

March 31 new deadline set: late filers and non-filers given last chance

The late filers and non-filers of income tax returns for Tax Year 2018 have been provided a last opportunity to file their income tax returns up to March 31, 2019 for inclusion of their names in the Active Taxpayer List (ATL), making them eligible to purchase immovable properties and availing zero/lower rates of withholding taxes on different transactions.

This extension in filing of tax returns will resolve difficulties of almost 250,000 people who had filed their income tax returns after the due date and their names were excluded from Active Taxpayer List (ATL).

"The name of all those who will file their income tax returns till March 31, 2019 will be inserted into the ATL for Tax Year 2018," a senior FBR official told this scribe here on Friday.

According to an announcement of the FBR here on Friday, the FBR has extended the date of filing of Income Tax Returns/Statements for the Tax Year 2018 till 31st March. An order said that the date of filing of returns of total income/statement of final taxation which were due on 31st August 2018 and extended up to 15th December 2018 is now hereby further extended up to 31st March 2019. The date of filing of returns for companies, individuals and association of persons is also extended to 31st March, the FBR said.

The decision has been taken in view of numerous representations by various trade bodies and organisations along with other taxpayers seeking extension in the date of filing of returns for Tax Year 2018, the FBR said.

This is a one time taxpayer's facilitation measure. All persons, who have not yet filed their returns, are urged to take advantage of this opportunity. It goes without saying that FBR has extensive plans to pursue and legally proceed against those persons who are liable to file returns but don't file it by this extended date, the FBR added.

Tax experts told Business Recorder that the FBR had issued updated Active Taxpayers List (ATL) on its website on March 1, 2019. The FBR had said on its website that from March 1, 2019, Income Tax ATL is being updated on the basis of return filed for Tax Year 2018. The FBR on March 1 had issued new Active Taxpayers List (ATL) displaying names of 1,596,340 taxpayers who filed their income tax returns for Tax Year 2018.

A number of taxpayers had lately filed returns after last extended date of December 15, 2018. Therefore, legally names of non-filers cannot be appeared on the ATL under the law. Despite the fact that the Finance Supplementary (Second Amendment) Act, 2019 had allowed non-filers to purchase locally manufactured vehicles irrespective of engine capacity, the non-filers still cannot purchase immovable properties exceeding Rs 5 million. Consequent to the introduction of Section 227C of the Income Tax Ordinance through the Finance Act, 2018, any authority responsible for registering, recording or attesting transfer of any immovable property exceeding Rs 5 million shall not accept or process any application or request by a person for registering, recording or attesting transfer of any

immovable property exceeding Rs 5 million unless such person is a filer. Such immovable property includes within its ambit agricultural, commercial, residential plots/land, houses, buildings, apartments, malls, flats etc. Moreover the authorities responsible for registering, recording or attesting transfer of immovable property include housing authorities, housing societies, cooperative societies, and registrar of properties, etc.

The Finance Supplementary (Second Amendment) Act, 2019 has also relaxed restriction on purchase of immovable property as well as locally manufactured vehicles for non-resident Pakistani citizens and abolition of advance income tax on cash withdrawals for filers, but increased rate of advance income tax on purchase/registration or booking of motor vehicles by non-filers.

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