DOT Gazette

MESSAGE FROM THE CHAIRMAN FBR (MR. SOHAIL AHMAD)

Training and Development plays a pivotal role towards the development of human resource in any organization. It is indeed heartening to see that Directorate of Training, Lahore is focused in its approach towards this set goal. The tremendous job they have performed for holding several workshops on orientation courses of sales tax and income tax, for almost all cadres is highly impressive.

With the passage of time and keeping in view the changed environment as a result of reforms, the role of DOT is going to be more powerful. FBR intends to upgrade the facilition of DOT to cater to the growing needs of the organization. It is our top most priority to ensure that DOT's facilities can compete with any private sector training institute. I wish them all the best and hope that they will continue to serve as our arms for creating a skilled, motivated and informed workforce which will make FBR a result oriented organization.



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MESSAGE FROM MEMBER SP&S (MR. ZAFAR UL MAJEED)

I have been in touch with DOT (Hqrs.) for some time and I am very impressed with the way the Directorate has kept up with the changing policy and functional requirements of FBR. Proper training and regular capacity building are central to organizational performance and must be geared towards acquiring and updating knowledge and skills and developing an awareness of the social responsibility of a good public servant.

I congratulate the Director General, Mr. Naseer Ahmad for enhancing the role of DOT in training activities by conducting a number of workshops and symposia on relevant topics and issues of current interest. DOT has been playing an important role in aligning the workforce to the future demands of various job positions within the department. Alongwith its basic role of training new recruits, the Directorate has been doing an excellent job of ensuring that FBR's employees, through various leading-edge training, leadership and development programmes, constantly improve their professional capabilities and adopt best-



business practices in their role as tax administrators.

I wish the Director-General and his team the best in their efforts to further improve the training facilities at the Directorate.

MESSAGE FROM DIRECTOR GENERAL HRM (MS. RAANA SEERAT)

The performance of Directorate of Training (Income Tax) is extraordinary. In the present challenging environment, when the task before us is to create a motivated, vibrant, educated and skilled workforce, DOT has proved to be a valuable partner of FBR in achieving this goal. The sense of devotion, hard work and dedication of the staff at DOT is evident from a wide range of training conducted for staff as well as officers from Income Tax and Customs services. With the creation of Inland Revenue Service (IRS), DOT has an additional responsibility to prepare the required training workforce. FBR (HQ) HRM is now creating a pool of officers trained from foreign universities and institutions to share their wisdom with the younger officers as visiting faculty in DOT.

I congratulate the Director General, Directorate of Training (Income Tax) for his leadership and initiative in arranging the wide spectrum of events and activities.

We hope to grow together.



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EDITORIAL

The first quarter of the academic year 2009-10 (July Sept.) has been quite eventful. The highlight of July 2009 was Mr. Sohail Ahmad's visit to DOT, whereby he addressed the officers of Customs and Income Tax Group, in two separate sessions. The most prominent event of August was the holding of two six-day orientation workshops for the officers of Income Tax and Sales Tax to facilitate a smooth transition to IRS.

Workshops on certain core topics of Income Tax Law were conducted during this quarter and were much appreciated by the participating officers. There was no hiatus in training activity during Ramadan. IT training courses continued during Ramadan and it was heartening to have almost 100% attendance at these training sessions! Overall, July Sept 2009 has been a very busy and academically successful quarter.

One can never learn enough. Therefore knowledge needs to be constantly updated and professional skills need to be honed at regular intervals. DOT's prime objective is to help the officers discover and utilize their true potential through their active participation and involvement in various training programmes and workshops. Let us allow ourselves to venture forth into a new realm where we learn to live and work together with sincerity, commitment and faith in our ability to make a difference.

Ambreen Iftikhar
Additional Director

Chairman FBR Mr. Sohail Ahmad's visit to DOT(DT), Lahore

The honorable Chairman Federal Board of Revenue, Mr. Sohail Ahmad visited the Directorate General of Training and Research (Direct Taxes) on July 20, 2009. He was accompanied by Mr. Khalid Aziz Banth, Member FBR, Mr. Abdul Jaleel, Chief FBR and Ms. Azra Mujtaba, Chief FBR. The guests were accorded a warm welcome upon arrival at DOT.

2. Mr. Sohail Ahmad, the recently appointed Chairman FBR had expressed the desire to have a candid discussion with officers belonging to both service groups i.e. Income Tax Group and Customs & Excise Group. His visit was planned accordingly and he was able to interact with a large number of officers. His address allayed many unfounded apprehensions of the officers regarding the controversial issue of integration of Sales Tax and Income Tax. He made two separate speeches in two separate sessions, first to the officers of Customs and Excise Group and then to the Officers of Income Tax Group. Each address was followed by a question answer session.

3. He lauded the efforts of the departmental officers who had worked consistently and diligently in levying and collecting taxes in the previous financial year. He impressed upon the officers to keep working with the same zeal in order to achieve the stiff target set for the next year.

4 The honorable Chairman made it clear that officers of both Groups should work together in harmony. He



explained that very soon a new Service Group will be created comprising inland taxes i.e. Income Tax, Sales Tax and Federal Excise. He explained that necessary homework in this regard had been completed and the Establishment Division had taken this important issue on board. All officers would be given the option to either join the new Group or to stay back in their original cadre. He made it clear that the promotion prospects in the new Group would be at least at par with the present Customs and Excise Group.

5. The honorable Chairman also explained in detail the raison-d-etre for the Stand-By Arrangement with IMF. He stated that though the Agreement had been widely criticized, it had led to a distinct improvement in the economy.

6. He disclosed that Pakistan plans to quickly adopt the Value Added Tax (VAT) in its true spirit by extending it to the retail stage. For this purpose a preparatory workshop / seminar would be held in September and the new VAT code would be in place by 01.07.2010.

7. The honorable Chairman concluded the talk by recapitulating on the three core decisions:
a Automated Refund System;
b. Creation of another Service Group with invitation to all officers of Income Tax & Customs & Excise Group to join the new Group;
c. Harmonization of the three statutes i.e Income tax, Sales Tax and Federal Excise.

8 Finally he advised the officers on two important benchmarks that must be kept in mind while dealing with taxpayers:

- Better Audit
- Better compliance

9. He added that the above benchmarks must be adhered to and the errant taxpayers have to be brought into the tax net without adopting draconian measures. The sole objective should be the maximization of revenue.

10. The session concluded after Mr Naseer Ahmad, Director-General DOT (DT) presented the honorable Chairman with a shield as a memento.

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Pictorial - Chairman FBR Mr. Sohail Ahmad's visit to DOT(DT), Lahore







Performance Report of DOT, Sub-Office Karachi

The DOT Karachi is engaged in training both Officers and Officials of Income Tax group on various issues. For the quarter July to September, 2009, 100 Officers and 552 Officials were trained in Computers, Income Tax, Sales Tax Act, General Financial System RSO- 2000. A one day workshop on "Conflict Management" was held at LTU, Karachi, in which 24 officers of the Income Tax Group participated.

The second quarter i.e October to December, 2009 shall be conducted in the same spirit and vigor. The Directorate of Training, Karachi intends to train 360 officers 640 officials during the last quarter of 2009. The officers of Sales Tax shall be given an Orientation in Income Tax Law and vice versa. The Directorate will also be offering Refresher Courses comprising Income Tax law, Book Keeping, General Financial System RSO-2000 and Computers to officials of Income Tax. In December there shall be a separate course for AOs/Suptds/Supvs on General Financial System RSO-2000. We are also looking forward to conducting another workshop on "Change Management" during the upcoming quarter.

Hina Akram, Addl. Director

An important factor in the achievement of success is the art of original and creative thinking.
Norman Vincent Peale

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ORIENTATION WORKSHOPS FOR OFFICERS OF INCOME TAX, CUSTOMS & SALES TAX GROUP

As a preface to the formation of the IRS short orientation workshops were conducted at DOT, Lahore in compliance to the Board's policy to ensure that officers of both groups are familiar with all the tax laws. Consequently, two 6-day orientation workshops have been conducted so far, with more to follow in the coming weeks. The first session was conducted from 03.08.2009 to 08.08.2009 and the second from 17.08.2009 to 22.08.2009. Senior most officers of BS-20/19 were nominated for the first session, moving on to BS-18/17 in the following ones. These workshops were simultaneously conducted at DOT sub-offices at Karachi and Islamabad.

Officers from the Income Tax Group were briefed on important provisions of the Sales Tax Act, 1990 and the Federal Excise Act, 2005 and officers from the Customs Group were introduced to the Income Tax Ordinance, 2001. The course module was carefully designed to touch upon all important issues in a short span of 6 days. The Directorate of Training and Research (DT) was able to engage some of the best resource persons for the workshops and received very positive feedback from the participants.



The concluding ceremony of the first session was attended by Mr. Khalid Aziz Banth Member Direct Tax Policy, and Mr. Zafar-ul-Majeed, Member, Strategic Planning and Statistics. The Members commended the successful workshop and acknowledged DOT faculty's efforts towards facilitating FBR's policy vis-à-vis the launch of IRS.







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Workshops on Core Topics of Income Tax Ordinance 2001

Directorate General of Training & Research (Direct Taxes) has always been instrumental in updating technical knowledge of the officers working in field formations. In this regard Mr. Mustafa Ashraf, Income Tax Commissioner, was invited to deliver lectures on certain core topics of Income Tax Ordinance 2001. First (two day) workshop was held on 27th and 28th of July 2009. 37 officers of Income Tax from LTU and RTO attended this session. This two- day workshop was on issues relating to filing of Income Tax Returns/ Statements, covering sections 114 and 115 of the Income Tax Ordinance 2001. Various case laws of the Income Tax Appellate Tribunal were also quoted to elucidate and clarify these provisions. The proceedings of the two- day workshop were carried out as per the following sequence.

- Statutory provisions regarding filing of returns/statements
- Filing of returns under section 114.
- Persons not required to furnish a return
- Legal consequences for non-filing of returns.
- Amendments made in above mentioned sections.
- Study / Discussion of relevant case law.
- Q & A session

The Second workshop was conducted on 20th August 2009 on the topic of Additional Tax / Penalties and Prosecution. This workshop was also conducted by Mr. Mustafa Ashraf. He delivered a very informative and comprehensive lecture to 37 officers. The participants included officers of BS 16 to BS 19 from RTO and DOT Lahore. The officers were lectured on the specific provisions of Income Tax Ordinance 2001 relating to the subject. Relevant case law, Board's notifications and instructions on the subject were also shared in detail with the participants. This was a one-day workshop and was conducted in two sessions. It was a very engaging and interactive session. The workshop was inaugurated and concluded by Mr. Naseer Ahmed, Director General DOT(DT) . Certificates were awarded to the participants upon conclusion of the workshop.









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ACTIVITY REPORT, DOT (SUB-OFFICE), ISLAMABAD



Under the guidance of the worthy Director General, DOT, Lahore a new activity was initiated during the month of August, 2009, in the shape of orientation courses for officers / officials of Income Tax Group and Sales Tax Group. This exercise has been initiated in view of the creation of the new Inland Revenue Service which will see the integration of Income Tax, Sales Tax and Federal Excise in one single group. The concept behind this initiative is to familiarize the officers of Income Tax Group with Sales Tax Act and the Sales Tax Officers with the salient features of Income Tax Ordinance, 2001.

The first workshop in the series of these courses was held from 03.08.2009 to 08.08.2009 for both the Income Tax and Sales Tax Officers/officials. The second course was held from 17.08.2009 to 22.08.2009. These courses were highly appreciated by the participants. The duration of the course, however (two hours per day for three days) was considered too short. Once the process of opting for Inland Revenue Service is finalized the exact strength of the officers in the new group would be determined. Further courses will be designed keeping in view the new strength and requirements of IRS. On the conclusion of the first course, a ceremony to award certificates was held in which Mrs. Riffat Shaheen Qazi, Commissioner, LTU Islamabad was the chief guest.

In addition to the above, a three days workshop on statutory provisions regarding filing of returns / latest amendments in the Income Tax Ordinance, 2001 were also held on 10.08.2009 to 12.08.2009 and 07.09.2009 to 09.09.2009. These workshops were specifically held to coincide 30th September, which is the last day for filing of Income Tax Returns. A very positive feedback regarding these workshops was received which was duly communicated to DOT, Lahore.

(M. Qasim Samad khan, Additional Director)

Refresher Courses for officials of BS 7 to BS 15 for the year 2009-10

The Directorate General of Training & Research considers training programs /Workshops for non-gazetted staff, an essential part of the reform process. Therefore Refresher courses for officials of BS 7 to BS 15 are a regular feature to equip them with the skills to face the future challenges and enhance professional skills for tax collection. These courses are designed for the following category of officials.

- Administrative officers
- Inspectors
- Superintendents
- Supervisors
- UDCs
- LDCs

Due to the changing work environment of FBR there was an urgent need to redesign the training modules

During the financial year 2009-2010 three separate courses have been conducted so far as per following schedule

From 20.07.2009 to 25.07.2009
From 03.08.2009 to 08.08.2009
From 17.08.2009 to 22.08.2009

These courses were for the administrative officers, superintendents, supervisors UDCs and LDCs. Main topics for the courses relate to Income Tax Law, Sales Tax, Service Rules and General Financial Rules. 63 participants attended these short courses.

These refresher courses are designed to familiarize the officials with the changing work environment under the new functional-based system and will facilitate optimum utilization of human resources.

Computer Training Program for the officials

Federal Board of Revenue had indicated that the computer literacy of staff did not meet the desired standards. Therefore extensive Computer Training of the staff is required for successful transition towards complete automation and paperless working environment. To meet this challenge, a comprehensive plan of training of about 6,401 officials of Direct Taxes was designed. It consists of three training modules from Level-1(Basics with no prior knowledge) to Level-3 (Advance level).

Level-1 training programme was further divided into different phases. Phase-I of the training programme was conducted at three major stations-Lahore, Karachi and Islamabad, where computer labs are already available. Phase-II of the plan started from July 2009. During this phase training will be provided in all the remaining RTOs and it will be completed by 30th June 2010.

The first training course of Phase II was conducted for Supervisors from 27.07.09 to 01.08.09 at RTO Multan where a new computer lab has been established. 34 officials attended this Level-1 training programme.

The second training program of Phase-II was for officials of Sahiwal Zone which was conducted at DOT Lahore due to non availability of proper computer Labs at RTO Sahiwal. 35 participants attended this course.

The third and fourth training courses were conducted for officials of RTO Gujranwala from 31.08.09 to 05.09.09 and from 07.09.09.to 12.09.09. Eighty officials from Gujranwala attended these short courses and were trained in Computer Basics and Microsoft Word.

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On the Automation Highway



By:
Rehan Haider Kazmi

Automation plays an important role in optimizing information needs for accomplishing basic tasks and goals. Following FBR, DOT is now moving further on its journey dedicated to provide a fully automated working environment and committed to deliver its best for the reforms at FBR. With successful implementation of Human Resource Management Solution (HRMS) at DOT it was imperative to automate other business processes too. Work on 'Training Management Solution' started in February 2009 with the primary scope of Training Management Solution and subsequently that of Budget, Finance and Materials Management Module. The vision behind Training Management Solution was to automate In-service Training Management and Pre-Service/Probationers Training Management. For this purpose complete input was given to the FBR's Internal Automation Team and as a result of joint efforts first Module of Training Management Solution handling In-Service training was delivered. Since its soft launch in July 2009 it is being tested in real time environment at DOT, Lahore. End to end business process from Nomination & Short Listing to Commencement & Feed back is catered in this module. The Module for Pre-Service Training Management is of utmost significance with regards to the Specialized Training Program which is the core function of DOT. This STP Module is in its completion phase and will soon be delivered prior to commencement of the upcoming STP Training. It will cater to issues related to attendance, timetable, course contents, evaluation & result, notices etc.

The first phase is almost complete as both modules of the Training Management Solution will be fully functional shortly. Preliminary work has also started on Budget, Finance, Materials Management and Project Systems Modules. FBR has decided to automate these modules throughout the country by implementing the world's most successful Enterprise Resource Planning (ERP) solution named SAP, which is a German Software and is an abbreviation of Systeme, Anwendungen, Produkte in der Datenverarbeitung in German Language where as in English Language it means System, Applications & Products in Data processing. DOT is nominated as a model office amongst the few selected offices of FBR for requirement analysis purpose to implement SAP. I am obliged for being nominated as focal person and bestowed the opportunity to serve at my best in this project. For country wide implementation of this project, Administration Wing of FBR has established a 'SAP Competency Center' at FBR Head Quarters, Islamabad, under Directorship of Chief (Administration) as Project Director. A bird's eye view on this project reveals that Budget & Finance (Financials & Controlling) will be automated with possibilities for electronic transactions with AGPR. Automation of Materials Management will cover issues like Purchasing, Logistics and Inventory Management etc. Whereas Project Systems Modules will cater to basic data, Work Break-Down Structure (WBS), Operational Structures as well as features for Project Planning. As far as history of SAP is concerned a firm founded in 1970 by six former IBM employees, released its First Financial Software in 1973 and with Continuous development its different advance versions R/1 & R/2 were released in late 70s and early 80s where as SAP R/3 was unleashed in 1990. It kept on growing and today it has more than 25 industry-specific business solutions. SAP has More than 75,000 customers in 120 countries, around 12 million users work each day with SAP solutions, With more than 121,000 installations and 1,500 SAP partners worldwide.

We congratulate FBR's top management on these far-sighted decisions as FBR has revolutionized the automation process by taking excellent initiatives in field of Information Technology, which is a giant Leap towards state-of-the-art automation following world class standards.

As Manager Operations, DOT it's a matter of great honor for me to render my services for implementation of the above mentioned automated systems at DOT and its sub offices. I represented DOT in the four Days work shop on SAP at FBR Head Quarters, Islamabad from 8th to 11th September, last month, where Project Charter, Scope of work along with Work plan was discussed. Our IT team at DOT comprising of Mr. Muhammad Atiq, Mr. Asad Ali, Mr. Khalid Rashid, Mr. Nadeem Ahmad, Mr. Aamir Munir, Mr. Sarfraz Ahmad and myself intends to keep on giving our best leaving no stone unturned in fulfillment of our commitments with FBR and Pakistan.

Suggested Readings

The Lost Symbol
By Dan Brown
Jinnah
By Jaswant Singh
Masters of Battle
By Terry Brighton
Good to Great
By Jim Collins
Think Before It's too Late
By Edward De Bono
Plain Tales From the Raj
By Charles Allen
How To Have a Creative Mind
By Edward De Bono
The Essential Middle East
By Dilip Hiro
CONDI vs HILLARY
By Dick Morris
The Wars Within
By Robbin M. William JR
Jihad
By Ahmed Rashid
Culture & Imperializm
By Edward W. Said
As I Lay Dying
By William Faulkner
Soldier Pay
By William Faulkner
Sugar Street
By Nagub Mahfouz
Beloved City
By Bapsi Sidhwa
My Life
By Bill Clinton
How the Mighty Fall
By Jim Collins

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Message from Member (DT Policy) Mr. Israr Rauf

I am pleased to write this message for the 27th issue of "DOT Gazette" a publication of Directorate General of Training and Research (Income Tax) Lahore, soon after having been entrusted with the responsibility to serve as Member DT-Policy. The role and contribution of FBR is of immense importance in our national economy. The revenue collection by FBR on behalf of Federal Government generates country's revenue resource to bridge fiscal gap. This heavy responsibility on our shoulders demands efficiency, devotion and commitment to work.

This is a very crucial juncture in the history of Federal Board of Revenue. We are actually experiencing transformation within the Department. No doubt, there are apprehensions, obstacles and resistances, but we need to work together with positive mind and open heart to remove the blocking hurdles. We must all bear in mind that we have to remain focused on what is important in the larger national interest. We have to take decisions that will stand the test of time and be in the interest of the Government.

I take this opportunity to emphasize that hard work, integrity and dedication are the three hallmarks of success. I urge the work-force of Income Tax Service to be committed to their job and continue to develop their abilities and improve their skills. Be the catalysts of change and align their behavior to the principles of integrity and commitment. We must all understand the momentous task that lies ahead and I hope and expect that Income Tax department will contribute effectively to the changing requirements, in days to come.

I wish Mr. Naseer Ahmad, Director General, Directorate General of Training and Research (Income Tax) Lahore



and his team, best of luck in their endeavors.

Expanding the Role of DOT (By Mr. Naseer Ahmad DG DOT)

The past few months have witnessed a marked increase in the academic activity at DOT. Due to our commitment to high quality, rigorous academic standards and innovation, all training programmes are reviewed and updated at regular intervals. New modules in existing training programmes have also been added to ensure that we keep up with present policy and reform initiatives.

On July 20th 2009, the Directorate was the venue of a conference which was presided over by Mr. Sohail Ahmad, Chairman FBR. The department, under the dynamic and inspiring leadership of Mr. Sohail Ahmad, is witnessing the emergence of a new organizational ethos, the most salient feature of which is the creation of Inland Revenue Service.

Nobody knows exactly what the future holds in store. But we must be well-prepared to adapt to a different work environment which requires us to be more flexible and more responsive in our approach. This can only be done through proper guidance, training and the development of a new awareness.

This Directorate is therefore committed to exploring new dimensions of Training and Development and has, as a first step conducted a number of workshops, short-term courses and programmes to encourage our officers to think in new ways and discover more effective measures for enhancing their performance, both at the individual and collective levels.

Electronic communication has changed our work patterns. The Directorate, therefore, has increased its focus on IT training programmes for all tiers of FBR employees. 'Leadership', 'change', 'conflict', 'reform' and 'systems thinking' are very important concepts in modern management lingo. This Directorate is committed to translating these concepts into progressive thinking patterns through our various training programmes. The journey ahead may not be easy but we intend to make it worthwhile.

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Message from Director DOT , Ms. Sameera Yasin

I believe Pakistan is a strange country a potpourri of extreme imbalances. One comes across primitiveness and encounters progression, one sees malpractices and views state of the art management techniques, one foresees degradation and deterioration and fosters modernism and reform. What is it that keeps us going? Faith or hope or a vision of some who believe in the incredible to happen. A better tomorrow which is yet awaited and prayed for.

Probably this is what FBR is aspiring for a positive change to bring about facilitation for taxpayers, satisfaction of the workforce and an instrument for a self reliant economy to combat the ills of retarded growth, rampant poverty and low tax to GDP ratio. In this scenario, FBR reflects a silver lining struggling to make a difference. Each and every individual in the organization can make this difference provided there is a passion to do so.

I would like to awaken the hearts, minds and souls of all especially the young officers to strive towards making FBR a symbol of excellence. In the words of a renowned Philosopher, Faiz Siyal-

"Chase your passion and the success follows"