

## **KTBA urges FBR to look into notices issued under income tax ordinance**

**KARACHI:** Karachi Tax Bar Association (KTBA) has urged the Federal Board of Revenue (FBR) to intervene in the matter related to the notices under section 114(4) of the income tax ordinance, 2001 for multiple years without any option to reply online.

In a letter sent to the Member-IR (Operations), the KTBA said that despite the assurances and verbal directions given by the Member-IR (Operations), the practice of issuing notices under section 114 (4) *ibid*, by the field formation for multiple tax years is still not stopped, putting new taxpayers/ first-time return filers in a state of hysteria when they have received multiple notices for filing of return for preceding tax years.

During meeting with the Bar on November 12, 2020, the Member-IR (Operations) was of the view that notices for filing of return in preceding years should only be issued if the commissioner believed that the taxpayer was required to furnish the return of income in such years and these should not be issued mechanically. On the contrary, the notices seem auto-generated with no realisation and facilitation.

KTBA said that the mechanical practices of issuing notices to file a return have raised a couple of other issues i.e. no option in IRIS to furnish reply of notices under section 114 of the Ordinance online, issuance of notices under section 114 (4) for preceding tax years as soon as the new taxpayer was registered in IRIS.

Similarly, the issues related to the issuance of notices under section 114 (4) for preceding tax years to the non-resident Pakistanis who become tax filers for the first time and the penalty notices for non-filing of return of income also need to be addressed, KTBA added.

Keeping the said in view, the KTBA urged the FBR to look into the matter to resolve the issues and ensure maximum facilitation to the taxpayers and offered its support for bridging the gap between taxpayers and tax collectors.