

## **Karachi Tax Bar Association requests extension of tax filing deadline until December 31**

ISLAMABAD: The Karachi Tax Bar Association (KTBA) on Tuesday asked Prime Minister Imran Khan for an extension of the deadline for filing tax returns for a period of three months, i.e. until December 31st.

Meanwhile, the Federal Board of Revenue (FBR) is optimistic and estimates that it will receive more than two million returns by the September 30 deadline, which could become a historic moment for the tax mechanism in the event of production. The RBF had received around 1.4 million tax returns by September 28.

The KTBA pointed out that compliance with a 90-day deadline was prescribed by law for filing the tax return under section 118 of the ordinance. He also underlined the unavailability of the FBR portal for 15 days. The 90-day period should only start when a flawless and error-free return of income, in accordance with the provisions of the ordinance, is uploaded to the Iris portal, which in itself has not yet been notified, said the 'association.

FBR expects around two million returns by September 30

The KTBA further stated that the FBR portal, e-FBR and Iris remained hacked and disabled from August 14, 2021 and that it did not work properly intermittently until the end of August 2021, which again caused denied taxpayers 90 uninterrupted days prescribed by law to file. the return of income.

On Tuesday, the RBF issued a circular to make it easier for taxpayers to file their tax returns over the past two days with extended hours for filing returns as well as paying taxes. This is in addition to the massive nationwide awareness campaign engaging national heroes, urging people to file their returns to improve tax compliance in the country.

This year, the FBR notified tax returns from July 2021 to meet the 90-day (three-month) requirement under tax law. So far, the RBF has clarified that the last date will not be extended. The RBF has also hired mobile phone companies to send text messages to taxpayers to remind them to complete their tax returns.

Last year, the government did not extend the deadline for filing income tax returns beyond December 8, 2020. It is worth mentioning that people can file their income tax returns beyond the last date, but will have to pay a fine which, in the current year, will be Rs1,000 per day.

Without a fine, a commissioner may also grant an extension of 15 days at the express request of the particular taxpayer.

The KTBA in a letter, a copy of which was shared with the media via WhatsApp, mentioned that letters had previously been sent to the president of FBR requesting an extension of the return on plea to correct flaws in the notified return.

He further stated that the KTBA feels responsible for the fact that taxpayers are not at all able to meet the deadline for filing the income statement by September 30, until all the defaults and formula errors are removed and the income statement is flawless and error-free.

As such, we hope you will be kind enough to ask the FBR President to extend the filing date of the tax return to at least December 31, 2021 and oblige, KTBA President Muhammad Zeeshan Merchant said.

He said the RBF completely ignores the role of tax advisers and tax advisers who are actually RBF partners in helping to achieve their goals. We at KTBA believe that if the date is not extended, the goal in FBR's mind cannot be achieved, Zeeshan said.

He further stated that it is customary for the FBR to change and modify the income report until the last moment without notifying the stakeholders, which creates a bad impression on the FBR's part.