

## **KTBA identifies flaws in online tax return filing**

**KARACHI:** Karachi Tax Bar Association (KTBA) on Saturday said that it has detected calculation errors on the online return filing portal of the Federal Board of Revenue (FBR).

In this regard the tax bar sent a letter to Dr. Muhammad Ashfaq, Member Inland Revenue (Operations), Federal Board of Revenue (FBR) apprising him that the issues were discussed with o November 17, 2020 but the problems were same unresolved till to date.

It is pertinent to mention that the last date for filing income tax return is December 08, 2020. Such problems may adversely affect the total number of return filing.

The tax bar in its latest letter to the Member IR Operations highlighted the same issues for early resolution for smooth return filing.

The tax bar said that IRIS Portal was not correctly calculating the tax on Behbood Saving Certificate and others. It said that till today working of tax on yield from Behbood Saving Certificate or Pensioners Benefit Account and Shuhada Welfare Account is still incorrect where average rate of tax exceeds 10 percent of total income.

The tax bar suggested that to show the yield as a separate block of income in order to avoid the calculation issues.

The KTBA said that minimum tax calculation was also showing incorrect working. The tax bar suggested that for tax year 2020, there has been a paradigm shift in taxation of incomes previously taxed under final tax regime and now are being taxed at minimum.

“Although, the law had been amended yet there are not instructions given by the FBR as to how to cater to these situations.”