

Government of Pakistan
Finance Division



Islamabad: 4th February, 2023.

Press Release

Apropos to the news items appearing in certain sections of press referring to Common Pool Fund Rules notified by Federal Board of Revenue, Ministry of Finance & Revenue clarifies that through Finance Act, 2019, Section 76 was inserted in Sales Tax Act 1990 which empowers the Federal Board of Revenue with the approval of the Minister In-charge to impose levy, fee and service charges on Tier-1 retailers @ Re. 1 per invoice.

Subsequently, FBR with the approval of the then Federal Finance Minister levied a POS Service Fee of Re. 1 per invoice on Tier-1 retailers. The purpose of the aforesaid levy was explicit and duly included the welfare of IRS employees. This was notified vide SROS.R.O.1279(I)/2021 dated 30th Sept. 2021. Under the provisions of section 76 (2) of the Sales Tax Act 1990, FBR is authorized to prescribe the mode and manner to expend such service fee/charges. Thereafter, FBR issued Common Pool Fund Rules for the welfare of its employees on 16.01.2023 with the approval of the Board-in-Council.

The heads of expenditure provided in the Rules include financial assistance to families of shuhada, subsidy on marriage expenditure, health insurance, scholarships for education of children, headquarter support allowance, fuel subsidy to the junior officers, IRS officers mess, house rent subsidy, support for widows and burial expenses.

Keeping in view the current economic situation in Pakistan, the Federal Minister for Finance has taken notice of the matter and directed the FBR to put the implementation of these Rules on hold.