

Challans payment, KTBA urges FBR to evolve mechanism for adjusting GST

KARACHI: Karachi Tax Bar Association (KTBA) has urged the Federal Board of Revenue (FBR) to formulate a mechanism for the adjustment of sales tax for challans paid through Bills of Additional Duty (BOAD) under One Customs, which has been pending for almost five years.

In a letter sent to Dr. Hameed Ateeq Sarwar, member IR policy, the KTBA said that the issue was highlighted by the association in November 2013 and June, 2014 respectively, whereby a registered person was unable to claim its input sales tax against output sales tax hence these paid challans of BOAD were still not available in the uploaded format in the system.

However, the issue has been duly addressed in the WeBOC system and the PRAL vide its letter intimated that the provision for the requested adjustment was made available for payment made through WeBOC system in the online sales tax return portal.

Keeping the said in view, the KTBA said that input claim of the payment of this tax was the legitimate right of taxpayers which they were still deprived off therefore FBR was requested to devise a similar mechanism and put in place for the adjustment of sales tax paid through BOAD for challans paid through One Customs, which has been held pending for almost five years.