

Promotion of tax culture in Pakistan: Perspective, prospects and challenges

OUTLINE

1. Introduction

Thesis statement: Enhancing Pakistan's tax culture is a multifaceted endeavor that necessitates a thorough examination of current taxation status, exploration of methods to boost tax compliance and strategic measures to overcome the challenges. All these are important for fostering long-term economic growth in Pakistan.

2. Brief overview of the tax culture system in Pakistan

3. Different perspectives encompass a range of ideas to foster a more positive attitude towards taxation

(a) The government sees the promotion of tax culture as essential for increasing revenue collection and reducing fiscal deficits.

(b) The public perspective often includes concerns about fairness of taxation and the misuse of tax revenue

(c) Businesses may view increased taxation as a burden and may engage to reduce tax liability

(d) Youth have a more open-minded and progressive outlook on taxation

4- The bright prospects for promotion of tax culture in Pakistan

- (a) Enhancing tax culture can help reduce budget deficit and reliance on external loans
- (b) A more robust tax culture can make Pakistan a more attractive destination for foreign investment
- (c) Increased tax revenue can lead to better public services including healthcare, education, and infrastructure
- (d) Building a tax culture can encourage improvement in tax administration
- (e) A stronger tax culture can improve Pakistan's standing on international platforms
- (f) A strong tax culture can ensure the long-term sustainability of government programs

5- Challenges to promotion of tax culture in Pakistan

- (a) Corruption and tax evasion pose significant obstacles to improving tax culture
- (b) Inefficient tax administration hinders tax compliance
- (c) Political interference in tax matters can lead to inconsistent tax policies

- (d) Traditional and outdated tax laws make it challenging to change citizens' attitude towards taxation
- (e) Wide income disparities and poverty in Pakistan can make it difficult to implement tax policies
- (f) Informal economy is a substantial challenge in promoting tax culture in Pakistan.

6- Conclusion

if this outline goes well, should I consider writing an essay on this topic?

b. The informal sector offers flexibility, making it an attractive option to start a business at low cost

c. Informal sector allows to evade from tax category (evasion)

5- A way forward to address Pakistan's informal economy

a. provision of tax breaks and other financial incentives for businesses to formalize

b. Strengthening microfinance institution and expanding their outreach (financial literacy and awareness)

c. Vocational training programs to improve literacy and numeracy skills

d. Establishing comprehensive social protection systems for informal workers (pension schemes)

e. Protecting workers from exploitation and unsafe working condition (labor rights and regulations)

How will these encourage formalisation?
If these organisation have to register and then follow
All these reforms and regulations why will they register

f. Empowering small and medium enterprises to expand their customer reach and customer base (transition to formal sector)

g. Strengthening tax compliance mechanisms and implementing fair and simplified tax system

why ✓

c → awareness about formal business

d → social scheme that a person would be able to enjoy the benefits ^{even} after his retirement
(pension schemes)

e) to ensure the safety of labor rights in formal business

f → enhance customer reach (supporting small business) to make them formal