

**Most Important**



No FD/Banks/ 17890-989 /2017

**FINANCE DEPARTMENT**  
**AZAD GOVT OF THE STATE OF JAMMU & KASHMIR**  
**MUZAFFARABAD**

November 20, 2017

To

1. **The Senior Member Board of Revenue**  
Azad Govt. of the state of Jammu & Kashmir  
**Muzaffarabad**
2. **All Secretaries (PAO's) to Government**  
Azad Govt. of the state of Jammu & Kashmir  
**Muzaffarabad**

Subject: **New Taxation Proposal & Review of Existing Taxes Fee & Tariff in FY 2018-19.**

I am directed to refer to the subject cited above and to state that the revenue contribution of the own receipts of Azad Government of the State of Jammu & Kashmir has either remained stagnant or is continuously decreasing in the overall resource envelop of the State. While the contribution of the receipts from the Federal Taxes & Income Tax receipts from AJ&K Council has steadily been increasing, realization of receipts from own resources has been unable to keep pace with the trends of other sources of revenue. Resultantly, with each passing year the fiscal deficit of the Government of AJ&K is increasing to a level which is undesirable as the lag in State's own receipts is negatively impacting the deficit making it more pronounced.

2. In this regard, a word would also be in order to suggest that departments has not taken any objective analysis of their realizable potential of revenue besides non-availability of an effective regime to mobilize and monitor the collection of existing taxes/fee etc. In this scenario, it is imperative that an extensive exercise is undertaken by the departments to ascertain the following with a view to chalk out a comprehensive program for enhancing the tax/non-tax receipts in their respective ambit:-

- (i). Proposals regarding the levy of new Taxes/Fees, Toll etc. on the items and services not covered yet;
- (ii). Identification of loop holes in the existing regime with a view to put in place the necessary processes & systems aiming enhanced revenue collection;
- (iii). How could the present levies, fees and Taxes be revised/updated to make them consistent with their realizable potential;

3. Proforma for filling the desired information is enclosed.

4. In the Budget Call Circular (BCC) issued by Finance Department the dates for formulation of the proposals for receipts & its submission to the Finance Department both in respect of revised estimates for FY 2017-18 and budget estimates for FY 2018-19 have specifically been mentioned. For your convenience, the same are enclosed again.

5. The departments besides carrying out the above mentioned exercise may also notify the focal person/s in each department not below the rank of Deputy Secretary dealing with budget/accounting matters and share those details with Finance Department. Separate meetings with each department will be convened soon to discuss, evaluate and firm up new revenue (Tax/Non-Tax/Fees/Cess) proposals along with updation/revision of the existing tax /non-tax receipts immediately after the receipt of such proposals from the departments. For the said purpose, an officer of the Finance Department is notified as focal person as per the following details:-

**Mrs. Tasleem Kausar**

Deputy Secretary (Taxes) Finance Department  
Azad Government of the State of Jammu & Kashmir  
Contact #. 05822-921328

6. Your cooperation in this regard along with adherence to the prescribed time lines will be highly appreciated.

**(Jumma Khan)**  
Additional Secretary Finance  
(Budget)

**No & Date Even**

1. PSO to Chief Secretary, Azad Government of the State of Jammu & Kashmir, Muzaffarabad.
2. Secretary Public Service Commission Muzaffarabad.
3. All heads of attached Departments for necessary action.
4. All heads of Development Authorities/Municipal Corporations/ AJK TEVTA for necessary action.
- ✓ 5. All officers of Finance Department for information and necessary action.

  
**Additional Secretary Finance**  
(Budget)



## SCHEDULE FOR ESTIMATE OF RECEIPTS

<b>ITEM</b>	<b>BCC Forms Distribution</b>	<b>Due Date of Submission to Finance Department</b>	<b>Examination and Finalization by Finance Department</b>	<b>Review by Finance Secretary</b>	<b>1<sup>st</sup> Proof</b>	<b>Final Proof</b>
Budget Estimates for 2018-2019 including REs 2017-2018	15.11.2017	15.12.2017	15.12.2017 to 31.12.2017	01.01.2018 to 31.01.2018	01.04.2018	15.05.2018
New Taxation Proposals/ Review of Existing Taxes/ Fee Tariff	-----	15.12.2017	15.12.2017 to 31.12.2017	01.01.2018 to 31.01.2018 (Meetings)	31-03-2018	30.04.2018