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## PAC Questions FBR Over Sugar Import Tax Reduction

July 17, 2025

– Categories: Finance



The committee, which oversees public spending and ensures accountability in government financial affairs, pointed to a lack of clarity in the process that led to the tax cut. Members asked whether the proper legal and procedural steps were followed before the sales tax was slashed and whether any external pressure or lobbying influenced the decision.

PAC Chairman Noor Alam Khan led the charge, stating that decisions affecting national revenue must be fully justified and documented. He emphasized that reducing taxes on

critical commodities like sugar, which affects millions of households, should not be taken lightly especially when the country is facing fiscal challenges.

The tax reduction, according to reports, came at a time when sugar prices in the domestic market were under scrutiny and imports were being considered to stabilize supply. However, the committee believes that granting such a significant tax relief could lead to revenue losses for the government and possibly benefit only a few importers at the expense of public funds.

In response, FBR officials defended their position, claiming that the move was made in line with government policy aimed at controlling inflation and ensuring sufficient sugar availability in the local market. They argued that by lowering the cost of imported sugar, retail prices would also come down, offering relief to consumers.

Despite the explanation, PAC members remained unconvinced. They requested the FBR to provide detailed documentation supporting the decision, including internal communications, meeting minutes, and any economic assessments used to justify the tax cut.

The committee also asked whether similar relief was being extended to other essential goods or whether sugar importers were given preferential treatment. The FBR was directed to submit a comprehensive report in the next PAC meeting to clarify these points.

This development comes amid broader discussions on tax policy reforms and the need for greater transparency in how fiscal decisions are made. As Pakistan faces mounting economic pressure, parliamentary oversight bodies like the PAC are under increasing pressure to ensure that every rupee is accounted for and that tax decisions serve the public interest.

For now, the PAC's inquiry signals a tougher stance on financial accountability and could set a precedent for how future tax changes are reviewed and implemented.