

## **KTBA expresses concerns over delay in form issuance for taxpayer profile update**

KARACHI: Tax practitioners on Tuesday expressed serious concern over delay by Federal Board of Revenue (FBR) in issuing forms for mandatory profile update by taxpayers.

Karachi Tax Bar Association (KTBA) in a letter sent to Member Inland Revenue Operations discussed the delay by the FBR in issuing forms for mandatory profile update by taxpayers.

The KTBA said that Section 114A of the Income Tax Ordinance, 2001 was introduced through Finance Act, 2020.

The profile update has been made mandatory for taxpayers to electronically update certain information including bank accounts, utility connections, details of business premises etc.

The deadline for electronically filing the taxpayers profile form in case of persons already registered before September 30, 2020 is on or before December 31, 2020. In case of a person registered after September 30, 2020 the registration must be within 90 days of the registration.

Further, failure to file the form would not only entail punitive penalty but the taxpayers would also be excluded from the Active Taxpayers List (ATL).

Till today the form as required to be filed under Section 114A has not been prescribed let alone its availability on IRIS.

The KTBA pointed out the gravity of the situation, as updating the profiles of almost 2.5 million taxpayers and that too with the comprehensive information is a stupendous and time consuming exercise for the counsels of the taxpayers and that too at the time when the counsels of the taxpayers are engrossed in filing the tax returns as well as wealth statements, the last date of which is falling due on December 08, 2020.

It is a must exercise to be undertaken like in any developed tax regime in the world, yet the non-availability of prescribed forms and the facility of the same on IRIS is highly unexpected and rather damaging. “The is coupled with the fact that with limited functionality on IRIS in these times of return filing, it is feared that IRIS may malfunction disrupting the timelines to be adhered for filing the income tax return and updation of taxpayer’s profile together.”

The KTBA urged Member IR Operations to immediately take measures to prescribed the form as required under Section 114A of the Ordinance and also give directions to provide the same in IRIS for updation of taxpayer’s profile with the directions to field offices not to issue penalty notices as the delay is not on part of the taxpayers.