



**INSPECTORS INLAND REVENUES
ACADEMY**

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Fiscal Policy of Pakistan

Lecture 04



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





Welcome to IIR Academy



Certificate of Success for Humans

وَأَنَّ لَيْسَ لِلْإِنْسَانِ إِلَّا مَا سَعَى ﴿٣٩﴾ وَأَنَّ
سَعْيَهُ سَوْفَ يُرَى ﴿٤٠﴾ ثُمَّ يُجْزَاهُ الْجَزَاءَ
الْأَوْفَى ﴿٤١﴾

اور یہ کہ انسان کو وہی ملتا ہے جس کی وہ
کوشش کرتا ہے ﴿٣٩﴾ اور یہ کہ اس کی کوشش
دیکھی جائے گی ﴿٤٠﴾ پھر اس کو اس کا پورا
پورا بدلا دیا جائے گا ﴿٤١﴾

The beautiful verse of the holy Quran, Chapter 53 Surah

Najm verse 39-41:

Fiscal Policy

مالی یا مالیاتی حکمت عملی

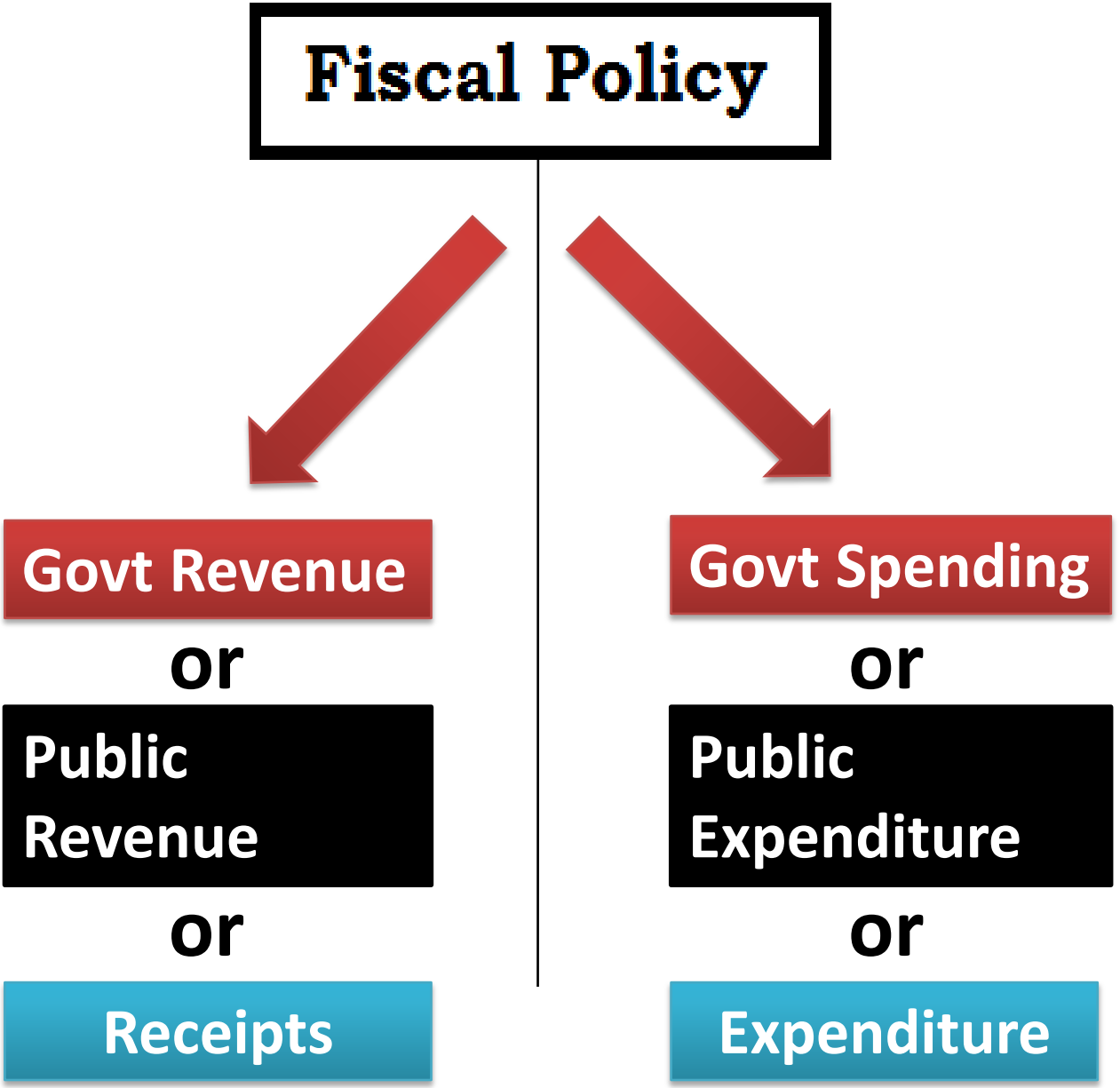


Fiscal Policy of Pakistan

حکومت پاکستان کی مالیاتی حکمت عملی



Return Back

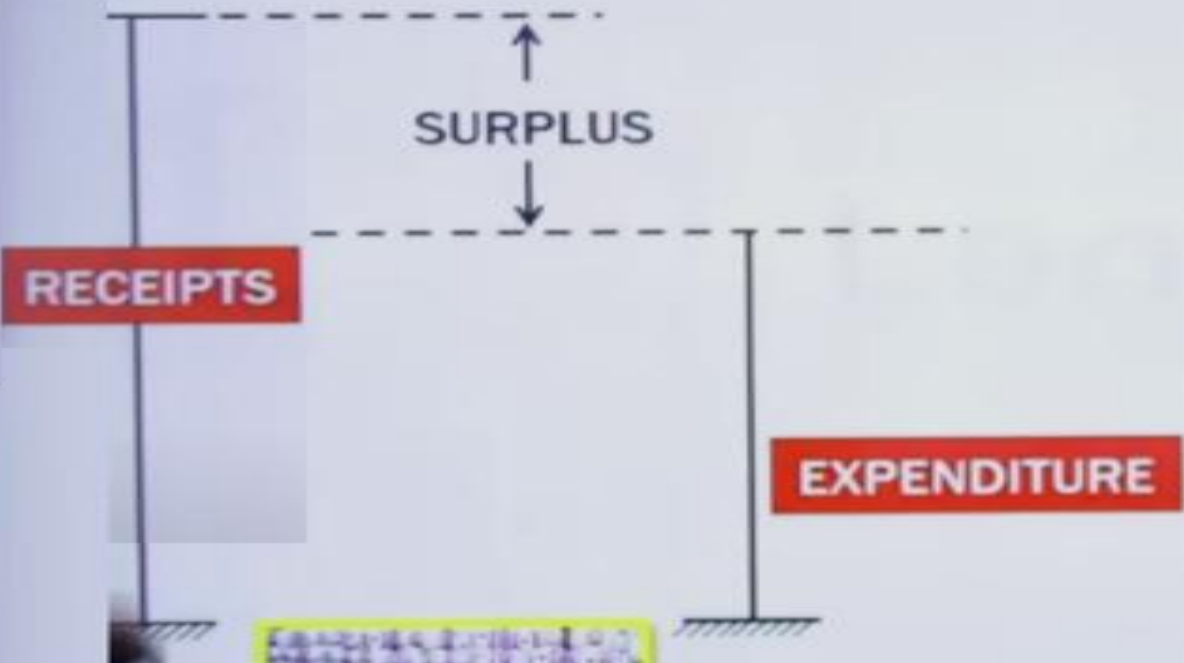


ECONOMIC INDICATORS

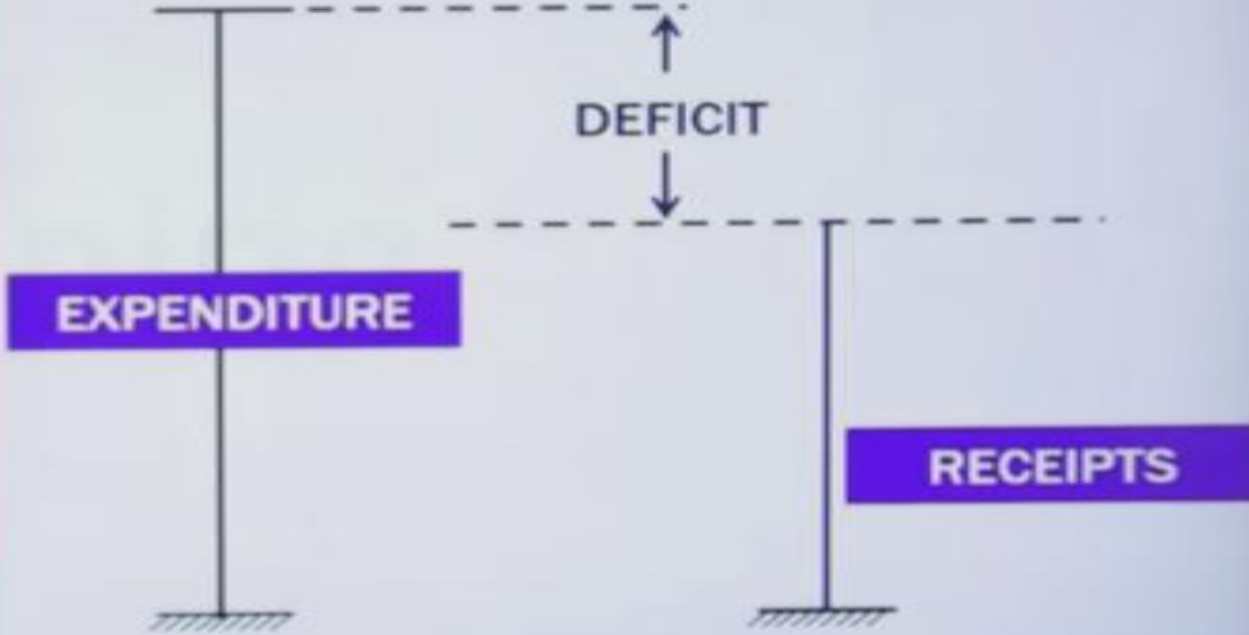
- **Fiscal Deficit & Fiscal Surplus**

FISCAL POLICY

1 SURPLUS ❌



2 DEFICIT ✓



HOW TO FINANCE THE DEFICIT?



1 BORROWING

PUBLIC



FOREIGN Governments



2 INCREASE IN TAXES



3 PRINTING CURRENCY



FISCAL POLICY

1

BORROWING



US Special Dollar Bonds

National Saving Bonds



Borrowing Schemes & Sukuk

Borrowings from public

2



Commercial banks

3



Governments' borrowings from State Bank

4



ASIAN INFRASTRUCTURE INVESTMENT BANK

Loans from multilateral lenders / Govts

FOREIGN Governments

SAUDIA

QATAR

UAE



FISCAL POLICY

2 INCREASE IN TAXES X

GROSS INCOME

-

TAXES

↑

=

CONSUMPTION

↓

+

SAVINGS & INVESTMENTS



Disposable Income is in general
Gross Income - Taxes

Lower
BUSINESSES
INVESTMENTS



FISCAL POLICY

3

PRINTING CURRENCY



- Inflationary
- More money in circulation
- Intrinsic value of currency will be lost





QnA