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## **Tax return form has many errors: KTBA**

KARACHI: The Karachi Tax Bar Association (KTBA) says the deadline recently reiterated by the Federal Board of Revenue (FBR) for filing of returns is unlikely to be met by most tax filers since the new form contains errors and the system is operating below par.

“The FBR uploaded on its web portal the return forms for tax year 2019 on Sept 2 without incorporating our suggestions,” says KTBA President Mohammad Rehan Siddiqui.

Giving some details, he said, the FBR issued draft of tax return form on August 23, 2019, and gave seven days to the country’s tax bars for suggestions and feedback, “but surprisingly the FBR uploaded the forms for individuals, association of persons (AoPs) and businesses on September 2, 2019.” This suggests the exercise to solicit feedback was a mere formality.

He further said that due short period the KTBA was unable to give suggestions to FBR over the tax return forms for tax year 2019, which has 65 pages. “Since there were many deficiencies in the draft tax return form, the KTBA wrote a letter to the FBR but never got any reply.”

Similarly, Mr Siddiqui said the FBR sought suggestions on the draft tax return form for tax year 2019 for corporate sector on August 29, but then it finalised the return form and uploaded it on the web portal on September 2, 2019.

The KTBA president further said that “till a few days ago the system was showing Nov 30 as last date for filing of tax returns. But now the same has been changed to Sept 30”.

He claimed that under the law FBR has to give 90 days for filing of returns after issuing forms but in this case the taxpayers will hardly get around 20-25 days because there is long closure on account of Ashura.

The KTBA president expressed his utter dismay over the demand that tax liability should be paid first and then extension could be considered. He explained that if a person was unable to compute his tax liability due to faulty tax return forms then how could he calculate his/her tax liability.

The FBR in a circular dated Sept 5 stated that “all chief commissioners IR are directed to ensure that before granting extension in the date of filing of income tax return for 2019 in the cases where last date of filing is Sept 30, the admitted tax liability is discharged before Sept 30.”

Tax consultant Syed Rizwan Shoaib told Dawn that the tax return forms have deficiencies and could not be filled.

He said it was not possible to do the computation of the tax return forms, which carry such errors and omissions where column for calculation of Rs2,000 tax amount on first slab of income of Rs1.2 million is missing.

Above all, he said, the calculation sheet gives erroneous tax amount and many a times the FBR portal fails causing hardship for tax consultants in filing returns.