

BROADENING OF TAX BASE IN PAKISTAN

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Abstract

The main purpose of selecting this topic "Broadening of tax collection in Pakistan" was to highlight the main issues faced by the provincial and federal bodies. The most challenging task was to identify the components that held the barrier in the collection of tax by the Pakistan's government and what major steps should be taken to enhance the tax base for our future betterments for Pakistan's economy.

In a limited time slot of approximately one and half months to complete this project, we faced many challenges to collect the relatable information for the data in order to review and analyze in accordance to our requirements. The issues that we highlighted were more than 10 in numbers. Ranging from tax policies to undocumented economy as well as other related issues. The major one we found in these issues was the inefficiency and ineffectiveness in the structure of FBR.

Several sleepless night and days of hard work we concluded that there are many issues in the collection of taxes and we hypothesize that our research says if not taken action to these alarming issues of our economy, Pakistan will have to face the consequences of BOP (balance of payment) and may be these issues can lead to the bankruptcy. Furthermore, we recommend that a committee should be formed in Pakistan to attain the target of tax collection and spread the knowledge and awareness regarding the importance of taxation in Pakistan

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