

Outcome - 1

Broaden Tax Base: Rationalize and Restructure Provincial Taxes and Duties.

Tranche 2 Reform Actions	Remarks
i. Finance and Excise and Taxation (E&T) departments and BOR to notify revised policies on urban immovable property tax (UIPT), Agriculture Income Tax, and Stamp Duty respectively and to ensure their implementation through budget fiscal year (FY) 2007.	[Complied with]
ii. Increase provincial tax revenues by at least 14% in FY2006 and incorporate an increase of at least 16% in budget for FY2007.	[Complied with]
iii. E&T Department to approve a time bound action plan for functional reorganization, automation of tax assessment and collection, and improved responsiveness to tax payers.	[Complied with]
iv. E&T Department and Local Government and Rural Development (LG&RD) Department to decentralize UIPT levy and collection to all tehsil municipal administrations (TMAs) in Lahore, Faisalabad, and Sialkot.	[Partially Complied with]