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KTBA slams access to taxpayers' information

KARACHI: Tax practitioners have expressed concerns over access to sensitive taxpayers' information by retired tax officers and private persons, which may cause major data breaches in future.

In a letter sent to Federal Board of Revenue (FBR) chairman Asim Ahmad on Monday, the Karachi Tax Bar Association (KTBA) discussed hacking of the FBR/provincial revenue authorities' database managed by the Pakistan Revenue Automation (Private) Limited.

The KTBA drew attention of the chairman towards the perturbing news of hacking of taxpayers' data, which is archived, held and managed by the FBR/PRAL for automation and integration of the federal and provincial taxes.

“It is only a couple of months ago, the system-based notices were issued mechanically U/s 122(5) of the Income Tax Ordinance, 2001 to the taxpayers in bulk but were yielded in a compromising manner when the same was highlighted by the KTBA,” the chairman was informed.

The data contains sensitive information, comprising personal and business information, including but not limited to IBANs, CNIC, and date of birth, passport, which in many ways are associated with the taxpayers' banks (both individual and business accounts) and other DFIs both domestically and internationally.

“Given the practice that [the] data is hoisted and archived at Cloud system resource; hence, any casual approach in its protection may not only compromise the sovereignty of Pakistan but is likely to end up in grave consequences for the taxpayers domestically and internationally,” the KTBA added.

Time and again, the tax bar association had objected to the involvement of former FBR employees and other private persons in the official work across field formations; who are hired by the officers and supervisory staff and are allowed to access the private information/data of the taxpayers in soft, as well as in hard contents that also make the data vulnerable.

The tax bar urged the chairman that all the steps should be brokered (in association with other regulators) to avoid the data breach recurrences in the future.