



## ASIF ABRO & ASSOCIATES

Reference No. 159/2026

Dated: 12-10-2026

✓ To,

Honourable Prime Minister of Pakistan,  
PM Secretariat (Public) Islamabad.

**SUBJECT: REQUEST IN LIGHT OF ARTICLE 4,5,9,10A,14,19 & 25  
OF CONSTITUTION OF PAKISTAN 1973 FOR TAKING NECESSARY  
REMEDIAL MEASURES RELATING TO FBR REFORMS LIKE  
RESTORATION OF PUBLIC CONFIDENCE IN GOVERNMENT'S  
SERVICE DELIVERY INSTITUTIONS-PREVENTION OF  
CORRUPTION & ALLEVIATING APPREHENSIONS AND ENSURING  
JOB SECURITY OF FBR OFFICERS(IRS & CUSTOMS) AMID  
ONGOING FBR REFORMS**

**Your Excellency;**

1. That undersigned is a practicing lawyer and this is being submitted in public interest with sole intention of bringing a positive change in tax policy and its implementation.
2. That since assumption of Office, your Excellency has keen personal interest in FBR reforms as you realize the importance of national revenue for the country.
3. That you have dedicated a sufficient portion of your precious time & energy for this noble task.
4. That Federal Board of Revenue has been the beneficiary of substantial external financing under the World Bank-supported Pakistan Raises Revenue Project (Project ID P165982), originally approved in June 2019 with financing of US\$400 million.

Subsequently, in June 2025, the World Bank approved additional financing of US\$70 million, raising the total approved financing to US\$470 million, including support for the FBR Transformation Plan introduced in September 2024.

5. That the exact information about interest rate over these foreign funds lies with Federal Government but press reports quote interest rate of 2.5%.

6. That you are well aware of the Indian War Designs against Pakistan. The warfare has entered into domain of new weaponry in shape of modern drones as witnessed during our last war against India in which hundreds of drones were fired against Pakistan. Pakistan needs funds for accelerating the pace of new defense related modern equipment like drones. Furthermore, costs of fighting terrorism has touched skies as we see incidents of Shahdat of our dear soldiers on daily basis. The spending of interest-based foreign funds on FBR Reforms is wastage of precious resources of the nation.

7. Please appreciate that for reform of national intuitions like FBR & others, the mindset of Officers is to be changed. The mindset of Officers could be changed by inculcating in them , the traditions of Holy Prophet(P.B.U.H), Khelfa-Rashdeen (A.S) ,Ahel-Bait (A.S) and philosophy of Hazrat Allama Iqbal & Hazrat Quaid-e-Azam. Foreign Funds can not change the mindset of people rather they can result in personal enrichment of the concerned.

8. That you are requested to call complete information from concerned about programme-wise expenditure, including consultant costs, procurement, technology and implementation costs along with relevant bills/invoices etc for your own examination.

9. It is respectfully submitted that serious concerns regarding the effectiveness of FBR's revenue administration reforms are supported by the findings of the International Monetary Fund itself.

10. In its report titled Pakistan: Second Review Under the Extended Fund Facility, IMF Country Report No. 25/332 (November 2025), the IMF recorded in Annex III, page 50, that FBR's revenue collection for FY2024-25 fell short of original budget projections by approximately Rs1.224 trillion.

11. Significantly, the IMF attributed approximately Rs380 billion of the shortfall, on a broad assessment, to administrative and enforcement challenges which remained unresolved throughout the financial year. It further identified substantial unexplained shortfalls in sales and trade taxes and questioned the realism of assumptions concerning the anticipated revenue yields of policy measures and implementation capacity.

12. The same IMF report contains important evidence regarding the Tajir Dost Scheme. Table 1, page 82, records extremely low revenue collections against the scheme's original indicative targets. Footnote 5 confirms that the separate Tajir Dost revenue indicator was subsequently discontinued and replaced with a broader retailer income-tax collection indicator.

13. Furthermore, the Memorandum of Economic and Financial Policies, forming part of the report, records that POS connectivity covered only 38% of the largest registered retailers at the relevant time. The government also undertook to prepare a comprehensive compliance-improvement roadmap containing revenue-impact estimates, implementation milestones and measurable key performance indicators.

14. However, the results on the grounds paint not a bright picture as the following has been observed.

- I. **Tajir Dost Scheme:** drew only about 58,000 registrations, according to reports, and was said to be falling short of its revenue target of Rs50bn. You can get reports that how much amount has been spent over this scheme yet.

Source:<https://www.dawn.com/news/2036808/inequitable-taxation>)

- II. **Faceless Customs Assessment-FCA:** Customs assessments dropped from 16% to 13% after FCA implementation. CA system has increased clearance times despite reducing documentation requirements.

(Source:<https://www.brecorder.com/news/40365235/internal-review-describes-fca-system-as-a-complete-failure?utm>)

- III. **T.Y 2026-27:Current Target of 15.263 Trillion:** It requires growth of 17% percent but only growth of 7% has been observed in 1<sup>st</sup> Quarter henceforth.(Subject to Verification).It seems that current year's target is very difficult.
- IV. **Digital Invoicing:** At the end of March 2026, only around one-third of registered sales tax filers were issuing live digital invoices, according to the IMF review. The same report projected Rs46 billion in additional revenue from digital invoicing in FY2026-27, but that projection is not proof that the revenue has been realized.( Source: <https://www.elibrary.imf.org/view/journals/002/2026/101/article-A001-en.xml?utm>)
- V. **Filers:** Henceforth, only 7 Millions Income Tax Returns have been filed in current T.Y despite there are 19 Million NTN holders.( subject to verification).
- VI. **Revised Annual Targets:** During Past few occasions only revised Targets could be achieved. Hence, Original Revenue Targets could not be achieved.

15. Please appreciate that there are some structural reasons of tax related non-compliance in Country and some reasons are elaborated below for analysis.

- I. **High Tax Rates:** Income Tax Ordinance in its relevant Schedule, mentions highest rate of 35% for salaried class % and rate of 45% for non-salaried for non-salaried class. This higher rate may be the international norm but it is not suitable for pure Pakistani environment as the State has failed to improve the quality of service delivery and this needs to be admitted. There is need to curtail this tax rate below 20% and tax base needs to increased via policy measures.
- II. **Deteriorated Level of Public Service Delivery Institutions of Local & Provincial Government in the Country:** People "punish Federal Government/FBR" for lack of public service delivery in fields of health, education, law & order, sanitation, infrastructure etc as they treat

“government” as “whole” be it Local, Provincial and Federal Government. There is need of discussions with concerned Chief Ministers/Governors about making improvements in public service delivery of local & provincial departments. People have lost confidence in these institutions and they do not pay Federal Taxes as they are not satisfied. Sufferings of People of Karachi could be cited as an example due to inconvenience caused since many years due to deterioration of main University Road-Karachi. There is need to restore public confidence in State’s institutions by certain actions.

III. **A Handi-Capped & Paralyzed NAB:** After the amendments in NAB Ordinance via National Accountability (Second Amendment) Act, 2022 (Act XVI of 2022) in which a monetary threshold of Rs500 million (Rs50 crore) was introduced for NAB's jurisdiction. It has resulted in bad governance in Pakistan at local, provincial and federal levels and resulted in poor delivery of public services as corruption in other departments of Local & Provincial Governments have been increased. Resultantly, the taxpayers’ confidence in State’s public delivery intuitions have been shattered. It has reduced the tax-related compliance. It is requested that the proposed amendment in NAB law pertaining to (50 Crores) threshold for invoking jurisdiction may kindly be annulled as measure for restoration of public confidence.

IV. **Lack of Enforcement Evidenced-Based Action Against Powerful Elite Class Comprising on All Powerful Segments of the Society** The FBR’s enforcement action has henceforth remained focused on “weaker segments” of the society. There is a dire need to take strict action for tax compliance against all powerful segments of the society regardless of fear or favour. It will result in effective general tax related compliance in the country.

V. **Lack of Coordination in FIA, FBR & FMU & Anti-Benami Zones-Property Registration Provincial Authorities:** The tax evaded money is termed as proceeds of crime. It is either slipped out of country in digital & other forms or remain

present inland after changing its shape in immovable properties registered under Benami names. There is need to improve the effective co-ordination among FIA, FBR, FMU, Anti-Benami Zones & Property Registration Provincial Authorities of the country.

VI. **Fear in Civil Servants of FBR (IRS & Customs) About Their Job Security During Ongoing FBR Reforms:**

That the FBR Officers are in state of grave fear about their status as a "Civil Servant" under Civil Servants Act 1973. They are fearful about alternation in the terms & conditions of their service as guaranteed under the Act. They are fearful about the matters relating to their seniority and career progression. They are fearful about the "induction of persons from outside their Department" and their reduced role in delegated statutory decision making. On 19-10-2026 & 20-10-2026 many honest & brilliant Officers of IRS(FBR) have been suspended & posted out to other provinces as "punishment" by the concerned authorities. The only "offence" of these officers were just "expression of their fears" about their job security which is a normal human conduct. Such mishandling of the honest & brilliant FBR officers will result in demoralization of the thousand of FBR Officers which will negatively impact the Revenue Target of current year. The current FBR's leadership miserably failed to alleviate their concerns about their service related matters. In order to cover-up this management failure, the honest/active officers of FBR have been targeted by the current leadership of FBR. The facts relating to the honesty and uprightness of the concerned officers could be verified from any agency like IB etc. The names of the affected Officers are as under;

- 1: Mr. Naib Ali Pathan (IRS-BS-20)
  - 2: Mr. Ali Salah Hayat Kalyar (IRS-BS-19)
  - 3: Mr. Ghulam Mustafa (IRS-BS-19)
  - 4: Sohail Anjum (IRS-BS-18)
  - 5: Muhammad Zarar Irshad (IRS-BS-17)
  - 6: Ms. Sehrish Jawaid Hussain Mirza (IRS-BS-18)
  - 7: Ms. Riffat Aziz (IRS-BS-19)
  - 8: Ms. Fatima Tariq (IRS-BS-17)
  - 9: Ms. Aqsa Gharshin (IRS-BS-18)
- (Notifications attached)

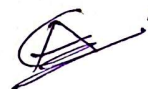
16. That above-named officers need to be reverted back to their earlier positions in larger national interest as these Officers are frontline-fighters in "war of revenue collection" because revenue collection for State in Pakistan like country is a war-like task and these Officers face very tough situations as no one gives his/her own money to State easily. These national heroes of IRS & Customs receive the "label" of being corrupt in response to their demand of tax for State of Pakistan.

17. That there is dire need that the Honourable Prime Minister arranges an "In-Camera Session" with FBR Officers(IRS & Customs) **without** top FBR leadership and make a direct conversation with them in national interest and get their feedback on ongoing Reforms Process. The undersigned has strong belief that such exercise will give a proper direction to FBR reforms.

18. These documented findings mentioned-supra raise legitimate questions about the effectiveness of reform planning, the realism of revenue projections, the performance of technological interventions and the institutional mechanisms for evaluating reform outcomes.

19. It is therefore respectfully requested before your honour that an independent, transparent and evidence-based evaluation of FBR's reform initiatives be undertaken, including the performance of policy-making authorities, implementation arrangements, and external advisers and administrative leadership and remedial measures may also be kindly taken regarding restoration of morale of FBR's workforce in supreme national interest of Pakistan.

20. Looking forward for your cooperation in the matter.



**(ASIF ALI ABRO)**

**ADVOCATE**

**SBC Regd: No:52637**

**Dated:21-10-2026**

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