

Stay order suspended

Tax on incoming calls referred to CCP

Tax notification has been withdrawn, says govt lawyer

OUR CORRESPONDENT
 LAHORE

A two-judge bench of the Supreme Court on Thursday suspended an interim order passed by the Lahore High Court (LHC) against recovery of additional tax on incoming international calls to Pakistan.

The bench headed by Justice Tasadduq Hussain Jilani directed the stakeholders (Local Loop Operators) and the Pakistan Telecommunication Authority to take up the matter with Competition Commission of Pakistan (CCP).

ADG-LDI Private Limited and others had challenged the stay order against collection of the additional tax and stated that the high court had no jurisdiction to pass such order.

They said the CCP was the right forum for such matters. Petitioners prayed to the court to set aside the LHC stay order.

An additional attorney general told the court that notification of the impugned tax had already been withdrawn. The SC suspended the stay

The petitioners had challenged the stay order on the tax, stating that the high court had no jurisdiction to pass such an order

order and referred the matter to the CCP.

Earlier, the PTA told the LHC that action was being taken against companies violating the court's stay order on additional tax. Justice Khalid Mahmood Khan had extended the stay till March 15.

Brain Communications and other LLOs had approached the LHC against the additional tax on international incoming calls. They had taken a plea that the tax was a violation of rules prescribed in section 4 of the Competition Commission Act which prohibited price fixing and division of market through quotas.

They said the CCP was mandated to ensure free competition in commercial and economic activity to enhance efficiency and to protect consumers from anti competitive behaviour.