



TRANSPARENCY INTERNATIONAL-PAKISTAN

5-C, 2nd Floor, Khayaban-e-Ittehad, Phase VII,
Defence Housing Authority, Karachi.
Tel: (92-21)-35390408, 35390409, Fax: 35390410
E-mail: ti.pakistan@gmail.com
Website: www.transparency.org.pk

4th September 2010

Mr. Sohail Ahmed
Chairman,
Federal Board of Revenue,
Islamabad

Sub: Income Tax Notice to Mr. Malik Riaz on admission of assets worth US \$ 3 Billion

Dear Sir,

Transparency International Pakistan refers to the following news published in The Nation of 1st September 2010.

"Bahria Town Chairman Malik Riaz Hussain has announced the donation of 75pc of all his assets for the relief and rehabilitation of flood victims. In an exclusive interview with CNN, Malik Riaz Hussain announced the unprecedented amount of \$2 billion to the cause of helping the victims and elaborated the severity of the calamity damaging the agriculture and economy of the country throughout impacting business and trading activities by up to 60pc. When the anchor person at CNN reconfirmed whether Malik Riaz Hussain would donate \$2 billion, he reaffirmed that he would contribute much more than that amount."

I refer to the Seminar on "Measures to enhance transparency in tax collection and role of federal tax ombudsman" held by TI Pakistan in association with Federal Tax Ombudsman and Federal Board of Revenue on 5th August 2010, where it was said

The Rampant corruption and a lack of trust in the revenue collection institutions and other relevant departments are some of the major reasons behind the trend of tax evasion in the country. In the Seminar it said that had corruption been eliminated in the revenue collection process, Pakistan would not have to seek heavy loans from foreign donors. He stressed that rule of law must be felt in the FBR with action against unscrupulous elements to be taken without any discrimination.

Transparency International Pakistan therefore request the Chairman FBR to provide information to TIP on the total value of assets of Malik Riaz as assessed by FBR in accordance with Income Tax Ordinance 2001, including the Income tax and Capital Value Tax paid in 2009 on assets worth over Rs 225 Billion (US 3 Billion). In case these assets have not been declared to the FBR in 2009-2010 returns of Mr. Malik Riaz, TIP request FBR to take action according to the law. TI Pakistan is working for FBR to become a "Zero Tolerance against Corruption" organization. The copy of news is enclosed.

Yours Sincerely,


Syed Adil Gilani
Chairman
Ecl: News Reports

Copy forwarded to

1. Chairman Public Accounts Committee, Islamabad
2. Dr Abdul Hafeez Shaikh, Federal Minister of Finance, Islamabad
3. Auditor General Pakistan, Islamabad
4. Registrar, Supreme Court of Pakistan, Islamabad



sayed Gillani <gilaniadil@gmail.com>

Raiz Maklik Income Tax reportinfg

1 message

Adil Gilani <gilaniadil@gmail.com>

Sat, Sep 4, 2010 at 8:28 AM

To: gilaniadil <gilaniadil@gmail.com>

Bahria Town donates \$2b to flood victims

Published: September 01, 2010

[Print](#)[Facebook](#)[Digg](#)[StumbleUpon](#)[Text Size](#)

LAHORE (PR) - Bahria Town Chairman Malik Riaz Hussain has announced the donation of 75pc of all his assets for the relief and rehabilitation of flood victims. In an exclusive interview with CNN, Malik Riaz Hussain announced the unprecedented amount of \$2 billion to the cause of helping the victims and elaborated the severity of the calamity damaging the agriculture and economy of the country throughout impacting business and trading activities by up to 60pc. When the anchor person at CNN reconfirmed whether Malik Riaz Hussain would donate \$2 billion, he reaffirmed

that he would contribute much more than that amount.

In his exclusive interview with CNN, Chairman Bahria Town dwelled on the massive poverty the country is facing and the relevant social issues that arise out of it and reiterated his recent appeal to all billionaires of Pakistan to come forward and help their country.

According to him, "If 140 rich Pakistanis come together and commit to alleviate poverty, then this grave national problem could be solved within days." In this regard, he personally committed to give away 75pc of all his wealth to charitable causes within Pakistan.

Malik Riaz Hussain said that if Pakistan gets \$25 billion, it will be enough for the construction of 10,000 homes which not only accommodate 80,000 people but will also provide them facilities of education, healthcare and entertainment. He said that if approached, Bahria Town would construct these houses on no profit basis. In fact he is ready to donate more from his pocket for this noble cause. He suggested a special team should be established to monitor funds utilisation and quality of the houses being constructed.

Speaking of Bahria Town's ongoing efforts for the poor, Malik Riaz Hussain mentioned that his company presently provides 150,000 free daily meals, free healthcare to 80,000 individuals everyday. They are also providing them relief goods including tents, utensils, daily items etc. He said "And I am ready to spend my each and every penny for this purpose, because if my people are out of food, out of houses, I cannot sleep."

Fata MPs occupied 14 Bahria Town houses forcibly

Saturday, September 04, 2010

<https://mail.google.com/mail/?ui=2&ik...>

By Hanif Khalid

ISLAMABAD: The MNAs and Senators hailing from Fata obtained 14 palatial bungalows from a famous builder of the country by exerting political pressure, it is learnt reliably.

These Fata MPs obtained the bungalows in Bahria Town Phase 111 known as Meadows. Each bungalow has a market value of Rs30 million, which is spread over an area of 1-1/2 kanal to 2 kanal. While three Fata parliamentarians have shifted to these spacious houses. When Bahria Town administration asked the Fata MPs to deposit at least cost value of these houses, they began to blackmail them. The Fata MPs who obtained the ownership rights of these Bungalows in the current week included Fata Parliamentary leader Mr Orakzai and Federal Minister for Environment Hameed ullah Afridi.

Bahria Town administration is quite at a loss, as they could not afford to give the property worth millions free of cost just because of the political clout of these MPs. The Fata MPs who obtained the bungalows include Munir Ahmed Orakzai, Sajid Hussain Toor, Jawwad Hussain, Hafiz Rasheed Ahmed, Zafar Baig Bhattai, Muhammad Kamran Khan, Shaukat ullah, Noor-ul-Haq, Abdul Razzaq, Mr Bilal, Engineer Rashid, Abdul Malik and M Naseer. Most of these MPs have got allotment letters of these houses.

..

--
Syed Adil Gilani

cell 923218229086

This electronic message contains information from Syed Adil Gilani , which may be privileged or confidential. The information is intended for use only by the individual(s) or entity named above. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of the contents of this information is strictly prohibited. If you have received this electronic message in error, please notify me by telephone or email (to the number or email address above) immediately



Tax evasion blamed on corruption, mistrust

Dawn News

August 6, 2010

KARACHI, Aug 5: Rampant corruption and a lack of trust in the revenue collection institutions and other relevant departments are some of the major reasons behind the trend of tax evasion in the country.

This was observed at a seminar on "Measures to enhance transparency in tax collection and role of federal tax ombudsman" organised by the Transparency International Pakistan (TIP) here on Thursday. Speakers at the seminar noted that the ratio of the tax payers in Pakistan was lowest in the region, and said if everybody paid the due taxes, there could be no need to acquire loans from international financial institutions with tough conditions and high interest rates.

Federal Tax Ombudsman Dr Shoaib Suddle, a retired police official rehired on a contract basis, said that all claims filed with the institution for the year 2005 to 2008 had since been cleared while the claims filed till Dec 2009 would be cleared by the end of the year.

He said that over Rs1 billion had been refunded to tax payers during the first half of the current year. He said that his office was being modernised through the information technology equipment and the business process reengineering to further expedite the work.

Earlier, FBR Chairman Sohail Ahmad said that international agencies were satisfied with the reforms introduced and implemented in the FBR. He said that the agencies had also agreed to support the FBR for two more years. Conceding that fewer number of people were inclined to pay taxes, he said that measures were being taken to bring more people into the tax net.

FBR's Member Customs Muneer Qureshi stressed that the automation process that had been initiated in the FBR should not be stopped. He said that the post-customs audit, internal audit mechanism and quick action being taken on complaints had added to the transparency attained in the working of the FBR. This, he said, was evident from the fact that several senior officials were among those who faced action in the process of upholding transparency. Nazim Haji suggested that a feedback mechanism should be installed with an internal monitoring process utilising modern technologies. He also emphasised that integrity of tax collection machinery should be enhanced with good leadership.

Earlier, TIP chief Adil Gilani said that had corruption been eliminated in the revenue collection process, Pakistan would not have to seek heavy loans from foreign donors. He stressed that rule of law must be felt in the FBR with action against unscrupulous elements to be taken without any discrimination. He said Pakistan was among the countries of the region showing the lowest percentage of tax paying population. He was of the view that the undesired trend was due to mistrust, rampant corruption, misuse of arbitrary and discretionary powers etc. He suggested that contacts between a tax payer and a tax collection official must be avoided as much as possible.