RASG IMPACT

September, 2026

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JUDGMENT OF THE MONTH

SUPREME COURT CLARIFIES SCOPE OF TAX AVOIDANCE UNDER SECTION 109 OF THE INCOME TAX ORDINANCE, 2001

COMMISSIONER INLAND REVENUE, KARACHI V. EFU GENERAL INSURANCE LIMITED & OTHERS

The Supreme Court of Pakistan, through its detailed judgment dated September 16, 2026, has clarified the scope and application of section 109 of the Income Tax Ordinance, 2001, relating to the re-characterisation of transactions constituting tax avoidance schemes.

The controversy arose when certain insurance companies sold and subsequently repurchased shares to recognise their increased market value in their financial statements. The tax authorities treated these transactions as tax avoidance arrangements and sought to re-characterise the exempt capital gains as taxable appreciation of investments under the Fourth Schedule to the Ordinance.

The Supreme Court held that **the mere existence of a tax benefit does not automatically render a genuine commercial transaction a tax avoidance scheme.** For invoking section 109, avoidance or reduction of tax must constitute the main purpose of the transaction rather than being merely incidental or consequential.

The Court observed that the principal purpose of the transactions was to reflect the increased market value of investments in the companies' financial statements and improve their financial position, while the resulting tax benefit was incidental. Accordingly, the Supreme Court upheld the findings in favour of the taxpayers and dismissed the Revenue's appeals.

Significance: The judgment reinforces the distinction between legitimate commercial arrangements resulting in tax benefits and transactions principally undertaken for tax avoidance. It provides important guidance on the application of anti-avoidance provisions to genuine business transactions, including corporate restructuring and investment arrangements.

TECHNICAL UPDATES

FEDERAL INCOME TAX

Introduction of Faceless Audit and Assessment Framework – SRO 1665(I)/2026

The Federal Board of Revenue, through its SRO 1665(I)/2026 dated September 29, 2026, has made amendments to the Income Tax Rules, 2002 introducing a new Chapter XX prescribing rules for performing Faceless Audit and Assessment.

The framework provides for the conduct of audits under sections 177 and 214C, assessments and amendments of assessments, proceedings under section 111, and related matters through the National Faceless Centre (NFC). The Centre will comprise separate Audit, Assessment, Quality Control and Field Operations Wings, with cases allocated through an automated algorithm to ensure that audit, assessment and quality control functions are performed by separate officers or units.

All notices and communications will be generated electronically with a Digital Identification Number (DIN), while taxpayers will be required to submit replies, documents and evidence through their designated IRIS account. The Audit Unit may seek additional information, technical assistance, physical verification and conduct e-hearings where required, after which the audit report will be electronically transmitted to the Assessment Unit. A separate Quality Control Unit will review audit reports and assessment orders, while physical verification may be carried out by the Field Operations Wing when considered necessary.

The proposed rules also provide for transfer of cases from the NFC where faceless proceedings cannot be effectively conducted, including circumstances involving extensive physical records, repeated physical verification, search, seizure or prosecution proceedings. The rules will become effective from a date to be notified by the FBR through the official Gazette.

SRO Issued by FBR Regarding Valuation of Immovable Property – 2026 - SRO 1513(I)/2026

Under sub-section (4) of section 68 of the Income Tax Ordinance, 2001, the Federal Board of Revenue has through its SRO 1513(I)/2026 dated September 09, 2026 revised the valuation of immovable property in the city of Rawalpindi:

Jurisdiction and Regulatory Oversight of DNFBPs – SRO 1497(I)/2026

The Federal Board of Revenue, through SRO 1497(I)/2026 dated September 02, 2026 clarifies the territorial jurisdiction and assignment of officers of the Directorate General DNFBPs for supervision and regulation of DNFBPs under the AMLA, 2010, specifying the responsible officers for different regions, including Karachi, Hyderabad, Sukkur, Lahore, Islamabad, Quetta and Khyber Pakhtunkhwa.

Proposed Amendments to Alternative Dispute Resolution (ADR) Procedure – SRO 1496(I)/2026

The Federal Board of Revenue, through SRO 1496(I)/2026 dated September 02, 2026 proposes to substitute Rule 231C of the Income Tax Rules, 2002 to provide a detailed framework for Alternative Dispute Resolution under section 134A of the Income Tax Ordinance, 2001. The proposed rule applies to disputes brought for ADR, including cases involving identical issues. The applicant would be required to submit the prescribed application along with details of the nominated person, an undertaking, and three proposed retired judges for consideration as Chairperson, together with their prescribed particulars.

The proposal also prescribes lump-sum remuneration for Committee members based on the disputed tax liability, along with applicable TA/DA. Identical applications of the same taxpayer may be clubbed where the same Chairperson is appointed within the prescribed period. It further provides that no remuneration will be payable where a Committee is dissolved for reasons not attributable to the FBR or taxpayer, with any advance to be refunded within 15 days. A Chairperson or member becoming unavailable or having a conflict of interest must notify the FBR within seven days, subject to restrictions on withdrawal after payment of remuneration.

The amendments also introduce prescribed forms for the ADR process, including an application for resolution of the dispute under section 134A and a separate application for withdrawal of a pending appeal, reference or civil appeal after constitution of the ADR Committee, with provision for reinstatement if the Committee fails to decide the matter within the stipulated period.

Special Tax Procedure for Non-Resident Social Media Content Creators - SRO 1642(I)/2026

The Federal Board of Revenue, through SRO 1642(I)/2026 dated September 23, introduces Chapter VA in the Income Tax Rules, 2002 under section 99C to prescribe a special procedure for computing and taxing income earned by non-resident persons from remunerative social media content where the income qualifies as Pakistan-source income. The rules apply where interaction with users in Pakistan exceeds 50,000 users in a tax year or 12,250 users in a quarter. The minimum taxable income is determined as total remuneration less allowable expenses, capped at 30% of total revenue, while total remuneration is generally the higher of the prescribed calculation and actual remuneration received in cash or kind, subject to the taxpayer demonstrating otherwise to the Commissioner.

The prescribed calculation states that the remuneration would be calculated as Rs. 195 per 1,000 YouTube views (RPM), subject to revision by FBR from time to time. Persons covered by the procedure are required to pay quarterly advance tax under section 147 based on the prescribed computation and declare the income in a special section of the annual income tax return. Where declared income is below the amount required under the rules, the Commissioner may rectify the return and recover the resulting tax. All other provisions of the Income Tax Ordinance, 2001 continue to apply where not specifically addressed, and the rules define key terms including social media platform, social media content, remunerative social media content and revenue per mille (RPM).

Special Tax Procedure for Resident Social Media Content Creators – SRO 1641(I)/2026

The Federal Board of Revenue, through SRO 1641(I)/2026 dated September 23, 2026 introduces Chapter IIA in the Income Tax Rules, 2002 under section 99C to prescribe a special procedure for computing and taxing income earned by resident persons from remunerative social media content. The taxable income is calculated as total remuneration less allowable expenses, with expenses capped at 30% of total revenue. Total remuneration is taken as the higher of Rs. 195 per 1,000 YouTube views (revenue per mille/RPM) or the actual remuneration received in cash or kind, with the RPM subject to revision by FBR;

where the taxpayer claims that actual remuneration is lower than the prescribed calculation, evidence must be provided to the satisfaction of the Commissioner.

Persons covered by the procedure are required to pay quarterly advance tax under section 147 based on the prescribed calculation and declare the income in a special part of the annual income tax return. If the declared income is lower than the amount determined under the prescribed formula, the Commissioner may rectify the return and recover the additional tax due. The S.R.O. also defines social media platform, social media content, remunerative social media content and revenue per mille, while all other provisions of the Income Tax Ordinance, 2001 continue to apply where not specifically covered by these rules.

Recovery of AML/CFT Penalties from Persons Holding Money on Behalf of DNFBPs – SRO 1659(I)/2026

The Federal Board of Revenue, through SRO 1659(I)/2026 dated September 28, 2026 has amended the existing framework for recovery of AML/CFT monetary and administrative penalties imposed on Designated Non-Finance Business or Profession (DNFBPs), extending the recovery procedure to Chapter XVI-A for recovery from persons holding money on behalf of a DNFBP.

Extension in Due Date for Filing Income Tax Return (Tax Year 2026) – Circular No. 03 of 2027

The Federal Board of Revenue, through Circular No. 3 of 2026-27 dated September 30, has extended the due date for filing the Income Tax Return from September 30, 2026, to October 15, 2026. Subsequently this due date has been further extended to October 31, 2026.

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FEDERAL SALES TAX

Minimum Retail Value of Ghee and Cooking Oil for Sales Tax – SRO 1632(I)/2026

The Federal Board of Revenue, through SRO 1632(I)/2026 dated September 18, 2026 has prescribed minimum values (inclusive of sales tax) for domestically produced vegetable and animal fats, oils, ghee and cooking oil for sales tax purposes, based on the average national retail price published by Pakistan Bureau of Statistics (PBS), less Rs. 25 per kg for persons compliant with FBR's digital invoicing and production monitoring system.

In addition to the above, certain suppliers have been categorized as Category A, B & C, whereby the above mentioned minimum price would be adjusted according to the category of supplier. The notification is applicable up to the tax period of November 2026; where the actual supply value is higher than the prescribed value, sales tax will be charged on the higher value.

Extension of Input Tax Adjustment Restriction Exemption for Oil and Ghee Suppliers Until November 30, 2026 – SRO 1631(I)/2026

The Federal Board of Revenue, in exercise of the powers conferred under the second proviso to sub-section (1) and sub-section (4) of section 8B of the Sales Tax Act, 1990 through SRO 1631(I)/2026, has further

amended Notification No. S.R.O. 1190(I)/2019 dated October 2, 2019,. The amendment introduces a new entry at Serial No. 4 in Table-2 of the said notification, covering registered persons engaged in the supply of oil and ghee who comply with the FBR's digital invoicing and production monitoring system and pay sales tax at retail price under Serial No. 56 of the Third Schedule to the Sales Tax Act, 1990. The specified treatment shall remain applicable until November 30, 2026.

Extension of Electronic Invoicing Framework to FED and ICT Services – SRO 1666(I)/2026

The Federal Board of Revenue, through SRO 1666(I)/2026 dated September 29, 2026 has amended the Sales Tax Rules, 2006 to extend the electronic invoicing and integration framework to persons liable to Federal Excise Duty (FED) and tax on services under the Islamabad Capital Territory (Tax on Services) Ordinance, 2001.

The amendments provide for common electronic invoicing for sales tax, FED and ICT services, with no separate technical integration or integrator licence required where a person is already integrated with FBR. Electronic invoices must include specified FED particulars, while debit notes, credit notes and advance receipt invoices are also required to be issued electronically and retained for six years. The amendments further strengthen enforcement by allowing FBR to recover tax or duty where supplies are invoiced but not properly reported in the relevant returns.

Extended Validation Checks for Sales Tax Refunds – SRO 1498(I)/2026

The Federal Board of Revenue, through SRO 1498(I)/2026 dated September 04, 2026 has amended the rule 29 and 39F of the Sales Tax Rules, 2006 to extend the validation process for amounts subject to refund processing. After the existing eight validation checks, any amount remaining uncleared or unverified will now undergo four additional weekly validation checks through the system. If the amount remains uncleared or unverified after these additional checks, it will thereafter be processed under the STARR module in accordance with Chapter V.

Revised Sales Tax Rates for Steel Manufacturers – SRO 1664(I)/2026

The Federal Board of Revenue, through SRO 1664(I)/2026 dated September 29, 2026 has amended S.R.O. 1245(I)/2026 dated July 31, 2026, to revise the mechanism for collection of sales tax on electricity consumed by steel manufacturers.

Under the revised provisions, steel re-rollers manufacturing steel bars, irrespective of whether they use imported or locally sourced raw materials, shall pay sales tax at the rate of Rs. 30 per electricity unit consumed.

Steel melters and composite units operating in former FATA and PATA using locally sourced remeltable scrap shall be subject to sales tax at Rs. 20 per electricity unit, with a reduced rate of Rs. 5 per unit applicable where the prescribed threshold for imported raw materials or qualifying scrap purchases is exceeded.

Steel re-rollers operating in these territories shall also pay sales tax at Rs. 20 per electricity unit. Furthermore, eligibility for the reduced rate for newly established businesses and resumed operations shall be determined on the basis of quarterly imports or purchases.

The amendment also clarifies that sales tax collected under this mechanism shall be adjustable against output sales tax, introduces production monitoring requirements for determining manufacturers' classification and provides that an electricity connection associated with a steel business shall remain unchanged despite changes in ownership or the nature of the business.

Exemption of Locally Manufactured Hybrid Electric Vehicles up to 2000cc from 25% Sales Tax – SRO 1525(I)/2026

The Federal Government, through SRO 1525(I)/2026 dated September 13, 2026, amends S.R.O. 297(I)/2023 to exclude locally manufactured hybrid electric vehicles with an engine capacity of up to 2000cc from the 25% sales tax rate prescribed under Table-II.

The amendment takes effect immediately.

Rescission of S.R.O. 978(I)/2004– Condonation of Time Limit for Adjustment/Refund of Input Sales Tax – SRO 1634(I)/2026

The Federal Board of Revenue, in exercise of the powers conferred under section 74 of the Sales Tax Act, 1990, through SRO 1634(I)/2026 dated September 21, has rescinded S.R.O. 978(I)/2004 dated December 10, 2004,.

The earlier notification empowered the Collector of Sales Tax to condone the prescribed time limit for adjustment or refund of input sales tax under section 66, subject to specified conditions, including compliance with section 73, valid transaction documentation, and verification of the supplier's and buyer's registration status.

Accordingly, the said facility under S.R.O. 978(I)/2004 stands withdrawn.

Introduction of Electronic Scrutiny and Intimation of Sales Tax Discrepancies – SRO 1655(I)/2026

The Federal Board of Revenue, in exercise of the powers conferred under section 50, read with sub-sections (1) and (4) of section 50B of the Sales Tax Act, 1990, through SRO 1655(I)/2026 dated September 25, has amended the Sales Tax Rules, 2006,. The amendment introduces a new Chapter XII-A after Rule 150H, establishing a procedure for the electronic scrutiny, analysis and cross-matching of sales tax returns and other available data of registered persons through the computerized system implemented by the Board.

Under the new procedure, the system may issue online advice or advance intimations through IRIS, highlighting factual or legal errors and discrepancies to enable registered persons to clarify issues, rectify errors or take corrective action before the initiation of any legal or penal proceedings. Such system-generated intimations may also be issued by the Officer of Inland Revenue having jurisdiction over the registered person. The intimation must provide a response period of at least seven days. In the event of non-response within the stipulated period, a reminder allowing a further period of at least seven days shall be issued.

The record of detected discrepancies, intimations issued and responses received shall be communicated to the concerned Officer of Inland Revenue and will be maintained on the system dashboard. The procedure shall be implemented through a Change Request Form (CRF) to ensure the smooth and efficient operation of the computerized system. The Officer of Inland Revenue having jurisdiction shall examine the registered person's response and take appropriate action, where necessary, under the relevant provisions of the Sales Tax Act, 1990, and the rules made thereunder.

Strengthening of Sales Tax Compliance Through Business Premises Sealing and Production Monitoring – SRO 1662(I)/2026

The Federal Board of Revenue, through SRO 1662(I)/2026 dated September 29, 2026 introduces procedures for sealing and de-sealing the business premises of non-integrated persons, other than Tier-1 retailers, and strengthens production monitoring requirements through authorized systems, digital surveillance, and tax identification marks. It also establishes procedures for the seizure and confiscation of non-compliant goods and conveyances, including adjudication, penalties, and appeals under the Sales Tax Act, 1990.

Introduction of Faceless Audit and Assessment under Sales Tax and Federal Excise Laws – SRO 1663(I)/2026

The Federal Board of Revenue, through SRO 1663(I)/2026 dated September 29, 2026 introduces a new chapter in the Sales Tax Rules, 2006, establishing procedures for faceless audit and assessment through the National Faceless Centre. The framework provides for electronic notices and submissions through IRIS, separate allocation of audit, assessment and quality control functions, e-hearings, physical verification where necessary, and application of the framework to specified proceedings under the Federal Excise Act, 2005. Its implementation will commence from dates notified by the FBR.

PROVINCIAL TAX

SRB

Extension in Due Date for Filing Sindh Agricultural Income Tax Return (AIT-03) – Circular No. 02/2026

The Sindh Revenue Board, through Circular No. 2/2026, has extended the due date for filing the Sindh Agricultural Income Tax Return (AIT-03) from September 30, 2026, to October 31, 2026, providing an additional one month to the persons required to file the return.

KPRA

Exemption from Khyber Pakhtunkhwa Sales Tax on Services for Service Providers in ex-FATA and PATA

The Khyber Pakhtunkhwa Revenue Authority (KPRA), through Notification No. KPRA/Admn/GN/2026/3637 dated September 01, 2026, has granted exemption from the whole of sales tax on services provided in the erstwhile FATA and PATA areas, effective from August 1, 2026, to June 30, 2027.

The exemption applies to specified businesses, including accommodation and food services, construction, healthcare, transportation, repair and maintenance, and professional services, subject to prescribed conditions. Eligible service providers must be bona fide residents of these areas who operate their businesses within the areas, and provide services that originate and terminate exclusively therein.

The exemption excludes specified services and businesses, including services relating to government-funded projects and certain branches or franchises operating in the settled areas.

Exemption from Sales Tax on Services Received by Eligible Industrial Undertakings in ex-FATA and PATA

The Khyber Pakhtunkhwa Revenue Authority (KPRA), through Notification No. KPRA/Admn/GN/2026/3638 dated September 01, 2026, has granted a full exemption from sales tax on taxable services received by eligible industrial undertakings established and operating in the erstwhile FATA and PATA, effective from August 1, 2026, to June 30, 2028.

The exemption applies to qualifying manufacturing, mineral processing, agro-based, forestry, wood-based, engineering and fabrication industries, subject to conditions including registration solely as a withholding agent, use of services exclusively for business activities, and services being physically rendered and consumed within the specified areas. Services provided from outside these areas, including transportation, insurance, security and remote or digital services, are excluded.

The exemption is subject to complete disclosure of services in sales tax returns or withholding statements and does not apply to branches, franchises or other units linked to similar industrial undertakings operating in settled areas or elsewhere in Pakistan. No refund or adjustment is allowed for tax deposited before the notification took effect.

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CORPORATE LAWS

SECP Proposes Amendments to NBFC and Notified Entities Regulations, 2008 – SRO 1638(I)/2026

The Securities and Exchange Commission of Pakistan (SECP), through S.R.O. 1638(I)/2026 dated September 17, 2026, has proposed amendments to the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The amendments propose increasing the annual business income threshold for the definition of a "poor person" under Regulation 2(1)(xxxiva) from Rs. 1.2 million to Rs. 1.5 million.

The proposed enhancement would broaden the category of individuals eligible for microfinance facilities. Furthermore, the annual turnover limits for small enterprises are proposed to be revised to above Rs. 30 million and up to Rs. 400 million, while medium enterprises would comprise businesses having annual turnover above Rs. 400 million and up to Rs. 2 billion.

Additionally, the proposed amendments seek to increase the maximum financing limits for housing loans to poor persons and loans to microenterprises from Rs. 3 million to Rs. 5 million each, while retaining the existing general loan limit for poor persons at Rs. 500,000. These revisions are intended to facilitate greater access to financing, expand the scope of microfinance lending and accommodate businesses with higher

turnover. The amendments have been published in draft form, with stakeholders invited to submit comments or suggestions within 14 days of their placement on SECP's website.

SECP Extends Compliance Timeline for Insurers by Three Months – SRO 1637(I)/2026

The Securities and Exchange Commission of Pakistan, through SRO 1637(I)/2026, dated September 17, 2026 has partially modified its earlier notification SRO 1447(I)/2025 dated August 4, 2025, by extending the time period specified in paragraphs 1 and 3 of the earlier notification by three months from the date of the new notification. All other requirements and directions under the earlier notification remain unchanged. This extension provides additional time for insurers registered under the Insurance Ordinance, 2000, to comply with the specified requirements.

SECP Mandates Passive Equity Sub-Funds for Pension Fund Managers – Circular No. 20 of 2026

The Securities and Exchange Commission of Pakistan, through Circular No. 20 of 2026 dated September 25, 2026, has directed all Pension Fund Managers (PFMs) to offer a Passive Equity Sub-Fund under each Voluntary Pension Fund managed by them, either in the form of an Index Sub-Fund or an Exchange Traded Fund (ETF) Sub-Fund. PFMs are required to make the necessary amendments to the constitutive documents of their respective funds before January 1, 2027. This requirement does not apply to Employer Pension Funds, and the Circular will take effect from January 1, 2027.

SECP Amends Investment and Allocation Policies for Pension Funds – Circular No. 21 of 2026

The Securities and Exchange Commission of Pakistan, through Circular No. 21 of 2026, dated September 25, 2026 has amended Circular No. 12 of 2021 concerning investment and allocation policies for pension funds under the Voluntary Pension System Rules, 2005.

The amendments introduce investment requirements for Exchange Traded Fund (ETF) Sub-Funds, requiring at least 95% of their net assets to be invested in listed passive equity ETFs, with the remaining amount placed in eligible short-term government securities or deposits with scheduled commercial banks rated at least 'A'. Investment in any sector-specific Equity ETF is capped at 35% of the sub-fund's net assets. The ETF Sub-Fund must operate as a Fund of Funds, while the annual management fee is capped at 0.75% of average daily net assets, with no management fee chargeable on investments in ETFs managed by the same PFM.

The amendments also revise the allocation schemes that Pension Fund Managers must offer to participants, specifying minimum and maximum allocations across equity/index/ETF, debt, commodity and money market sub-funds according to the applicable scheme and fund structure.

CHALLENGES / OPPORTUNITIES

From Manager to Leader: Why Technical Competence Is No Longer Enough

Prof. Dr. Muhammad Ovais, Executive Director

For decades, professional success was largely built on technical competence. Accountants were expected to understand numbers, engineers to solve technical problems, auditors to master standards, and managers to know their functions better than the people they supervised.

Technical competence still matters. **But it is no longer enough.**

Organizations today operate in an environment shaped by rapid technological change, artificial intelligence, evolving regulations, economic uncertainty, changing employee expectations, and increasing stakeholder scrutiny. In this environment, organizations need more than technically capable managers. They need **leaders who can provide direction, build trust, develop people, manage change, and make sound decisions when the answer is not obvious.**

Management and Leadership Are Not the Same

Management is primarily concerned with organizing resources, allocating work, monitoring performance, meeting deadlines, and maintaining control. These responsibilities remain essential.

Leadership goes further.

A manager may ensure that a team completes its assignments on time.

A leader ensures that people understand **why the work matters, what success looks like, and how their individual contribution supports the larger objective.**

Management asks:
"Are we doing the work correctly?"
Leadership also asks:
"Are we doing the right work, and are we taking our people in the right direction?"

Strong professionals need both capabilities.

The Technical Expert Trap

Many managers reach supervisory positions because they are technically strong. The best accountant becomes finance manager. The strongest auditor becomes audit manager. The experienced engineer becomes project head.

But the skills that earn a person promotion are not necessarily the same skills required to succeed after promotion.

A technically brilliant manager may still struggle to delegate, communicate expectations, resolve disagreements, motivate employees, provide constructive feedback, or develop successors. Some managers continue solving every problem themselves because that is where they feel most competent.

This creates what may be called the **technical expert trap**.

The manager remains the team's chief problem-solver instead of becoming the person who enables others to solve problems.

The result can be dependency, slow decision-making, weak succession, and an underdeveloped team.

From Controlling Work to Enabling People

The transition from manager to leader requires a fundamental change in mindset.

Instead of asking, **"How can I get this done?"**, the leader increasingly asks, **"How can I enable my team to get this done successfully?"**

This does not mean giving up accountability or control. It means replacing unnecessary control **with clarity, delegation, coaching, and appropriate oversight.**

Effective leaders define expectations clearly, give people sufficient authority to perform their responsibilities, remain available when support is needed, and hold individuals accountable for results.
When employees are trusted appropriately, they begin to think, decide, and take ownership rather than simply wait for instructions.

Emotional Intelligence Has Become a Business Skill

Technical knowledge helps managers understand problems. **Emotional intelligence helps them understand people.**

Modern workplaces bring together individuals from different generations, professional backgrounds, cultures, and working styles.

Leaders must recognize how their words, behavior, and decisions affect others.

This requires self-awareness, empathy, listening, emotional control, and the ability to handle difficult conversations professionally.

A leader does not need to agree with everyone. Nor does leadership mean avoiding tough decisions. In fact, effective leaders sometimes need to challenge poor performance, reject proposals, restructure responsibilities, or make unpopular decisions.

The difference lies in **how those decisions are communicated and implemented.**

People are more likely to accept difficult decisions when they believe the process is fair, the reasoning is clear, and they have been treated with respect.

Leadership in the Age of AI

Artificial intelligence and automation are making leadership capabilities even more important.

Technology can analyze data, prepare reports, identify patterns, automate routine processes, and increasingly support technical decision-making. As these capabilities expand, the value of a manager cannot rest primarily on possessing information that others do not have.

The manager's value increasingly lies in **judgment, context, ethics, communication, accountability, and the ability to bring people together around decisions.**

AI may recommend an action. Someone must still determine whether that action is appropriate.

A dashboard may identify declining performance. Someone must still have the conversation with the employee.

Technology can provide information. **Leadership gives that information direction and meaning.**

The Skills Modern Leaders Need

Organizations should therefore develop managers beyond technical training. Today's leaders increasingly require a broader combination of capabilities:

- **Strategic thinking:** Understanding the bigger picture rather than focusing only on immediate tasks.
- **Communication:** Explaining expectations, decisions, and priorities clearly.
- **Emotional intelligence:** Understanding oneself and responding effectively to others.
- **Delegation and empowerment:** Giving people responsibility, authority, and room to grow.
- **Decision-making:** Acting responsibly even when information is incomplete.
- **Change leadership:** Helping teams understand and adapt to new systems, technologies, structures, and expectations.
- **Coaching and development:** Building capability in others rather than becoming indispensable themselves.
- **Ethical judgment:** Considering not only what can be done, but what should be done.

Leadership Is Not a Position

Perhaps the most important shift is recognizing that leadership is not created by a designation.

A promotion may give someone authority, but **authority does not automatically create influence, trust, or respect.** These must be earned through behavior.

Employees observe whether managers listen, keep commitments, accept responsibility, give credit, remain consistent under pressure, and apply standards fairly. Over time, these everyday behaviors determine whether people merely report to a manager or genuinely follow a leader.

Organizations should therefore stop treating leadership development as something reserved for senior executives. Leadership capability should be developed from the early stages of a professional career.

The Way Forward

Technical competence remains the foundation of professional credibility. No organization should compromise it. But the workplace has changed, and the expectations placed on managers have changed with it.

The successful manager of the future will not necessarily be the person who knows the most, controls the most, or personally solves the most problems.

It will increasingly be the person who can **combine technical knowledge with judgment, communication, emotional intelligence, adaptability, and the ability to develop others.**

The transition from manager to leader begins when professionals stop measuring their value only by what they can personally accomplish and start measuring it by **what their teams can accomplish because of their leadership.**

Technical competence may earn the managerial position. Leadership determines what you achieve with it.

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LIFE AT RASG

A Proud Milestone for RASG

Great achievements are built on knowledge, dedication, collaboration, and the commitment to excel.



We are proud to celebrate the successful development and publication of the RASG Annual Treatise on Taxation 2026 a significant professional milestone reflecting the collective expertise, commitment, and hard work of our team.



The successful completion of the RASG Annual Treatise on Taxation 2026 is not only an accomplishment—it is a reflection of what can be achieved when individuals come together with a shared purpose and a commitment to excellence.



At RASG, we believe professional excellence grows when knowledge is shared, people are encouraged to contribute, and teams work together with a common purpose. Initiatives such as the Annual Treatise are part of our continuing commitment to developing professionals, strengthening technical capabilities, and creating knowledge that adds value to the profession and the wider business community.

We extend our sincere appreciation to everyone who contributed their time, expertise, ideas, and dedication to this important publication. Your collective effort has transformed an ambitious initiative into an achievement we can all be proud of.

Another milestone achieved. Another benchmark established. And another reason to be a Proud RASGian.

RASG IS HIRING

RASG Placement

Position: Tax Manager
Deprtment: Taxation and Strategic Advisory
Location: Karachi

We are seeking an experienced Tax Manager to lead complex tax engagements and help clients make informed strategic decisions in an evolving regulatory and commercial environment. The role combines technical tax expertise with commercial insight. You will advise clients on the tax implications of investments, business models, restructuring, and cross-border transactions—evaluating alternatives, explaining trade-offs, and translating technical analysis into practical recommendations. A central challenge will be to provide clear, defensible advice where legislation is complex, interpretations differ, information is incomplete, and business decisions are time-sensitive. You will balance clients' commercial objectives with compliance obligations, financial exposure, implementation constraints, and reputational considerations. Alongside strategic advisory, you will oversee compliance and dispute engagements, develop teams, strengthen client relationships, and contribute to the growth of the firm's practice.

Key Responsibilities

Strategic Advisory and Business Decision Support

- Lead tax advisory engagements relating to business expansion, investments, restructuring, financing arrangements, and other significant corporate transactions.
- Develop a clear understanding of each client's business model, industry, ownership structure, and strategic priorities to ensure advice addresses the underlying business decision.
- Evaluate alternative transaction structures and courses of action, assessing their tax implications, cash-flow effects, compliance requirements, implementation feasibility, and potential dispute exposure.
- Translate complex technical findings into clear recommendations, setting out available options, key assumptions, uncertainties, and commercial trade-offs.
- Prepare and present tax opinions, decision papers, reports, and presentations for senior management and other relevant stakeholders.
- Support the implementation of agreed recommendations, coordinating with clients' finance, legal, and operational teams and other professional advisers.
- Identify opportunities for proactive advisory support through reviews of clients' existing arrangements, emerging risks, and planned business activities.

Regulatory Interpretation and Tax Risk

- Assess complex issues across Pakistan's federal and provincial direct and indirect tax framework, including matters involving overlapping requirements or differing interpretations.
- Monitor legislative changes, judicial developments, and tax authority practices, and explain their implications for clients' current operations and future plans.

- Apply sound professional judgment where the legal position is uncertain, documenting the basis of advice, alternative interpretations, and matters requiring specialist input or Partner consultation.
- Help clients develop practical tax risk-management processes, strengthen documentation, and prepare for scrutiny by tax authorities.
- Escalate significant technical, commercial, ethical, and reputational risks promptly, with a clear assessment and recommended response.

Engagement Delivery, Compliance and Disputes

- Manage engagements from scoping and planning through delivery, ensuring technical quality, appropriate resourcing, timely completion, and effective communication.
- Oversee and review income tax, sales tax, withholding tax, federal excise tax, and other applicable returns, computations, reconciliations, and statutory filings.
- Lead assessments, audits, notices, appeals, and dispute matters, including the preparation and review of submissions and representations before relevant authorities and forums.
- Develop dispute strategies in consultation with the Partner, considering the technical merits, quality of evidence, financial exposure, procedural requirements, and commercial consequences.
- Ensure working papers and deliverables clearly support conclusions and meet the firm's quality and documentation standards.

Client Relationships and Practice Growth

- Serve as a trusted adviser and key client contact, managing expectations and communicating difficult or uncertain conclusions with clarity and confidence.
- Build relationships with senior client stakeholders and anticipate advisory needs arising from business or regulatory developments.
- Contribute to proposals, engagement scoping, fee discussions, and business development initiatives.
- Manage engagement budgets, scope changes, resource utilization, and profitability in consultation with the Partner.
- Coordinate with overseas teams on cross-border engagements and undertake international assignments or secondments, as required.

Leadership and Professional Standards

- Lead, coach, and develop tax professionals and trainees, strengthening both technical capability and commercial judgment.
- Encourage critical analysis, constructive challenge, and clear, practical communication across the team.
- Manage competing deadlines and complex assignments while maintaining quality and effective supervision.
- Uphold the firm's standards for ethics, independence, confidentiality, conflicts of interest, information security, and risk management.

Key Challenges of the Role

Success in this position will require the ability to:

- Advise through uncertainty: Develop reasoned recommendations where legislation, precedent, or administrative practice does not provide a straightforward answer.

- Balance competing priorities: Reconcile commercial objectives with tax obligations, cash-flow pressures, risk appetite, and long-term business interests.
- Work with incomplete information: Identify critical information gaps, test assumptions, and explain how those limitations affect the advice.
- Turn advice into action: Design recommendations that clients can implement within their systems, resources, and transaction timelines.
- Influence senior stakeholders: Explain complex issues clearly, challenge assumptions constructively, and communicate unwelcome conclusions professionally.
- Maintain quality under pressure: Deliver consistent, defensible work across multiple advisory, compliance, and dispute engagements.

Qualifications and Experience:

- ACA / Qualified Chartered Accountant with a minimum of four years of relevant post-articleship experience in taxation, preferably within a professional services, accounting, or tax advisory firm.
- Comprehensive knowledge of Pakistan's federal and provincial tax framework, covering direct and indirect taxation.
- Demonstrated experience in strategic tax advisory, transaction analysis, tax planning, and the preparation of reasoned technical opinions.
- Strong practical experience in compliance, assessments, audits, notices, appeals, disputes, and litigation support.
- Proven ability to assess alternative approaches and translate technical analysis into commercially practical recommendations.

Core Competencies:

- Strategic tax advisory and commercial judgment
- Technical analysis and regulatory interpretation
- Scenario evaluation and decision support
- Tax risk and dispute management
- Client communication and stakeholder influence
- Engagement delivery and financial management
- Leadership, coaching, and team development
- Business development and relationship management
- Professional integrity and ethical judgment

Why Join Us?

- Work on a diverse portfolio of tax compliance, advisory, assessment, and representation assignments.
- Collaborate with experienced Chartered Accountants and tax professionals on complex client matters.
- Opportunity to lead teams, manage client engagements, and contribute to the growth of the tax practice.
- Participate in cross-border and international assignments, where applicable.
- A professional environment focused on technical excellence, ownership, and career progression.

What We Offer:

- Competitive salary package
- Medical and health benefits for self and family >
- Paid annual leave
- Community religious leaves
- Maternity and paternity leaves
- Bereavement and family care leave
- Local and international mobility opportunities

- Sponsored learning and development
- Career development plans
- Education reimbursement for employees
- Team outings and annual events
- Long service awards

Compensation and Benefits

Market competitive compensation will be offered, aligned with the selected candidate's experience, profile, and organizational policy.

How to Apply

Interested candidates who meet the above criteria may apply through web link for confidential consideration.

Link to Apply

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Position: Tax Compliance and Advisory Executive
Location: Karachi

RASG Chartered Accountants is seeking a motivated and technically competent Tax Compliance and Advisory Executive to join its Taxation team.
The ideal candidate should be a CA Finalist with completed CA Articleship and significant practical exposure to taxation. The position is suited to a professional who intends to build a long-term career in tax compliance, advisory, research, representation, and related tax matters. The role provides hands-on exposure to a diverse client portfolio and the opportunity to work closely with qualified Chartered Accountants and experienced tax professionals.

Key Responsibilities

- Handle and review tax compliance assignments in accordance with applicable tax laws and regulatory requirements.
- Prepare and review income tax and sales tax returns, statements, reconciliations and related filings.
- Conduct tax research and analyze tax implications of transactions and business matters.
- Prepare tax computations, working papers, opinions, responses, and correspondence.
- Assist in providing tax advisory and consultancy, and tax planning services to clients.
- Prepare responses to tax notices, assessments, and departmental correspondence.
- Monitor amendments in tax laws, rules, SROs, circulars, notifications, and other regulatory developments.
- Represent and assist client before tax authorities, in matters relating to assessments, notices, audits, appeals, tax litigations and other departmental proceedings, as required.

- Liaise professionally with clients, tax authorities, and other relevant stakeholders.
- Support managers and senior team members in complex tax compliance, planning, advisory, and litigation assignments.
- Ensure assigned engagements are completed accurately and within agreed timelines.
- Maintain complete, accurate, and properly documented assignment files and working papers.

Qualifications and Experience

- CA Finalist with completed CA Articleship, preferably with substantial exposure to taxation.
- Strong interest and clear intention to build a long-term career in taxation.
- Sound practical understanding of Pakistan's income tax and sales tax laws and regulations.
- Strong working knowledge of MS Excel and MS Office applications.
- Ability to manage multiple assignments and meet deadlines.
- Relevant experience in tax compliance, advisory, tax research, representation, or litigation will be preferred.
- Demonstrated interest and commitment to developing a long-term professional career in taxation.

Core Competencies

- Strong analytical and tax research skills.
- Sound problem-solving and professional judgment.
- Attention to detail and accuracy.
- Good written and verbal communication skills.
- Ability to interpret tax laws, regulations, and regulatory developments.
- Effective client handling and professional coordination skills.
- Ability to manage multiple assignments and meet deadlines.
- Strong documentation and report-writing skills.
- Professional integrity, confidentiality, and accountability.
- Ability to work effectively both independently and as part of a team.

Why Join Us?

- Exposure to diverse portfolio of tax compliance, advisory, and representation assignments.
- Opportunity to work alongside qualified Chartered Accountants and experienced tax professionals.
- Continuous professional learning and development opportunities. >
- Practical exposure to complex tax matters across different industries and clients.
- A long-term career path for professionals committed to developing expertise in taxation and advisory services.
- A professional environment that encourages technical growth, responsibility, and career progression.

What We Offer:

- Competitive salary package
- Medical and health benefits for self and family >
- Paid annual leave
- Community religious leaves
- Maternity and paternity leaves
- Bereavement and family care leave
- Local and international mobility opportunities
- Sponsored learning and development
- Career development plans
- Education reimbursement for employees
- Team outings and annual events
- Long service awards

Compensation and Benefits

Interested candidates who meet the above criteria may apply through web link for confidential consideration.

How to Apply

Market competitive compensation will be offered, aligned with the selected candidate's experience, profile, and organizational policy.

Link to Apply

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Position: Software Engineer – C#/.NET
Location: Karachi

Riaz Ahmad, Saqib, Gohar & Co., Chartered Accountants is a well-established audit, tax, and advisory firm in Pakistan. Registered with the Institute of Chartered Accountants of Pakistan (ICAP), we are known for our commitment to quality, professionalism, and integrity. Our team serves a diverse portfolio of local and international clients, offering tailored solutions in audit, taxation, corporate advisory, and offshore services.

We are seeking a motivated and detail-oriented Software Engineer – C#/.NET to develop, maintain, test, and enhance business applications using Microsoft technologies. The role requires a sound understanding of software development fundamentals, C#/.NET development, database operations, APIs, and web technologies. The Software Engineer will work closely with senior developers, QA personnel, business users, and other team members to translate business requirements into reliable and practical software solutions.

Key Responsibilities

- Develop, maintain, and enhance software applications using C# and .NET / .NET Core.
- Write clean, efficient, secure, maintainable, and reusable code in accordance with established coding standards.
- Develop, integrate, and maintain REST APIs, web services, and application interfaces.
- Work with SQL Server, including queries, stored procedures, database operations, and basic database design.

- Analyze business and functional requirements and translate them into appropriate technical solutions.
- Diagnose, troubleshoot, and resolve software defects, application errors, and performance issues.
- Develop new application features and enhance existing functionality based on approved requirements.
- Participate in the Software Development Life Cycle (SDLC), including requirements analysis, development, testing, deployment, and maintenance.
- Perform unit testing and support integration, system, and user acceptance testing, where required.
- Maintain and support existing applications and provide timely resolution of technical issues.
- Collaborate with developers, QA personnel, business users, and other stakeholders throughout the development process.
- Participate in code reviews and implement improvements identified during technical reviews.
- Use version-control systems effectively and follow approved development and release practices.
- Prepare and maintain appropriate technical documentation, including application, code, database, and configuration documentation.
- Support application deployment, updates, and production issue resolution as required.
- Follow organizational requirements relating to information security, data protection, access control, backup, and change management.
- Continuously develop technical knowledge and remain updated on relevant Microsoft technologies, development tools, and software engineering practices.

Required Skills and Experience

- 1–2 years of practical experience in C#/.NET software development.
- Good working knowledge of C# and .NET / .NET Core.
- Good understanding of Object-Oriented Programming (OOP) concepts and principles.
- Working knowledge of ASP.NET / ASP.NET Core.
- Working knowledge of SQL Server, SQL queries, stored procedures, and relational database concepts.
- Understanding of HTML, CSS, JavaScript, and web application fundamentals.
- Familiarity with REST APIs, JSON, and web-service integration.
- Working knowledge of Git or another version-control system.
- Understanding of software development methodologies, testing practices, debugging, and defect resolution.
- Strong analytical, troubleshooting, and problem-solving abilities.

Preferred Skills

- Experience with Entity Framework / Entity Framework Core.
- Familiarity with ASP.NET MVC / MVC architecture.
- Working knowledge of LINQ.
- Experience using Visual Studio and associated debugging tools.
- Basic knowledge of Microsoft Azure or another cloud platform.
- Familiarity with software design patterns and clean-code principles.
- Basic understanding of application security and secure coding practices.
- Exposure to CI/CD, automated deployment, or DevOps practices will be an advantage.

Education

Bachelor's degree in Computer Science, Software Engineering, Information Technology, or a related discipline.

Key Competencies

- Analytical thinking and problem-solving
- Attention to detail and quality
- Technical learning ability
- Teamwork and collaboration
- Effective communication
- Accountability and ownership
- Time management and ability to meet deadlines
- Ability to work independently with appropriate supervision
- Adaptability and willingness to learn new technologies
- Professional and responsible approach to handling organizational and client information

Link to Apply

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Key Contacts

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