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KTBA requests FBR to extend e-filing deadline

KARACHI: Karachi Tax Bar Association (KTBA) has requested the Federal Board of Revenue (FBR) to extend the e-filing deadline for June 2025 sales tax returns to July 30, due to operational challenges with the IRIS portal's authentication system that are preventing timely compliance.

In a letter sent to the chairman FBR, KTBA highlighted that the portal's exclusive reliance on QR codes sent to taxpayers' registered mobile numbers for authentication, arguing that this security measure, while well-intentioned, creates substantial barriers for legitimate taxpayers attempting to meet their compliance obligations.

Moreover, it said that Pakistani taxpayers residing overseas who cannot receive SMS messages originating from Pakistan, effectively blocking their access to the tax portal, and added that the corporate taxpayers were also facing similar challenges when registered mobile numbers belonging to the directors or authorized employees who may be unavailable during compliance deadlines.

Authorised representatives, including e-intermediaries, accountants, and tax consultants, are unable to file returns or handle compliance matters on behalf of their clients despite having proper legal authorization, the letter said.

Therefore, KTBA urged the FBR to implement a triple-channel QR code delivery system that would simultaneously send authentication codes via SMS, WhatsApp, and registered email addresses, allowing taxpayers to use any of these channels for portal access. "This multi-channel approach would particularly benefit overseas taxpayers who could access the system through WhatsApp or email when SMS delivery fails, the letter said, and added that for corporate entities, multiple compliance officers to access the IRIS portal with individual credentials linked to the company's business NTN profile, ensuring prompt compliance on behalf of the organization.

It said that existing security measures, including password reset policies and annual biometric verification requirements under rule 5(4) of the Sales Tax Rules, would continue to ensure the integrity of tax declarations and added that overseas taxpayers could complete biometric verification through Pakistani identification systems with NADRA assistance.

To facilitate the smooth implementation of any system changes, the KTBA recommended a 60-day grace period for taxpayers to update their registered mobile numbers and email addresses in their tax profiles. Once updated within this grace period, further modifications would require QR code verification sent to the registered mobile phone, maintaining security protocols.

KTBA also requested for full operationalization of e-intermediary functionality under Section 52A of the Sales Tax Act, 1990, and rule 2(10)(ac) of the Income Tax Rules, 2002 to enable authorized e-intermediaries to access management information systems, input purchase data, manage invoices for their clients, and file returns, statements, and appeals directly through the IRIS portal. Keeping the said in view, KTBA has requested the board to extend the June 2025 sales tax returns deadline till July 30 to facilitate the taxpayers.