

Government of Pakistan
Revenue Division
Federal Board of Revenue

NOTIFICATION

Islamabad, the 6th March, 2023.

S.R.O. 290(I)/2023.— WHEREAS in terms of sub-clause (iii) of clause 1 of Schedule IV to the Anti-Money Laundering Act, 2010 (VII of 2010), the Federal Board of Revenue is AML/CFT regulatory authority in respect of its reporting entities, that is to say real estate agents, jewellers, dealers in precious metals and precious stones and accountants who are not the members of the Institute of Chartered Accountants of Pakistan and the Institute of Cost and Management Accountants of Pakistan;

WHEREAS in terms of clause (c) of sub-section (2) of section 6A of the said Act, the said AML/CFT regulatory authority shall exercise the powers and perform the functions with respect to its reporting entities, *inter alia*, to—

- (i) issue regulations, directions and guidelines with respect to sections 7A to 7H of the said Act; and
- (ii) impose sanctions, including monetary and administrative penalties to the extent and in the manners as may be prescribed, upon their respective reporting entity, including its directors and senior management and officers, who violate any requirement in sections 7(1), 7(3) to 7(6) and 7A to 7H of the said Act and any rules or regulations made thereunder or those who fail to comply with the TFS (targeted financial sanctions) regulations and whereas any person aggrieved by the imposition of sanctions under this clause may prefer an appeal in such manner and within such period to such authority as may be prescribed;

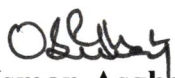
AND WHEREAS in terms of sub-rule (3) of rule 6 of the AML/CFT Sanctions Rules, 2020, the said AML/CFT regulatory authority may follow its existing process, if any, or prescribe the process for recovery of penalty under the applicable law;

NOW, THEREFORE, in exercise of the powers conferred by clauses (c) and (h) of sub-section (2) of section 6A of the said Act, read with sub-rule (3) of rule 6 of the AML/CFT Sanctions Rules, 2020, the Federal Board of Revenue being the AML/CFT regulatory authority in respect of its reporting entities is pleased to notify that only the procedure with regard to recovery of the income tax as prescribed in Chapter XVI of the Income Tax Rules, 2002, with necessary modifications, including the following, consistent with the provisions of the Anti-

Money Laundering Act, 2010 (VII of 2010) and rules and regulations made thereunder shall apply for recovery of the monetary and administrative penalties imposed under the AML/CFT Sanctions Rules, 2020 as if therein,–

- (a) for the expression “Income Tax Ordinance, 2001 (XLIX of 2001)”, the expression “Anti-Money Laundering Act, 2010 (VII of 2010)” were substituted;
- (b) for the expression “Chapter XVI Income Tax Recovery Rules”, wherever occurring, the expression “Chapter XVI Monetary Penalty Recovery Regulations for DNFBPs, 2023” were substituted;
- (c) for the words “rule” and “rules”, the words “regulation” and “regulations” respectively were substituted;
- (d) for the words “tax recovery”, wherever occurring, the words “monetary penalty recovery” were substituted;
- (e) for the words “debt”, “tax” and “arrear” wherever occurring the words “monetary penalty” were substituted;
- (f) for the word “notice”, wherever occurring, the expression “notice in writing under rule 7 of the AML/CFT Sanctions Rules, 2020” were substituted;
- (g) for the word “Commissioner”, wherever occurring, the expression “Director (DNFBPs)” were substituted;
- (h) for the word “taxpayer”, wherever occurring, the expression “DNFBP” were substituted; and
- (i) for the words “Inland Revenue”, wherever occurring, the expression “Directorate of DNFBP” were substituted.

[No.4(11)DD(DNFBPs)/2021]


(Usman Asghar)
Secretary (Income Tax Policy)