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Delay in FBR taxpayers' profile form slammed

KARACHI: Tax professionals on Tuesday asked the Federal Board of Revenue (FBR) to prescribe a form for getting taxpayers' information with the profiling deadline falling end of this year.

The tax practitioners said taxpayers irk over FBR's warnings to taxpayers to comply with mandatory requirement of updating profile, while no form has been issued so far.

Taxpayers need to provide information such as bank accounts, utility connections and business premise details to the FBR.

The FBR set December 31 as the deadline for the information for taxpayers who are already registered before September 30 and are deriving business income or incomes subject to final taxations, trusts, welfare institutions and non-profit organisations. Those who obtained registration after September 30 are required to update their profiles within 90 days of registration.

Karachi Tax Bar Association (KTBA) said updating of profile of almost 2.5 million taxpayers and with comprehensive information is a gigantic task and time consuming for the taxpayers and for counsels.

"The situation is further complicated in updating the profile at a time when the counsels of the taxpayers are engrossed in filing the tax returns and wealth statements as the last date for filing is due on December 8," Zeeshan Merchant, president of KTBA said. Through Finance Act 2020, a new section (114A) was inserted into the Income Tax Ordinance 2001, making it mandatory for almost all the taxpayers to update their profiles by providing key information.

The FBR said if a taxpayer fails to furnish or update a profile within the due date or time period he will not be included in the active taxpayers' list for the latest tax year ending prior to the aforesaid due date or extended date. A penalty of Rs2,500 for each day of default subject to a minimum penalty of Rs10,000 will be imposed for non-filing or not uploading of profile, the FBR said.

Merchant said the non-availability of the forms to update profile and the facility of the same on IRIS portal is unexpected.

"This is coupled with the fact that with limited functionality of IRIS in these times of return filing, it is feared that IRIS may malfunction for allowing both return filing and profile update at the same time," he said.

The KTBA urged the FBR to take immediate measures to notify forms to update taxpayer profile and ensure availability of the forms at the IRIS. It was asked not to issue penalty notices as the delay was not on the part of taxpayers.