

FBR to launch single tax portal for filers

ISLAMABAD: In a major development, the Federal Board of Revenue (FBR) and four provinces have agreed to introduce an online portal facility for taxpayers to file their sales tax returns of goods and services as part of the government's ease of doing business initiative.

The single portal will come into effect from August, a senior tax official told Dawn on Thursday.

The step will be a major reform initiative as taxpayers will be able to submit their returns through a single portal.

The final decision to this effect was reached during a high-level meeting at the FBR headquarters, which was attended by representatives of revenue boards from the four provinces.

Under the existing mechanism, FBR collects sales tax on goods, while the provincial revenue bodies collect tax on services. The sales tax collected by FBR is then shared with provinces as per National Finance Commission formula.

As a result, taxpayers face difficulties to file five different returns.

With the implementation of the portal, all taxpayers will be able file their sales tax returns of goods and services at a single window. The portal will also allow filers to select their respective revenue board in case of services returns while in the case of goods, they will be able to select FBR.

Additionally, the portal will also allow taxpayers to access all FBR and provincial sales tax returns through a single website.

"We will put the new system in place within the next couple of months," an FBR official said.

He said that two other major reform measures will also be introduced following the introduction of the portal.

Moreover, he said that FBR is also working on a simplified sales tax return form.

"We have already started work on it", the official said, adding that the board has also hired consultants who are currently developing the form.

Furthermore, filers have also complained of double taxation. It has been observed that some provincial government tax services at the place of the business — Origin, while the same service is also simultaneously taxed at the place where the customer resides — destination — by another province. "We are working on these issues to minimise the chances of double taxation", the FBR official said.

CNIC condition clarified

Meanwhile, the FBR has clarified that the computerised national identity card requirement is only limited to registered sales tax payers.

Member Tax Policy Inland Revenue Dr Hamid Ateeq told Dawn that CNIC requirement is limited only to registered sales taxpayers and informed that there are approximately 40,000 registered sales tax payers in the country.

He said shopkeepers or other taxpayers who are not registered with FBR for sales tax are not required to seek CNIC from any person. "The CNIC condition from sales tax registered persons is for input tax adjustments," he further clarified.

According to Ateeq, the requirement has nothing to do with common taxpayers. He further clarified that no tax was imposed on flour and white flour in the last budget.

An official announcement by tax body on Thursday night said that FBR Chairman Shabbar Zaidi has also clarified that no tax has been levied by the government on flour and white flour. "Media men who are spreading this false news are doing disservice to the nation," the statement further said.

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