**Federal Board of Revenue**

The Federal Board of Revenue (FBR) , formerly known as Central Board of Revenue (CBR), is a top federal government organization of [Pakistan](https://en.wikipedia.org/wiki/Pakistan) that investigates tax crimes and money-laundering. FBR operates through special Broadening of Tax Base Zones that keep tax evaders under surveillance and perform special tasks for FBR Headquarters. FBR performs role of collection of [taxation in the country](https://en.wikipedia.org/wiki/Taxation_in_Pakistan) from all individuals and businesses.

FBR also collects intelligence on tax evasion and administers [tax laws](https://en.wikipedia.org/wiki/Tax_law) for the [Government of Pakistan](https://en.wikipedia.org/wiki/Government_of_Pakistan) and acts as the central revenue collection agency of [Pakistan](https://en.wikipedia.org/wiki/Pakistan).

**History**

A department for Tax collection was established as the Central Board of Revenue on 1 April 1924 through enactment of the "Central Board of Revenue Act, 1924". In 1944, the CBR was put under the Revenue Division with the [Ministry of Finance](https://en.wikipedia.org/wiki/Ministry_of_Finance_(Pakistan)) until 1960, when on the recommendations of the "Administrative Reorganization Committee", the CBR was made into a division of the Ministry of Finance. In 1974, further changes were made to streamline the organization and its functions. In 1991, the CBR was once again reverted to its original status under the Revenue Division, however in January 1995, the Revenue Division was abolished and the CBR was once again reverted to a division of the Ministry of Finance. In 2007, the "FBR Act" was passed in July 2007, whereby the Central Board of Revenue was renamed to the present-day Federal Board of Revenue and for a third time placed again under the Revenue Division of the Ministry of Finance.

**Functions**

FBR is a semi-autonomous federal agency of [Pakistan](https://en.wikipedia.org/wiki/Pakistan) that is responsible for enforcing fiscal laws and collecting revenue for the government of Pakistan. FBR has the responsibility for

1. formulation and administration of fiscal policies
2. levy and collection of federal duties, taxes and other levies
3. Quasi-judicial function of deciding taxation cases and appeals.

FBR primarily operates through its main collection arms comprising Regional Tax Offices (RTOs) and Large Taxpayer Units (LTUs) across the country. FBR has two major wings:

* **The Inland Revenue.** The Inland Revenue Service (formerly known as Income Tax Department) administers domestic taxation including Sales Tax, Income Tax and Federal Excise Duties and is the main component of FBR
* **Customs**. The Pakistan Customs Service administers import duties and other taxes collected at import stage, as well regulates international trade with regard to prohibitions & restrictions imposed by the government.

For the purpose of collection of revenue and pursuing tax evaders, FBR's powers & functions also include but are not limited to: carrying out inquiries and audits/investigations into the tax affairs, commanding arrests, attachment as well as [public auction](https://en.wikipedia.org/wiki/Public_auction) of movable and immovable assets of a non-compliant.

**Departments**

**INLAND REVENUE**

Domestic Taxes, comprising Income Tax, Sales Tax and Federal Excise Duty, constitute about 90% of the Revenue collected by FBR. These taxes are not only similar in essence, but also are interdependent in practice. Wing of the FBR was created, combining the three domestic taxes.

Three main Departments

1. **Income Tax**
2. **Sales Tax**
3. **Federal Excise Duty**

Some further administrative divisions

* I.R - Judicial Section:
* I.R - General:
* I.R - Coordination Section:
* I.R - Revenue Budget:
* IR Policy

**CUSTOMS**

Pakistan Customs is the guardian of Pakistan borders against movement of contra band goods and is facilitator of bona fide trade. It provides a major source of revenue to the Government of Pakistan in the form of taxes levied on the goods traded across the borders. It also helps to protect the domestic industry, discourage consumptions of luxury goods and stimulate development in the under-developed areas.

It also works to control smuggling across borders and airports and harbors so that local industry may be promoted and tax may be collected.

**ADMINISTRATION (ADMIN)**

Administration Wing of FBR looks after the administrative affairs of FBR.

**TAXPAYERS AUDIT**

Tax system in Pakistan is operating on self assessment basis aimed at promoting voluntary-compliance, documentation and self-policing. Tax Audit is an effective instrument of control with the FBR through which compliance level is monitored. Through Audit, the government checks whether a registered person/ taxpayer has correctly determined his tax liability, deposited due tax and is making adjustments of input tax etc, to which he is legally entitled. In order to safeguard the government’s interests, FBR has established a central risk based and automated “Tax Audit Management System” (TAMS), which is constantly reviewed and improved.

It Performs Following Duties

1. Planning and designing audit procedures.
2. Evaluating tax audits for all domestic taxes.
3. Devise and implement a National Audit Plan.
4. Design selection criteria for coverage of all higher risk areas.
5. Develop audit methodology to ensure audit quality.
6. Audit and Monitoring of Unlawful Sales Tax input adjustment.
7. Monitoring Post Refund Audit of Income Tax, Sales Tax and FED.
8. Desk Audit and resultant legal actions.
9. Any other duties assigned by Chairman FBR.

**LEGAL**

FBR is in the process of achieving growth in revenues by reposing confidence in the taxpayer community and simultaneously implementing the tax laws fairly and squarely.

Legal Wing of the FBR helps in implementation of the tax laws. The objective of growth in revenue is achieved in coordination with other Wings of FBR. Legal Wing of FBR is in incessant efforts to ensure proper representation of Revenue before various legal forums.

**FACILITATION AND TAXPAYER EDUCATION (FATE)**

Facilitation and Taxpayer Education (FATE) Wing is one of the support wings of FBR created to provide the very best facilitation to the taxpayers in helping to fulfill their tax obligations.

* FBR HELPLINE
* AWARENESS CAMPAIGN & TAXPAYER EDUCATION
* MEDIA CELL
* WEBSITE
* EMAIL
* UPDATING LEGAL RESOURCES & BROCHURES
* GRIEVANCE REDRESSAL & ACCESS TO PUBLIC RECORDS

**STRATEGIC PLANNING REFORMS & STATISTICS (SPR&S)**

* Detailed analysis of Collection vs. Targets
* Improve Revenue Collection through Research, Analysis of Data and Information
* Improvement in all fields of knowledge and services i.e. taxation and facilitation, Broadening of Tax Base etc

**HUMAN RESOURCE MANAGEMENT (HRM)**

Human Resource Management (HRM) looks after personnel policies and procedures of FBR, ensuring that they are closely linked with and making a major contribution towards the achievement of FBR's objectives and strategic plans.

It is also responsible for guiding and developing employees whose talents and desires are compatible with the operating needs and future goals of FBR.

**INFORMATION TECHNOLOGY**

Information Technology Wing of FBR looks after the IT systems of FBR.

**ACCOUNTING**

It looks after the accounts of Federal Board of Revenue

**LEGAL & ACCOUNTING**

* Filing of appeals I references before High Court and CPLAs before the Supreme Court and other lower courts
* Coordinate with Law Division and Attorney General of Pakistan on Customs related cases.
* Coordinate with field offices in matters relating to recommending names of Advocates to the Ministry of Law for their nomination on FBR Panel
* Maintain and update list of pending cases before the Supreme Court and High Courts through Appeal Management Processing System and Litigation Management System.
* Monitor performance of Collector (Appeals) and rationalize their work load.

1. Exercise powers and perform functions of the Board under the provisions of Customs Act, 1969 as delegated by the Board.