

From: **Asif Siddiq Kasbati** <asif.s.kasbati@professional-excellence.com>

Date: Fri, Dec 19, 2025 at 5:41 PM

Subject: TLQC3398= Officials Assets, Public Disclosure, NFC, Salary Tax, TPO, etc

590+ Taxes & Levies Quick Commentary - TLQC 3398

I. Background

1. We also refer to the related Important TLQC's **in trail, blue, italic and double Line** (a) 3396 of 17.12.25 about IMF 11 New Conditions for \$7 billion: Anti Sugar Mafia & Corruption, Tax Legal Reference, etc (b) 3391 of 12.12.25 about IMF directions: Improve FBR Structure and Reduce FBR Rules making authority & Officers Powers (c) 3390 of 12.12.25 about Source required for Hajj, Tours, etc and KC Views & Recommendations
2. We also refer to several Other TLQCs including (a) 3373 of 4.12.25 about IMF Corruption, etc Report details Ex Sindh Governor; Govt could not Counter IMF Report (b) 3387 of 11.12.25 about IMF direction: Tax Simplification Plan by May 2026 (c) 3370 of 3.12.25 about IMF Indicts Rampant Corruption Governance, Elite Capture, Institutional Breakdown but No accountability (d) 3366 of 1.12.25 about IMF highlighted over Rs 4.5 Billion Corruption (while Budget Revenue is 12.5 Billion) – Mr Kamran Khan, etc (e) 3360 of 24.11.25 about IMF highlighted Ad hoc Changes in Tax Policies and Governance & Corruption Issues

II. Updated Commentary

A. General

1. Further to KQU 3701 of 15.12.25, **being an important matter**, we would inform you about [Public disclosure of officials' assets not IMF condition: Aurangzeb](#) (Attachment 3398.1) in ensuing paragraph, with emphasis ours in **bold** & Underline for quick reading.
2. Federal Finance Minister Mr Muhammad Aurangzeb has clarified that making public the assets of government officials is not an additional condition of the IMF, calling it a practical reform step as Pakistan pushes ahead with structural and economic changes.
3. Addressing the All Pakistan Chambers Conference in Lahore, Aurangzeb said publicising the assets of government officials is not an extra demand by the International Monetary Fund.
4. He explained that while parliamentarians' assets are already available on official websites, the assets of bureaucrats should also be made public, adding that these details will be accessible to the public by December 31.

B. IMF engagement, structural reforms

1. The minister acknowledged widespread concerns that the IMF may impose additional restrictions (TLQC3396 of 17.12.25 trail refers), but said discussions with the Fund would focus on structural reforms.
2. He confirmed that Pakistan has received the fourth IMF installment of \$1.2 billion, stressing that the country remains committed to reform under the 37-month IMF programme.
3. In an exclusive interview with *Samaa TV*, Aurangzeb dismissed speculation about a mini-budget. He said no mini-budget is planned and the government is instead working to improve the system, particularly strengthening enforcement mechanisms.

C. NFC committee by January 2026

1. The finance minister announced that a National Finance Commission (NFC) committee will be convened by January, with progress to be made through consensus.

2. He said recent NFC discussions were positive, with all four provinces listening to each other, presenting suggestions, and agreeing to move forward collectively.

3. Aurangzeb said it is a tragedy that Pakistan's economic policies change every day, undermining long-term planning. He stressed the need for expert input at forums such as the NFC Award, saying ministers and the prime minister should be present, but technical experts are equally essential.

D. Burden on Salaried class

1. The minister openly acknowledged the additional tax burden on the salaried class, saying he understands the pressure placed on formal sector workers. He added that relief can only be provided when the economy stabilises and begins to grow sustainably.

2. Aurangzeb said next year's budget will be prepared by policymakers, with calculations and realism at its core.

3. He warned that no country can function with an 8.8% GDP framework, stressing the need for consistency and credible economic planning.

E. Economic gains & Fiscal Discipline

1. Highlighting recent progress, the finance minister said the government saved Rs850 billion last year. He noted that large-scale manufacturing grew by 5 percent, the trade deficit declined, the balance of payments improved, and the current account deficit narrowed.

2. Aurangzeb said investment in the stock market has increased, with 150,000 to 200,000 new investors joining. He also announced plans to launch Panda bonds, while efforts are underway to move from FDR to NDR frameworks.

The finance minister confirmed that one bank has already been privatized and expressed hope that PIA could also be privatized successfully.

3. He added that preparations are underway for the privatization of three more institutions, alongside reforms targeting SMEs and reduced government expenditure.

4. Aurangzeb emphasized the need to further strengthen Pakistan's export industry, saying growth must extend beyond textiles to all sectors.

5. He said tariff regime reforms are underway, with the prime minister set to announce details next week.

F. New economy, Crypto & Technology Push

1. The finance minister said Pakistan is moving toward a new economy, adopting modern systems while keeping the traditional economy running.

2. He revealed that licensed exchanges will now support blockchain, Pakistan has formed a Crypto Council, and the initiative has received backing from the White House and the UAE.

3. Aurangzeb said the IT sector is expected to earn \$4 billion, while authorities continue to closely monitor the exchange rate. He added that local investors are active in the market and urged their participation if PIA bids are opened.

G. Reducing Government Footprint

1. Calling for private sector leadership, Aurangzeb said the government must reduce its footprint, noting there are 40 ministers and numerous ministries.

2. He stressed the need to reform how jobs are provided and to allow markets to function more efficiently.

3. Aurangzeb said PASSCO is being closed after becoming a hub of corruption, though strategic reserves will still be maintained through alternative mechanisms.

4. He also noted ongoing deregulation efforts in markets such as sugar, and potential reforms in other commodities, including rice.

H. Tax Policy Separation & Enforcement

1. The finance minister said the DG Tax Policy is now based in Malaysia and that tax policy will no longer be linked to the FBR. Under the new framework, the FBR will focus solely on tax collection, while policy formulation remains separate.

2. Aurangzeb confirmed that authorities have taken action against sectors such as sugar and tobacco, sealing companies found violating regulations.

3. He said institutions that fail to comply with the law will face strict enforcement.

Concluding his remarks, the finance minister said Pakistan is fighting on both internal and external economic fronts.

4. "If the economy runs, the country will run," he said, reiterating the government's resolve to move toward a new, modern, and sustainable economic model.

5. A day ago, it had been reported that the IMF had imposed additional conditions on Pakistan to keep its ongoing loan program on track, emphasizing stricter anti-corruption measures and greater transparency in governance.

6. Among the key requirements was the online disclosure of assets held by senior government officials by December next year.

7. The IMF had reportedly directed Pakistan to take strict steps to curb corruption and prepare an action plan to reduce corruption risks. Provincial anti-corruption agencies are to be empowered further to enhance their effectiveness.

8. Officials are also required to publish their assets online, marking a significant step toward transparency.

III. Further Details & Services

Should you require any clarification or explanations in respect of the above or otherwise, or require Income Tax, Federal & Provincial Sales Tax or Withholding Tax Statement, Advisory, Return Filing or Review services, please feel free to email Mr Amsal at amsal@kasbati.co with CC to info.kasbati@professional-excellence.com, asif.s.kasbati@professional-excellence.com.

Best regards for Here & Hereafter
Asif S Kasbati (FCA, FCMA & LLB)

Managing Partner

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From: Asif Siddiq Kasbati <asif.s.kasbati@professional-excellence.com>

Date: Wed, Dec 17, 2025 at 5:36 PM

Subject: TLQC3396= IMF 11 New Conditions for \$7 billion: Anti Sugar Mafia & Corruption, Tax Legal Reference, etc

A. Background

1. We also refer to the related Important TLQC's in **trail, blue, italic and double Line** (a) 3391 of 12.12.25 about IMF directions: Improve FBR Structure and Reduce FBR Rules making authority & Officers Powers (b) 3373 of 4.12.25 about IMF Corruption, etc Report details Ex Sindh Governor; Govt could not Counter IMF Report

2. We also refer to several Other TLQCs including (a) 3387 of 11.12.25 about IMF direction: Tax Simplification Plan by May 2026 (b) 3370 of 3.12.25 about IMF Indicts Rampant Corruption Governance, Elite Capture, Institutional Breakdown but No accountability (c) 3366 of 1.12.25 about IMF highlighted over Rs 4.5 Billion Corruption (while Budget Revenue is 12.5 Billion) – Mr Kamran Khan, etc (d) 3360 of 24.11.25 about IMF highlighted Ad hoc Changes in Tax Policies and Governance & Corruption Issues

B. Updated Commentary

1. Further to KQU 3701 of 15.12.25, **being an important matter**, we would inform you about IMF imposes 11 new conditions to Pakistan's \$7 billion bailout package (**Attachment 3396.1**) in the ensuing paragraph, with emphasis ours in **bold** & Underline for quick reading.

2. **The IMF has slapped Pakistan with 11 more stringent conditions to address corruption vulnerabilities, end elite capture of the sugar sector and unearth the true cost of foreign remittances. The new conditions have also been imposed to reduce losses in the power sector through private sector participation, improve governance and service delivery, and enhance the effectiveness of the highly inefficient FBR.**

3. The IMF released the Staff-level Report for the Second review of the \$7 Billion bailout package, which disclosed that the lender has imposed 11 additional conditions on Pakistan. **With the fresh additions, the total number of conditions has risen to 64 in the short span of one and a half years.**

4. According to the report, Pakistan will publish on a government website the asset declarations of high-level federal civil servants by December next year. The purpose is to identify mismatches between income and assets. The report stated that the government also plans to expand this obligation to high-level provincial civil servants and allow banks full access to their declarations.

5. **By October next year, Pakistan will publish an action plan to mitigate corruption vulnerabilities in 10 identified departments based on institutional-level risk assessments.** The National Accountability Bureau will lead and coordinate the development of action plans for agencies identified as facing the highest risks.

6. **To strengthen provincial capacities to mitigate corruption risks, provincial anti-corruption establishments will be empowered to receive financial intelligence and continue receiving capacity-development support for financial investigations of corruption offences within their jurisdiction.** The IMF's new conditions followed the publication of the Governance and Corruption Diagnostic Assessment report, which exposed deep weaknesses in Pakistan's legal and governance systems.

7. The IMF has also instructed Pakistan to complete a comprehensive assessment of remittance costs and structural impediments to cross-border payments, complemented by an action plan by May next year. The condition comes after remittance costs were projected to rise to \$1.5 billion in the next couple of years. Remittances remain the single largest source of financing Pakistan's contained imports.

8. **By September next year, the government will conduct a comprehensive study of bottlenecks hindering local currency bond market development and publish a strategic action plan to address required improvements.**

9. **To break the elite capture of the sugar industry, the IMF has imposed a condition requiring the federal and provincial governments to agree and the federal cabinet to adopt a national policy for sugar market liberalisation by June 2026.** The policy must include recommendations on licensing, price controls, import and export permissions, zoning, and clear implementation timelines. The FBR's poor performance has also triggered new conditions. The IMF has asked the government to finalise a roadmap by end-December to prioritise reforms; assess staffing requirements and roles; set timelines and milestones; estimate revenue impacts; and determine key performance indicators (**KPIs**) to monitor progress.

10. Based on this roadmap, the government must complete all actions necessary to fully implement at least three priority areas agreed with IMF staff, including any required subordinate legislation, staff hiring and allocation, and initial KPI reporting.

11. By December next year, the government must also develop and publish a comprehensive medium-term tax reform strategy, including a sequenced roadmap of tax policy, administration and legal reforms, clear governance arrangements, and a resource plan for implementation.

12. By the same deadline, the government will finalise preconditions for private-sector participation in HESCO and SEPCO and sign public service obligation (PSO) agreements with each of the seven largest entities before the next budget is submitted to Parliament.

13. The government will also prepare and submit to Parliament amendments to the Companies Act, 2017 to strengthen compliance for unlisted firms, modernise corporate governance structures and align regulations with international best practices. It will also publish a concept note outlining the scope, objectives and expected outcomes of proposed amendments to the SEZ Act, including the rationale for reform and KPIs.

14. The government has agreed to the need for a mini-budget if revenues fall short of expectations by end-December 2025, according to the IMF. The measures would include raising federal excise duty on fertilisers and pesticides by 5%, imposing excise duty on high-value sugary items and broadening the sales tax base by moving select items to the standard rate. The IMF has also extended the deadline to publish an action plan to address vulnerabilities highlighted in the Governance and Corruption Diagnostic report.

C. Further Details & Services

Should you require any clarification or explanations in respect of the above or otherwise, or require Income Tax, Federal & Provincial Sales Tax or Withholding Tax Statement, Advisory, Return Filing or Review services, please feel free to email Mr Amsal at amsal@kasbati.co with CC to info.kasbati@professional-excellence.com, asif.s.kasbati@professional-excellence.com.

Best regards for Here & Hereafter
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From: Asif Siddiq Kasbati <asif.s.kasbati@professional-excellence.com>

Date: Fri, Dec 12, 2025 at 12:15 PM

Subject: TLQC3391= IMF directions: Improve FBR Structure and Reduce FBR Rules making authority & Officers Powers

A. Background

1. This refers to Important relevant QCs in trail, in blue, in italic and after double line TLQC3387 of 12.11.25 about IMF direction: Tax Simplification Plan by May 2026

2. We also refer to several other TLQCs including (a) 3243 of 24.8.25 about So-called Simplified & Delayed Salaried class (with no business) TY 2025 Form - SRO 1561 (b) 2580 of 20.12.23 about Tax Simplification and Huge Electricity & Petrol Free from Taxpayers money

B. Updated Commentary

1. Further to KQU 3691 of 8.12.25, **being an important matter**, we would inform you about Video Pakistan told to Release Tax Simplification Plan by Next Year (as covered in detail in TLQC 3387 in trail) plus matter in para 2 & 3 (**Attachment 3391.1**) in ensuing paragraph, with emphasis ours in **bold** & Underline for quick reading.

2. The IMF's Recommendations include limiting the FBR's authority to make Rules, issuing annual progress reports on the implementation of FBR's recommendations, and improving the FBR's organizational structure.

3. The Fund has also advised reducing the powers of FBR's field offices and increasing accountability in FBR operations.

C. Further Details & Services

Should you require any clarification or explanations in respect of the above or otherwise, please feel free to email Mr Amsal at amsal@kasbati.co with CC to info.kasbati@professional-excellence.com.

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From: Asif Siddiq Kasbati <asif.s.kasbati@professional-excellence.com>

Date: Fri, Dec 12, 2025 at 12:01 PM

Subject: TLQC3390= Source required for Hajj, Tours, etc and KC Views & Recommendations

A. General

1. Further KQU 3685 of 5.12.25, **being an important matter**, we would inform you about CCIR, RTO, Lahore Circular about Processing foreign tour/visit instructions requirements for applications in private capacity regarding of 4.12.15 (Attachment 3390.1 found from reliable resources) in the ensuing paragraph, with emphasis in **bold** & Underline, ours for quick reading.

2. The Chief Commissioner Inland Revenue, Regional Tax Office, Lahore, has issued good instruction where by applications for foreign tours/visits, Hajj, Umrah, Ziarat etc. in a private capacity shall not be entertained unless the officer/official submits **complete details of the visit, including cost of trip, source of financing, sponsorship (if any)** and all relevant information supported by valid documentary evidence.

B. Kasbati & Co Views and Recommendation

We appreciate the above instructions for transparency, etc and hope that the FBR Islamabad, all the Chief Commissioner. Even all the Govt & Private Departments, etc would issue similar directions for transparency, etc. This will talk of the Town based if your goodself follow para C.

C. Multiplication

Although all the Commentaries are to the extent of the Subscribed IDs only, however, your Goodself is allowed to share this QC for the Noble Cause to Impart Knowledge for our beloved country for transparency and having Honest Bureaucracy, etc.

D. Further Details & Services

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