoint a Committee within a period ranging from 30 to 60 days under different statutes. It is, therefore, proposed that there is a need for standardization in all statutes and the timeframe for the appointment of a Committee should be restricted to 30 days in all taxing statutes. Further suggestions relate to the formation of the Committee following an application for the same online.

Decision-making: Currently different taxing statutes have different time stipulations for the Committee to promulgate their decisions. Under the STA and FEA, the Committee is allowed 120 days to decide matters. Whereas, under the ITO, there is a provision for the formulation of a Second Committee where the First Committee fails to decide the issue within a stipulated period. The First Committee is currently allowed 60 days' time, which is extendable by a further period of 30 days. Therefore, in aggregate, the Committee has 90 days to decide the matter, and where the FBR decides to form a Second Committee, then a further period of 90 days is added to the overall time period. This means that 180 days in aggregate are allowed to the Committee to decide each matter.

Therefore, in order to bring about a semblance of harmony in all the taxing statutes, it is proposed that an identical period of 120 days may be introduced within which the Committee has to decide the issue(s). More importantly, the prevailing provisions regarding the appointment of the Second Committee may be omitted.

4. Powers of the Committee

Under all the prevailing tax statutes, the Committee has wide powers to conduct an enquiry, to seek expert opinion, and to audit taxpayers.

However, in order to further enlarge the scope of the ADR processes, it is proposed that the Committee be empowered to utilize any ADR mechanisms, including mediation, arbitration, negotiation, and expert neutral evaluation. This would, however, necessitate that the members of the Committee be trained in conducting the selected ADR proceedings.

Furthermore, the FBR may design and implement a user-friendly software-based system for online application and management of ADR process.

5. Exclusion of Cases

The details of cases that do not fall within the purview of the ADR, under various statutes, have been discussed at length throughout this report. Suggestions about the specificity of some of the cases that ought to be excluded from the scheme at the outset are as below:

- a. Matters where there is reasonable suspicion of money laundering, proceeds of crimes or ownership of benami properties and suspicious activities related to predicate offences
- b. Cases with history of tax fraud, seizure of goods, bogus refunds; and/or
- c. Cases in which foreign exchange regulations have been defied.

6. Decision by Consensus/Majority

Different statutes have different provisions regarding the decision of the Committee, which may be arrived at through consensus or by a majority. In an effort, therefore, to harmonize the prevailing taxing statutes and to make them more effective it is proposed that the Committee may decide the matters through majority decision.

7. Stay of Demand Pending ADR

Presently under the STA and FEA, a demand can be stayed at the discretion of the Committee. To the contrary, under the Customs Act there are provisions for an automatic stay of proceedings. Equally, the Finance Act 2021 has extended automatic stay to the income tax demand during the pendency of ADR process.

The proposal, therefore, is to harmonize all laws in favor of an automatic stay of the disputed tax demand.

8. Default Surcharge / Additional Tax

Under the prevailing tax statutes, where the tax demand remains unpaid beyond the statutory period then default surcharge becomes leviable. The quantum of the default surcharge is processed on a 'number of days' basis.

However, the proposition is that where any taxpayer agrees to the decision of the Committee and pays the outstanding demand within the stipulated time then such a taxpayer may be incentivized by waiving of the

default surcharge for the period of pendency of case before Committee.

9. Conclusiveness of Decision

The information obtained through the ADR process can potentially be utilized against the taxpayer retrospectively, under the same statute through which the ADR process was initiated/culminated. This information can further be used under other tax statutes governed by the FBR against the same taxpayer for the past and/or future tax periods. There exists also a realistic probability of utilizing such information against persons engaged in a business relationship with the taxpayer (i.e., suppliers, purchasers, debtors, creditors, service providers, etc.) which may affect the taxpayer adversely. Such an eventuality was duly considered under prior tax statutes and a conclusiveness of sorts was provided in respect of matters in dispute and subject to the settlement process.²⁰ However, no such finality/conclusiveness has been provided under the existing tax statutes for any matters subjected to the ADR process.

It is therefore proposed that the principle of conclusiveness to ADR decisions and matters of dispute be provided akin to the aforementioned previous enactments. It is, however, pertinent to add that the blanket conclusiveness, overarching any law in force for the time being, may be against the principle of justice and fair play and therefore a somewhat balanced approach needs to be adopted. The recommended wording regarding the conclusiveness of the decision of the Committee may be as follows:

“Every decision of the Committee shall be conclusive as to the matter(s) stated therein and the matter(s) so covered shall not be subject to any proceeding under the law (i.e., the law under which the Committee was formed) in respect of the same taxpayer.”

10. Payment of Disputed Demand

Under the existing laws, it is only when the taxpayer agrees with the decision of the Committee and pays the disputed tax demand whilst withdrawing the appeal that the decision of the Committee is deemed binding upon the Commissioner/Collector. However, the taxpayer may elect to reject the decision of the Committee and, thereby, be permitted to pursue

20- Reference may be made to section 34(1D) of the ITA 1922 or section 138H of the ITO 1979.

the appeal at the appellate forum where it would have remained unresolved. The taxpayer is, therefore, under no obligation to pay any costs associated with the ADR process.

It is proposed, therefore, that where the Committee decides the issue(s), the taxpayer should be compelled to pay 10% of the disputed tax demand. The quantum of the said demand will be computed following the Committee's decision and will become liable to be paid within 7 days. Where, in the event that, the taxpayer fails in his obligation to pay the said percentage of ordered amount then all the provisions for the recovery of the tax demand shall apply mutatis mutandis.

11. Immunity

There are general immunity clauses under all the statutes that provide some protection to officers of the FBR from prosecution against acts committed in good faith in the exercise of powers conferred by or under the statutes. However, as stated above, such immunity does not encompass individuals who are not officers/officials. Therefore, there exists a noticeable vacuum in terms of protection that is required to be provided to all persons engaged in the ADR process.

It is therefore proposed that an overriding provision may be enacted regarding the same along the following wordings:

“Notwithstanding anything contained in any other law in force for the time being, all members of the Committee and the officer(s) associated with the ADR process shall be provided immunity from any proceeding in any court/tribunal and/or administrative forum and/or any investigation and/or inquiry by any of the government agencies in respect of anything done in good faith in pursuance of the ADR process.”

12. Outreach

Regardless of how effective any future ADR scheme is, it cannot succeed without the capacity building of those who would be in a position of responsibility to implement the scheme. To this effect, it is proposed that routine developmental trainings be introduced for the FBR officials on key features of the scheme, as well as on the weaknesses of past schemes to ensure that such practices do not trickle back into the system.

More so, additional efforts are required to promote understanding of

the scheme among the tax authority and taxpayers. For this purpose, there should be a clear and expansive mission statement regarding the aims and objectives for the introduction of the new scheme to assist the taxpayers in comprehending not only the significance of the scheme, but also how it may benefit the FBR and the taxpayer alike. Additional information pertinent to the ADR scheme could also be included to make the process cognizable and therefore accessible to taxpayers.

Public awareness campaigns would also be beneficial in raising awareness on the subject among taxpayers and in building their confidence in utilizing mechanisms proposed under the scheme. Where such campaigns and educational endeavors are properly strategized, they would help secure support for the use of the scheme.

Finally, once the new and reformed ADR scheme is rolled out at the national level, the periodic and continual evaluation of the same, in terms of the quantitative and qualitative data, would assist the FBR and the Committee in the administration of the scheme, the quality of the services provided, and the success of the results.

ANNEX 1: ADR PROVISIONS IN TAX STATUTES

Pakistan Customs Act 1969

195C. Alternative dispute resolution (ADR)

1 Notwithstanding anything contained in this Act, or the rules made there under, any aggrieved person, in connection with any dispute pertaining to liability of customs-duty, admissibility of refund or rebate, waiver or fixation of penalty or fine, confiscation of goods, relaxation of any time period or procedural and technical condition which is under litigation in any court of law or an appellate authority, except in the cases where first information reports (FIRs) have been lodged or criminal proceedings have been initiated or where interpretation of question of law having larger revenue impact in the opinion of the Board is involved, may apply to the Board for the appointment of a committee for the resolution of dispute in appeal.

2 The Board may, subject to the provisions of sub-section (1), after examination of the application of an aggrieved person, appoint a committee, within thirty days of receipt of such application, consisting of-

- a an officer of customs not below the rank of Chief Collector;
- b a person to be nominated by the applicant from a panel notified by the Board, comprising-
 - i chartered accountants and advocates having minimum ten years' experience in the field of taxation; and
 - ii reputable businessmen as nominated by Chambers of Commerce and Industry: Provided that the taxpayer shall not nominate a chartered accountant or an advocate if the

- said chartered accountant or the advocate is or has been an auditor or an authorized representative of the taxpayer; and
- c a person to be nominated by the Board from a panel mentioned in clause (b).

3 The Board shall communicate the order of appointment of committee to the court of law or the appellate authority and the Collector.

4 Deleted

Provided that if the order of withdrawal is not communicated within forty-five days of the appointment of the committee, the said committee shall be dissolved and provision of this section shall not apply.

4A deleted

5 The committee constituted under sub-section (2) shall examine the issue and may, if it deems necessary, conduct inquiry, seek expert opinion, direct any officer of customs or any other person to conduct an audit and shall decide the dispute by majority, within ninety days of its constitution in respect of the resolution of dispute as it deems fit.

6 The recovery of duties and taxes payable by the applicant in connection with any dispute for which a committee has been appointed under subsection (2) shall be deemed to have been stayed from the date of appointment of the committee up to the date of decision of committee or its dissolution, as the case may be.

7 The decision of the committee under sub-section (5) shall be binding on the Collector when the aggrieved person, being satisfied with the decision, has withdrawn the appeal pending before the court of law or any appellate authority and has communicated the order of withdrawal to the Collector: Provided that if the order of withdrawal is not communicated to the Collector within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Collector.

8 If the committee fails to make recommendations within a stipulated period of ninety days under sub-section (5), the

Board shall dissolve the committee by an order in writing and the matter shall be decided by the appellate authority where the dispute is pending.

9 The Board shall communicate the order of dissolution to the court of law or the appellate authority and the Collector and the aggrieved person.

10 The aggrieved person, on receipt of the order of dissolution, shall communicate the order to the appellate authority, which shall decide the appeal within six months of the communication of the said order.

11 The aggrieved person may make payment of customs duty and other taxes as determined by the committee under sub-section (5) and all decisions, orders and judgments made or passed shall stand modified to that extent.

12 The Board may prescribe the amount to be paid as remuneration for the services of the members of the committee, other than the member appointed under clause (a) of sub-section (2).

13 The Board may, by notification in the official Gazette make rules for carrying out the purposes of this section, including the procedures and manner of conducting of ADR committee meetings.

Sales Tax Act 1990

47A. Alternative Dispute Resolution

1 Notwithstanding any other provision of this Act, or the rules made thereunder, an aggrieved person in connection with any dispute pertaining to:

- a the liability of tax against the aggrieved person, or admissibility of refunds, as the case may be;
 - b the extent of waiver of default surcharge and penalty; or
 - c any other specific relief required to resolve the dispute,
- may apply to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application, which is under litigation in any court of law or an Appellate Authority, except where criminal proceedings have been initiated or where interpretation of question of law having effect on identical cases is

involved having effect on other cases.

2 The Board may, after examination of the application of an aggrieved person, appoint a committee, within sixty days of receipt of such application in the Board, comprising, —

- a Chief Commissioner Inland Revenue having jurisdiction over the case; and
- b two persons from a panel notified by the Board comprising of chartered accountants, cost and management accountants, advocates, having minimum of ten years' experience in the field of taxation and reputable businessmen.

3 The Board shall communicate the order of appointment of committee to the court of law or the appellate authority where the dispute is pending and the Commissioner.

4 The Committee appointed under sub-section (2) shall examine the issue and may, if it deemed necessary, conduct inquiry, seek expert opinion, direct any officer of the Inland Revenue or any other person to conduct an audit and shall decide the dispute through consensus, within one hundred and twenty days of its appointment.

5 The Committee may, in case of hardship, stay recovery of tax payable in respect of dispute pending before it for a period not exceeding one hundred and twenty days in aggregate or till the decision of the Committee or its dissolution, whichever is earlier.

6 The decision of the committee under sub-section (4) shall be binding on the Commissioner when the aggrieved person, being satisfied with the decision, has withdrawn the appeal pending before any appellate authority or the court of law and has communicated the order of withdrawal to the Commissioner: Provided that if the order of withdrawal is not communicated to the Commissioner within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Commissioner.

7 If the Committee fails to decide within the period of one hundred and twenty days under sub-section (4), the Board shall dissolve the committee by an order in writing and the matter shall be decided by the court of law or the appellate authority where the dispute is pending.

8 The Board shall communicate the order of dissolution to the court of law or the Appellate Authority and the Commissioner.

9 The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the appellate authority, where the dispute is pending.

10 The aggrieved person may make the payment of sales tax and other taxes as decided by the committee under sub-section (4) and all decisions and orders made or passed shall stand modified to that extent.

11 The Board may prescribe the amount to be paid as remuneration for the services of the members of the Committee, other than the member appointed under clause (i) of sub-section (2).

12 The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.

Income Tax Ordinance 2001

134A. Alternative Dispute Resolution

1 Notwithstanding any other provision of this Ordinance, or the rules made thereunder, an aggrieved person in connection with any dispute pertaining to:

a the liability of tax against the aggrieved person, or admissibility of refunds, as the case may be;

b the extent of waiver of default surcharge and penalty; or

c any other specific relief required to resolve the dispute,

may apply to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application, which is under litigation in any court of law or an Appellate Authority, except where interpretation of question of law is involved having effect on other cases:

Provided that if the issue involves a mixed question of fact and law, the Board, while taking into consideration all relevant facts and circumstances, shall decide whether or not ADRC may be constituted.

1A The application for dispute resolution shall be accompanied by an initial proposition for resolution of the dispute, from which, the taxpayer would not be entitled to retract.

2 The Board may, after examination of the application of an aggrieved person, appoint a committee, within thirty days of receipt of such application in the Board, comprising,

- i Chief Commissioner Inland Revenue having jurisdiction over the case;
- ii two persons from a panel notified by the Board comprising of chartered accountants, cost and management accountants, advocates, having minimum of ten years' experience in the field of taxation and reputable businessmen.

3 The Board shall communicate the order of appointment of committee to the court of law or the appellate authority where the dispute is pending and the Commissioner.

4 The Committee appointed under sub-section (2) shall examine the issue and may, if it deemed necessary, conduct inquiry, seek expert opinion, direct any officer of the Inland Revenue or any other person to conduct an audit and shall decide the dispute through consensus, within sixty days of its appointment extendable by another thirty days for the reasons to be recorded in writing.

5 The recovery of tax shall be stayed on the constitution of committee till the final decision or dissolution of the committee, whichever is earlier;

6 The decision of the committee under sub-section (4) shall be binding on the Commissioner when the aggrieved person; being satisfied with the decision, has withdrawn the appeal pending before the court of law or any appellate authority and has communicated the order of withdrawal to the Commissioner:

Provided that if the order of withdrawal is not communicated to the Commissioner within sixth days of the service of decision of the committee upon the aggrieved person, the decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Commissioner.

6A If the committee fails to decide within the period mentioned in sub section (4), the Board shall dissolve the committee by an order in writing and may reconstitute another committee and the

provisions of subsections (2), (3), (4), (5) and (6) shall apply mutatis mutandis to the second committee.

7 If the Second Committee fails to decide within time limit prescribed under sub-section (4), the Board shall dissolve the committee by an order in writing and the matter shall be decided by the court of law or the appellate authority where the dispute is pending.

8 The Board shall communicate the order of dissolution to the court of law or the appellate authority and the Commissioner.

9 The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the appellate authority, where the dispute is pending.

10 The aggrieved person may make the payment of income tax and other taxes as decided by the committee under sub-section (4) and all decisions and orders made or passed shall stand modified to the extent.

11 The Board may prescribe the amount to be paid as remuneration for the services of the members of the committee, other than the member appointed under clause (i) of sub-section (2).

12 The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.

Federal Excise Act 2005

38. Alternative Dispute Resolution

1 Notwithstanding any other provision of this Act, or the rules made thereunder, an aggrieved person in connection with any dispute pertaining to—

- a the liability of duty against the aggrieved person, or admissibility of refunds, as the case may be;
- b the extent of waiver of default surcharge and penalty; or
- c any other specific relief required to resolve the dispute,

may apply to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application, which is under litigation in any court of law or an appellate authority, except where criminal proceedings have been initiated or where

interpretation of question of law having effect on identical cases is involved having effect on other cases.

2 The Board may, after examination of the application of an aggrieved person, appoint a committee, within sixty days of receipt of such application in the Board, comprising, —

- i Chief Commissioner Inland Revenue having jurisdiction over the case; and
- ii two persons from a panel notified by the Board comprising of chartered accountants, cost and management accountants, advocates, having minimum of ten years' experience in the field of taxation and reputable businessmen.

3 The Board shall communicate the order of appointment of committee to the court of law or the appellate authority where the dispute is pending and the Commissioner.

4 The Committee appointed under sub-section (2) shall examine the issue and may, if it deemed necessary, conduct inquiry, seek expert opinion, direct any officer of the Inland Revenue or any other person to conduct an audit and shall decide the dispute through consensus, within one hundred and twenty days of its appointment.

5 The committee may, in case of hardship, stay recovery of tax payable in respect of dispute pending before it for a period not exceeding one hundred and twenty days in aggregate or till the decision of the Committee or its dissolution, whichever is earlier.

6 The decision of the committee under sub-section (4) shall be binding on the Commissioner when the aggrieved person, being satisfied with the decision, has withdrawn the appeal pending before the court of law or any appellate authority and has communicated the order of withdrawal to the Commissioner: Provided that if the order of withdrawal is not communicated to the Commissioner within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Commissioner.

7 If the committee fails to decide within the period of one hundred and twenty days under sub-section (4), the Board shall dissolve the committee by an order in writing and the matter shall be decided by

the court of law or the appellate authority where the dispute is pending.

8 The Board shall communicate the order of dissolution to the court of law or the appellate authority and the Commissioner.

9 The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the appellate authority, where the dispute is pending. The Federal Excise Act, 2005

10 The aggrieved person may make the payment of federal excise duty and other taxes as decided by the committee under sub-section (4) and all decisions and orders made or passed shall stand modified to that extent.

11 The Board may prescribe the amount to be paid as remuneration for the services of the members of the committee, other than the member appointed under clause (i) of sub-section (2). (12) The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.

ANNEX 2: PROVISIONS FOR ADR – A COMPARISON

| Income Tax Ord., 2001 | STA, 1990 | FEA, 2005 | Customs Act,1969 |
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| <p>134A. Alternative Dispute Resolution.</p> <p>1 Notwithstanding any other provision of this Ordinance, or the rules made thereunder, an aggrieved person in connection with any dispute pertaining to—</p> <p>a the liability of tax against the aggrieved person, or admissibility of refunds, as the case may be;</p> <p>b the extent of waiver of default surcharge and penalty; or</p> <p>c any other specific relief required to resolve the dispute, may apply to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application, which is under litigation in any court of law or an Appellate Authority, except where interpretation of question of law is involved having effect on other cases</p> <p>Provided that if the issue involves a mixed question of fact and law, the Board, while taking into consideration all relevant facts and circumstances, shall decide whether or not ADRC may be constituted.</p> <p>1A The application for dispute resolution shall be</p> | <p>47A. Alternative Dispute Resolution.</p> <p>1 Notwithstanding any other provision of this Act, or the rules made thereunder, an aggrieved person in connection with any dispute pertaining to</p> <p>a the liability of tax against the aggrieved person, or admissibility of refunds, as the case may be;</p> <p>b the extent of waiver of default surcharge and penalty; or</p> <p>c any other specific relief required to resolve the dispute, may apply to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application, which is under litigation in any court of law or an Appellate Authority, except where criminal proceedings have been initiated or where interpretation of question of law having</p> | <p>38. Alternative Dispute Resolution.</p> <p>1 Notwithstanding any other provision of this Act, or the rules made thereunder, an aggrieved person in connection with any dispute pertaining to:</p> <p>a the liability of duty against the aggrieved person, or admissibility of refunds, as the case may be;</p> <p>b the extent of waiver of default surcharge and penalty; or</p> <p>c any other specific relief required to resolve the dispute, may apply to the Board for the appointment of a committee for the resolution of any hardship or dispute mentioned in detail in the application, which is under litigation in any court of law or an appellate authority, except where criminal proceedings have been initiated or where interpretation of question of law having</p> | <p>[195C. Alternative Dispute Resolution (ADR).</p> <p>1 Notwithstanding anything contained in this Act, or the rules made there under, any aggrieved person, in connection with any dispute pertaining to liability of customs-duty, admissibility of refund or rebate, waiver or fixation of penalty or fine, confiscation of goods, relaxation of any time period or procedural and technical condition which is under litigation in any court of law or an appellate authority, except in the cases where first information reports (FIRs) have been lodged or criminal proceedings have been initiated or where interpretation of question of law having larger revenue impact in the opinion of the Board is involved, may apply to the Board for the appointment of a committee for the</p> |

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| <p>accompanied by an initial proposition for resolution of the dispute, from which, the taxpayer would not be entitled to retract.</p> <p>2 The Board may, after examination of the application of an aggrieved person, appoint a committee, within [thirty] days of receipt of such application in the Board, comprising:</p> <p>i Chief Commissioner Inland Revenue having jurisdiction over the case:</p> <p>ii two persons from a panel notified by the Board comprising of chartered accountants, cost and management accountants, advocates, having minimum of ten years' experience in the field of taxation and reputable businessmen</p> <p>3 The Board shall communicate the order of appointment of committee to the court of law or the appellate authority where the dispute is pending and the Commissioner.</p> <p>4 The Committee appointed under sub-section (2) shall examine the issue and may, if it deemed necessary, conduct inquiry, seek expert opinion, direct any officer of the Inland Revenue or any other person to conduct an audit and shall decide the dispute through consensus, within [sixty days of its appointment extendable by another thirty days for the reasons to be recorded in writing].</p> <p>5 The recovery of tax shall be stayed on the constitution of committee till the final decision or dissolution of the</p> | <p>effect on identical cases is involved having effect on other cases.</p> <p>2 The Board may, after examination of the application of an aggrieved person, appoint a committee, within sixty days of receipt of such application in the Board, comprising,</p> <p>a Chief Commissioner Inland Revenue having jurisdiction over the case; and</p> <p>b two persons from a panel notified by the Board comprising of chartered accountants, cost and management accountants, advocates, having minimum of ten years' experience in the field of taxation and reputable businessmen.</p> <p>3 The Board shall communicate the order of appointment of committee to the court of law or the appellate authority where the dispute is pending and the Commissioner.</p> <p>4 The Committee appointed under sub-section (2) shall examine the issue and may, if it deemed necessary, conduct inquiry, seek expert opinion, direct any officer of the Inland Revenue or any other</p> | <p>effect on identical cases is involved having effect on other cases.</p> <p>2 The Board may, after examination of the application of an aggrieved person, appoint a committee, within sixty days of receipt of such application in the Board, comprising, —</p> <p>i Chief Commissioner Inland Revenue having jurisdiction over the case; and</p> <p>ii two persons from a panel notified by the Board comprising of chartered accountants, cost and management accountants, advocates, having minimum of ten years' experience in the field of taxation and reputable businessmen.</p> <p>3 The Board shall communicate the order of appointment of committee to the court of law or the appellate authority where the dispute is pending and the Commissioner.</p> <p>4 The Committee appointed under sub-section (2) shall examine the issue and may, if it deemed necessary, conduct inquiry, seek expert opinion, direct any officer of the Inland Revenue or any other</p> | <p>resolution of dispute in appeal.</p> <p>2 The Board may, subject to the provisions of sub-section (1), after examination of the application of an aggrieved person, appoint a committee, within thirty days of receipt of such application, consisting of</p> <p>a an officer of customs not below the rank of Chief Collector;</p> <p>b a person to be nominated by the applicant from a panel notified by the Board, comprising</p> <p>i chartered accountants and advocates having minimum ten years' experience in the field of taxation; and</p> <p>ii reputable businessmen as nominated by Chambers of Commerce and Industry: Provided that the taxpayer shall not nominate a chartered accountant or an advocate if the said chartered accountant or the advocate is or has been an auditor or an authorized representative of the taxpayer; and</p> <p>c [a person to be nominated by the Board from a panel</p> |
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| <p>committee, whichever is earlier;]</p> <p>6 The decision of the committee under sub-section (4) shall be binding on the Commissioner when the aggrieved person; being satisfied with the decision, has withdrawn the appeal pending before the court of law or any appellate authority and has communicated the order of withdrawal to the Commissioner:</p> <p>Provided that if the order of withdrawal is not communicated to the Commissioner within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Commissioner.</p> <p>6A If the committee fails to decide within the period mentioned in sub section (4), the Board shall dissolve the committee by an order in writing and may reconstitute another committee and the provisions of subsections (2), (3), (4), (5) and (6) shall apply mutatis mutandis to the second committee</p> <p>7 If the Second Committee fails to decide within time limit prescribed] under sub-section (4), the Board shall dissolve the committee by an order in writing and the matter shall be decided by the court of law or the appellate authority where the dispute is pending.</p> <p>8 The Board shall communicate the order of dissolution to the court of law or the appellate authority and the Commissioner.</p> | <p>person to conduct an audit and shall decide the dispute through consensus, within one hundred and twenty days of its appointment.</p> <p>5 The Committee may, in case of hardship, stay recovery of tax payable in respect of dispute pending before it for a period not exceeding one hundred and twenty days in aggregate or till the decision of the Committee or its dissolution, whichever is earlier.</p> <p>6 The decision of the committee under sub-section (4) shall be binding on the Commissioner when the aggrieved person, being satisfied with the decision, has withdrawn the appeal pending before any appellate authority or the court of law and has communicated the order of withdrawal to the Commissioner: Provided that if the order of withdrawal is not communicated to the Commissioner within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Commissioner.</p> <p>7 If the</p> | <p>person to conduct an audit and shall decide the dispute through consensus, within one hundred and twenty days of its appointment.</p> <p>5 The committee may, in case of hardship, stay recovery of tax payable in respect of dispute pending before it for a period not exceeding one hundred and twenty days in aggregate or till the decision of the Committee or its dissolution, whichever is earlier.</p> <p>6 The decision of the committee under sub-section (4) shall be binding on the Commissioner when the aggrieved person, being satisfied with the decision, has withdrawn the appeal pending before the court of law or any appellate authority and has communicated the order of withdrawal to the Commissioner: Provided that if the order of withdrawal is not communicated to the Commissioner within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Commissioner.</p> <p>7 If the</p> | <p>mentioned in clause (b).]</p> <p>3 The Board shall communicate the order of appointment of committee to the court of law or the appellate authority and the Collector.]</p> <p>4 77[Omitted]</p> <p>5 The committee constituted under sub-section (2) shall examine the issue and may, if it deems necessary, conduct inquiry, seek expert opinion, direct any officer of customs or any other person to conduct an audit and shall decide the dispute by majority, within ninety days of its constitution in respect of the resolution of dispute as it deems fit. 77[Omitted]</p> <p>6 The recovery of duties and taxes payable by the applicant in connection with any dispute for which a committee has been appointed under subsection (2) shall be deemed to have been stayed 77[from the date of appointment of the committee up to the date of decision of committee or its dissolution, as the case may be.</p> <p>7 The decision of the committee under sub-section (5) shall be</p> |
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| <p>9 The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the appellate authority, where the dispute is pending.</p> <p>10 The aggrieved person may make the payment of income tax and other taxes as decided by the committee under sub-section (4) and all decisions and orders made or passed shall stand modified to the extent.</p> <p>11 The Board may prescribe the amount to be paid as remuneration for the services of the members of the committee, other than the member appointed under clause (i) of sub-section (2)</p> <p>12 The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.]</p> | <p>Committee fails to decide within the period of one hundred and twenty days under sub-section (4), the Board shall dissolve the committee by an order in writing and the matter shall be decided by the court of law or the appellate authority where the dispute is pending.</p> <p>8 The Board shall communicate the order of dissolution to the court of law or the Appellate Authority and the Commissioner.</p> <p>9 The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the appellate authority, where the dispute is pending.</p> <p>10 The aggrieved person may make the payment of sales tax and other taxes as decided by the committee under sub-section (4) and all decisions and orders made or passed shall stand modified to that extent.</p> <p>11 The Board may prescribe the amount to be paid as remuneration for the services of the members of the Committee, other than the member appointed under clause (i) of</p> | <p>committee fails to decide within the period of one hundred and twenty days under sub-section (4), the Board shall dissolve the committee by an order in writing and the matter shall be decided by the court of law or the appellate authority where the dispute is pending.</p> <p>8 The Board shall communicate the order of dissolution to the court of law or the appellate authority and the Commissioner.</p> <p>9 The aggrieved person, on receipt of the order of dissolution, shall communicate it to the court of law or the appellate authority, where the dispute is pending.</p> <p>10 The aggrieved person may make the payment of federal excise duty and other taxes as decided by the committee under sub-section (4) and all decisions and orders made or passed shall stand modified to that extent.</p> <p>11 The Board may prescribe the amount to be paid as remuneration for the services of the members of the committee, other than the member appointed under clause (i) of</p> | <p>binding on the Collector when the aggrieved person, being satisfied with the decision, has withdrawn the appeal pending before the court of law or any appellate authority and has communicated the order of withdrawal to the Collector: Provided that if the order of withdrawal is not communicated to the Collector within sixty days of the service of decision of the committee upon the aggrieved person, the decision of the committee shall not be binding on the Collector.]</p> <p>8 If the committee fails to make recommendations within a stipulated period of ninety days under sub-section (5), the Board shall dissolve the committee by an order in writing and the matter shall be decided by the appellate authority 77[where the dispute is pending.]</p> <p>9 The Board shall communicate the order of dissolution to the court of law or the appellate authority and the Collector and the aggrieved person.</p> <p>10 The aggrieved person, on receipt of the order of dissolution, shall communicate the</p> |
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| | <p>sub-section (2).</p> <p>12 The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.</p> | <p>sub-section (2).</p> <p>12 The Board may, by notification in the official Gazette, make rules for carrying out the purposes of this section.]</p> | <p>order to the appellate authority, which shall decide the appeal within six months of the communication of the said order.</p> <p>11 The aggrieved person may make payment of customs duty and other taxes as determined by the committee under sub-section (5) and all decisions, orders and judgments made or passed shall stand modified to that extent.</p> <p>12 The Board may prescribe the amount to be paid as remuneration for the services of the members of the committee, other than the member appointed under clause (a) of sub-section (2).</p> <p>13 The Board may, by notification in the official Gazette make rules for carrying out the purposes of this section, including the procedures and manner of conducting of ADR committee meetings.]</p> |
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BHURBAN TRAINING

MARCH 12-14, 2021



KARACHI TRAINING

MARCH 29-30, 2021



LAHORE TRAINING

JULY 12-13, 2021



PESHAWAR TRAINING

JULY 15-16, 2021



ISLAMABAD TRAINING JULY 26-27, 2021



ISLAMABAD HUDDLE WITH SENIOR FBR OFFICIALS

JULY 28, 2021



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