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[TO BE INTRODUCED IN THE SENATE]

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BILL

*further to amend the Federal Board of Revenue Act, 2007*

**WHEREAS** It is expedient further to amend the Federal Board of Revenue Act, 2007, for the purposes hereinafter appearing;

It is hereby enacted as follows:-

**1. Short title and commencement.-** (1) This Act may be called the Federal Board of Revenue (Amendment) Act, 2020.

(2) It shall come into force at once.

**2. Substitution of section 6 of the Federal Board of Revenue Act, 2007.-** In the Federal Board of Revenue Act, 2007, for section 6, the following shall be substituted, namely:-

**"6. Establishment of Policy Board.-** (1) The Federal Government shall establish a Policy Board, which shall consist of the following Members, namely:-

(a)	Minister for Finance	Chairman
(b)	Minister for Commerce	Member
(c)	Minister for Industries	Member
(d)	Minister for Textile Industries	Member
(e)	Minister for Privatization	Member
(f)	Chairman Senate Standing Committee on Finance and Revenues	Member
(g)	Chairman National Assembly Standing Committee on Finance and Revenue	Member
(h)	Chairman F.B.R.	Member

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| (I) | One Member from the Senate<br>to be nominated by Chairman, Senate   | Member |
| (J) | One Member from the National Assembly<br>to be nominated by Speaker, National Assembly  | Member |
| (K) | Such other members as the Prime Minister<br>shall nominate having necessary<br>qualifications, experience and expertise<br>from amongst sectoral specialists<br>and business on honorary basis. | Member |

(2) The Chairman of the Federal Board of Revenue shall act as Secretary for the Policy Board.

(3) The Policy Board shall hold a meeting at least once in each quarter of a financial year.

(4) The nominated members as provided in paragraph (k) shall be subject to ratification by the Standing Committees on Finance and Revenue of the Senate and National Assemblies."

**3. Insertion of section 6A in the Federal Board of Revenue Act, 2007.-**

In the Federal Board of Revenue Act, 2007, after section 6, substituted as aforesaid, the following new section 6A shall be inserted, namely:-

**"6A. Powers and functions of the Policy Board.-** The Policy Board shall exercise powers and perform all such functions that are necessary to provide guidance in matters relating to the vision, mission, and values of the Board, and to provide policy guidelines in framing fiscal policy and include the following, namely:-

- (i) Approval of tax administration reforms;
- (ii) Periodic review of human resource management and approval of human resource strategy;

- (iii) Approval of performance based incentives for the employees and Members of the Board;
- (iv) Approval of fiscal policies;
- (v) Review of regulations, policies, programs, strategies in order to carry out the purposes of this Act; and
- (vi) Perform any other functions entrusted from time to time by the Federal Government."

**STATEMENT OF OBJECTS AND REASONS**

The Policy Board of Federal Board of Revenue was conceived as an apex forum for provision of policy guidance to FBR to ensure that the this organization shall be able to pursue its objective and vision to be a modern, progressive, effective, autonomous and credible organization by providing quality services and promoting compliance with tax related laws. However, despite lapse of substantive time the utility and effectiveness remains dismal which is mainly due to non-holding of meetings of the Policy Board and absence of any clear-cut functions. Amendments are being proposed in the Federal Board of Revenue Act, 2007 to enhance the functions and utility of the Policy Board.

- 2.** The Bill seeks to achieve the aforesaid objects.

**SENATOR KAUDA BABAR  
MEMBER-IN-CHARGE**