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Rainbow

Directorate General of Training & Research (Direct Taxes)

FBR PAKISTAN

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From the Editor's Desk

Directorate General of Training & Research (Direct Taxes), Lahore has the honour of being the premier training institution providing initial training to new entrants to the Income Tax Group as well as building capacity through refresher trainings to in-service officers throughout Pakistan.

It has been the Directorate General's proud privilege to be headed successively by seasoned and experienced Income Tax Officers who guided and shaped this training institute's present status.

Mr. Muhammad Munir Qureshi the last incumbent to the office of Director General, DOT, successfully headed this distinguished institution for a period of more than two years until July 2008. During his watch three batches of officers completed their Specialized Training from the Directorate General. Training initiatives for officers as well as officials for skill enhancement and development of competencies were also regularly organized. The successful organization of ATAIC's (Association of Tax Authorities of Islamic Countries) Heads of Training Institution Conference from 12-14 March 2007 at DOT, DT was attributable largely to his organizational and management skills. Another contribution on his part was the Directorate General's access to IBFD (International Bureau of Fiscal Documentation).

The "Rainbow" editorial team would like to recognize the dedication and sincere efforts of the outgoing Director General DOT Mr. Muhammad Munir Qureshi in providing the leadership and vision necessary for developing this Directorate General into a modern hub of training and research. We wish him every success in his future ventures.

On 2nd August 2008 , DOT welcomed the newly appointed Director General Ms. Raana Mirza to the campus. Ms. Raana Mirza an outstanding grade 21 officer of Income Tax Group holds Masters Degree in English Literature from Punjab University. She also got trained in Human Resource and Personnel Management from the University of Pittsburgh USA. A visionary officer with practical experience of more than 30 years of active service, she has to her credit various international trainings in countries such as Turkey, France and Germany. She has also attended Executive Leadership Development Program from the prestigious Harvard University, USA. Her appointment as the Director General of this institution is indeed recognition of her excellent leadership and administrative skill . We wish her luck and pray that DOT achieves unprecedented glory during her tenure.

Ms. Shahnaz Rafique another senior and dedicated officer of Income Tax Group joined the Directorate General as Director DOT in August 2008. Mr. Shahid Bashir her predecessor had served DOT both in the capacity of Additional Director and then as the Director on promotion to Grade 20. His administrative acumen and organizational skills will always be remembered by DOT.

Two new officers Mr. Zulqarnain Tirmizi and Ms. Qaisara Fatima joined the Directorate General as Additional Director & Deputy Director respectively. It is our fervent hope that the new leadership shall galvanize existing efforts for attaining excellence in training and pave the way for institutional development necessary for achieving the goals of quality

Bienvenue



Felicitations to the new Director General Ms. Raana Mirza, on her appointment.

Adieu



Sincere farewell to Mr. M. Muneer Qureshi, former Director General, on his retirement.

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Multiple Training Modules on
"Effective Monitoring & Collection of Withholding Taxes"

The Directorate General has always prioritized the training needs of in-service officers necessary for enhancing their skills and developing expertise in requisite fields. Some training modules are developed in-house by the Directorate on its own initiative whereas certain modules are recommended and requested by the field formations or by the FBR Headquarters.

With the introduction of functional division of work in the Income Tax Group, it has become imperative to organize trainings on functional lines. In this respect, the Directorate was advised by HRM-Wing, FBR to arrange short training programs on "Effective Monitoring and Collection of Withholding Taxes".

The Directorate in compliance arranged six days comprehensive training modules on "Effective Monitoring and Collection of Withholding Taxes" for Officers in BS-17 to BS-19. Three (3) batches of officers were trained through a comprehensive training module wherein theoretical aspect was covered by the Director General Withholding Taxes, FBR for putting the theory into practice. Officers of Enforcement Division of Large Taxpayers Unit (LTU) Lahore were invited to act as trainers by sharing their practical experience in the field of monitoring of withholding taxes through statements filed u/s165 of the I.T. Ord., 2001 and reconciliation required under rule 44(4) of the Income Tax Rules 2002 etc. Case studies, discussions on relevant case laws and presentations of live cases involving withholding provisions were discussed amongst the participants. As the issues discussed were extremely relevant, the participants were motivated to learn and benefit from the module.

Director General Withholding Taxes FBR, Mr. Anwar Ali Goraya was specifically invited each time to address the inaugural session of these training programs.

The first module on "Effective monitoring & Collection of Withholding Taxes" commenced from 4th August till 11th August 2008. A group of 25 participants from RTO, and LTU Lahore attended the daily two hourly course. The topics discussed included: tax credits (Issues and redressal), statements u/s 165, mandatory E-filing in corporate cases, scrutiny of statements, section-wise analysis, default detection as a consequence of scrutiny, levy of penalties/possibility of prosecution, validity and fraud in certificates u/s 159, reconciliation devised in Rule 44(4) of the Income Tax Rules 2002, invocation and implication of sections 161, 162, audit of withholding taxes as a part of composite /system /field audit etc. Instead of traditional lecture-based learning, the training module was based upon practical experience-sharing and discussion. The third day of the training was exclusively devoted to hands-on learning of the e-portal facility for extraction and scrutiny of statements e-filed by the withholding agents. On the last day of the module certificates were distributed amongst the successful participants. D.G RTO Lahore, Mr. Khawaja Shaukat Ali was the chief guest at the occasion. In his speech he impressed upon the officers to derive maximum benefit from the training opportunities provided to them. He further stressed the need for hard work and proper application of provisions of law by the officers for achieving the budgetary targets.

Training of the second batch of the same module took place from 18.08.08 to 23.08.08. This was followed by the third batch of out-station officers whose training was conducted from 25.08.08 to 27.08.08. The daily training hours were extended for the out station-officers and the module was completed in three days. The modules were extremely successful in providing a practical orientation of the provisions of the Income Tax Ordinance 2001 relating to monitoring and collection of withholding taxes to the field officers posted in the Enforcement Divisions. The participants found the module relevant and well structured.

DOT sub offices at Islamabad and Karachi also organized trainings on similar lines at their premises in August. Officers from LTU Lahore were invited as guest speakers to conduct training of this module in Islamabad in order to ensure the uniformity of the module. The training in Islamabad took place from 18.08.08 to 20.08.08.

Recognizing the success and importance of this topic further training modules on similar lines are being



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ONE DAY SYMPOSIUM ON RE-EVALUATION OF MBA PROGRAM HELD ON 22ND AUGUST 2008 AT DOT, LAHORE.

On the initiative of Member Direct Taxes, Federal Board of Revenue (FBR), DOT Lahore organized a one day symposium at Waheed Auditorium DOT, Lahore for re-evaluation of the MBA program introduced for probationary officers at IBA, Karachi. FBR was represented in the above workshop by Member Direct Taxes Mr. Irfan Nadeem and Member HRM Hafiz Muhammad Anees. FBR had also invited officers of 31st, 32nd and 33rd STPs of both Income Tax and Customs Groups for their comments on the efficacy of the MBA program.



In her inaugural address Director General DOT Ms. Raana Mirza welcomed the honorable guests from FBR and also congratulated the newly appointed Member DT Mr. Irfan Nadeem on assuming charge of his office. She then dilated upon the background of the day long symposium. She explained that since January 2005 probationary officers of both Revenue Services were under-going a one year MBA program at IBA Karachi as part of the reform process under way at FBR. 31st STP was the first batch to under go this training. Since then two more batches of officers have successfully completed their MBA from IBA, Karachi. Although the MBA program had been appreciated and acclaimed by many yet it was not without its detractors she felt. She then highlighted the following three issues that needed deliberations vis a vis the MBA program:

Timing of MBA training

Utilization of the MBA degree by the probationary officers

Cost of getting the MBA degree from IBA Karachi

As regards the timing of the MBA program she explained that Income Tax Law and Accountancy were the primary subjects being taught during STP. The curriculum of MBA program at IBA, Karachi was formulated so as to avoid overlapping of any subjects at the two training academies. As a result, the highly technical subjects being taught at DOT and which required constant practice and application were practically forgotten while doing one year MBA training at IBA Karachi. She suggested that the above MBA training should be deferred for four to five years and the young officers should be posted to the field immediately after STP so as to derive maximum benefit from their training at DOT.

As regards the utilization of the MBA degree, she explained that the experience of Income Tax Group had revealed an average of 4 to 5 probationers per batch leaving the service after repeating the CSS exam. A few officers had even resigned while many had sought deputation in the other departments.

FBR on the average bears the cost of Rs.5 Lacs in respect of each probationary officer doing MBA from IBA Karachi. Hence the total expense of about 50 Income Tax Probationers is estimated at Rs.25M. Other problems such as logistics, conveyance and TA/DA etc. were also faced by the officers. She offered to organize the MBA training at DOT, Lahore where the expense for the entire year is not expected to exceed Rs.15M resulting in an annual saving of Rs.10M approximately.

In the end she thanked all the participants for attending the symposium and invited all stakeholders for their comments and views on the above issue.

Member Direct Taxes Mr. Irfan Nadeem then opened the house for comments. Young officers eloquently expressed their views on the timing as well as on the utilization of their MBA degree in their careers. Most officers were frank and candid in expressing their opinions on the occasion. Some of the senior officers present on the occasion also spoke and gave their views.

Member Direct Taxes Mr. Irfan Nadeem wrapped up the proceedings of the day by thanking the officers for enlightening the senior officers with their views. He then impressed upon the officers to have a sense of ownership for their department. He further added that there were many issues to be resolved and the present leadership at FBR would definitely try to resolve all the issues. He advised the young officers to jointly work as a team for improving the work environment with the sense of commitment and deliver their best to make the department a success.

Finally he thanked Ms. Raana Mirza, Director General DOT for successfully organizing the symposium.

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Seek and Ye Shall find"
FBR


"Seek and Ye Shal
FBR


NADEEM




RAANA MIRZA
HAFIZ MUHAMMAD ANEES






"Seek and Ye Shall find"
FBR





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Financial Accounting & Audit Training Course

04.08.2008 to 16.08.2008

The Audit Wing Federal Board of Revenue (FBR) has initiated a series of training courses on "Financial Accounting & Audit" for officers of both Direct taxes and Indirect taxes. It has been planned to conduct 26 standardized training courses on the topic "Financial Accounting & Audit" in various cities in Pakistan. The training module is to be conducted by the Professionals' Academy of Commerce (PAC), Lahore a private sector training establishment. The aim of Audit Wing FBR is to train maximum number of officers/auditors of Income Tax & Sales Tax Groups in specialized audit skills necessary for conducting effective and meaningful audit.

Initially this Directorate played host to a three-weeks long "Train the Trainers" program for master trainers which commenced on 28.04.08. Through this module a group of thirty (30) officers was trained by Professionals Academy of Commerce (PAC) to act as trainers for the future 26 training modules. However the strategy was changed by FBR and it was considered more feasible to assign the task of training to PAC exclusively. Hence the operation of the training was cut down to two weeks instead of three weeks. Accordingly the module was organized by PAC at this Directorate General from 04.08.2008 to 16.08.2008. A group of 31 officers from both Income Tax as well as Sales Tax participated in this training. The module was inaugurated by the newly appointed Director General DOT Ms. Raana Mirza. Principal PAC Mr. Jaffar Hussain and Director DOT Mr. Shahid Bashir were also present at the occasion.



This twelve-days training module comprised three training sessions per day from 9:00 AM to 4:30 PM.

During the course of this module the participants were exposed to topics such as regulatory environment, legal / ethical frameworks, accounting for intangibles, preparation of risk profiles, materiality & sampling, preparation of audit plan, forensic accounting & fraud audit etc.

The training methodology comprised case studies, lectures, presentations etc. Most of the participants found the module extremely useful and relevant to their areas of responsibilities.

It is hoped that the practical knowledge and expertise gained through the above training shall facilitate the field audit officers in conducting result oriented audits in the future.



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Mahasil Data Entry of Returns Program

at DOT, Lahore from 15th - 20th September 2008

Mahasil is a simple and user-friendly computer software developed in-house by F.B.R to introduce office automation and systems efficiencies within the Income Tax Department. This is an enhanced version of an earlier developed software named "Tax management System" (T.M.S). Mahasil as against T.M.S is web based software paving the way for a completely automated and paper-less environment. After successful implementation of this pilot project at LTU, Lahore it is planned to be implemented all across Pakistan in all Income Tax field formations.

In view of the significance of this project there is an urgent need to train the data entry staff of RTO and LTU to ensure error free and prompt data entry of returns for the Tax year 2008.

A comprehensive training session of "Mahasil Data Entry of Returns" was held at DOT, Lahore from 15th to 20th September 2008. The objective of the program was to introduce the KPO's / DEO's to the more user-friendly version of the TMS i.e. Mehasil and to train them on the additions made in the latest version so as to enable them to enter returns for the Tax year 2008 efficiently.

Twenty KPO's / DEO's from RTO Lahore attended the program. On the first day of training, the participants were given a detailed overview of Mahasil. They reviewed the fundamentals of Return Entry Module of the system and its basic working. The participants were explained the detailed theme of this module with hands-on practice of data entry.

Following topics were explained, discussed and practiced during training:

1. Changing the Password and PIN of users
2. Data entry for Return of Income
3. Attachment of scanned copy of Return
4. Issuance of Notice for Short Documents
5. Entry of Explanation to Notice for short documents
6. Attachment of scanned copy of explanation
7. Supplement Data in the Return of total Income
8. Attachment of scanned copy of missing documents
9. Saving the Transaction

The participants' feedback showed that they were very comfortable with the new system and after the training believed that they had gained further capabilities and enhanced their expertise of the program. All the processes were revised by the participants on the 2nd last day. To evaluate the knowledge of the participants, a test was conducted on the last day of training.

This training program was a major step towards the implementation of the software and hence, the automation of FBR. DOT has plans to conduct similar programs in the future to train the data entry staff.



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Independence Day Celebrations at DOT (DT), Lahore Campus

The Directorate General organized a special event on 13th August 2008 at DOT (DT), Lahore campus to commemorate the 61st Independence Day of Pakistan.

The celebration of this day highlights the significance attached to the events that led to the creation of separate homeland for the Muslims of Sub-Continent. Without the tireless and relentless efforts of the founding leaders the dream of economic emancipation and social recognition for the Muslims of the Sub- Continent would not have materialized.

The Directorate General headed by the newly appointed Director General Ms. Raana Mirza arranged a memorable event in the Waheed Auditoriom . The function included screening of a documentary film "Pakistan- Past, Present and Future" followed by a luncheon in which officers and officials of all cadres participated.







