

RECORDER REPORT

**Tax Year 2019, FBR unveils paper return form to be filed manually**

ISLAMABAD: The Federal Board of Revenue (FBR) has issued paper return form for Tax Year 2019 to be manually filed by individuals.

The FBR has issued SRO 1160 (1)/2019 Friday to amend notification # SRO 979(I)/2019, dated the 2nd September, 2019. The notification # SRO 1160 (1)/2019 shall be applicable for the Tax Year 2019.

According to the FBR instructions for filling in return form & wealth statement, the following persons are required to furnish a return of income for a tax year:

(a) Every company; (b) Every person (other than a company) whose taxable income for the year exceeds Rs 400,000; (c) Every non-profit organization as defined in clause (36) of section 2; (d) Every welfare institution approved under clause (58) of Part I of the Second Schedule; (e) Every person who has been charged to tax in respect of any of the two preceding tax years; (f) Every person who claims a loss carried forward under this Ordinance for a tax year; (g) Every person who owns immovable property with a land area of two hundred and fifty square yards or more or owns any flat located in areas falling within the municipal limits existing immediately before the commencement of local government laws in the provinces; or areas in a Cantonment; or the Islamabad Capital Territory; (h) Every person who owns immovable property with a land area of five hundred square yards or more located in a rating area; (i) Every person who owns a flat having covered area of two thousand square feet or more located in a rating area; (j) Every person who owns a motor vehicle having engine capacity above 1000 CC; (k) Every person who has obtained National Tax Number; (l) Every person who is the holder of commercial or industrial connection of electricity where the amount of annual bill exceeds rupees five hundred thousand; (m) Every person who is registered with any chamber of commerce and industry or any trade or business association or any market committee or any professional body including Pakistan Engineering Council, Pakistan Medical and Dental Council, Pakistan Bar Council or any Provincial Bar Council, Institute of Chartered Accountants of Pakistan or Institute of Cost and Management Accountants of Pakistan; (n) Every individual whose income under the head Business exceeds PKR 300,000 but does not exceed PKR 400,000 in a tax year. (o) Every individual & AOP deriving property income exceeding Rs. 200,000.

The following errors/omissions shall render a return invalid & make the taxpayer a non-filer & liable to penalty under section 182(1): (a) Return on which CNIC is missing or incorrect or invalid; (b) Return on which mandatory fields marked by \* are empty; (c) Return which is not signed by the Taxpayer or his Representative (as defined in section 172 of the Income Tax Ordinance, 2001); (d) Return which is not filed in the prescribed Form; (e) Return which is not filed in the prescribed mode.

The FBR said that the individuals deriving income under the head Property, Capital Gains & Other Sources (excluding Salary / Business) & Income subject to fixed/final tax have to file one page Return in IT-1B Form with Annex-A, Annex-F & Wealth Statement if required to be filed. Individuals deriving income under the head business or falling under Final Tax Regime (FTR) such as Commercial Importers, Exporters, Contractors, etc. have to file two-page Return in IT-2 Form with Annex-A, Annex-B, Annex-F & Wealth Statement if required to be filed. Annex C, Annex-D & Annex-E are required only where Depreciation/Amortization, Admissible/Inadmissible Deductions & Minimum Tax Chargeable/Option out of Presumptive Tax Regime are involved. Individuals, including members of AoPs or directors of Companies must file Wealth Statement.

Taxpayers may file return of total income/statement of final taxation & wealth statement through the following modes: Electronically at FBR portal <https://iris.fbr.gov.pk/infosys/public/txplogin.xhtml>) which is mandatory for all companies, AoPs, sales tax registered persons, refund claimants and individuals having income under the head salary & individuals declaring taxable income of one million and more or turnover or receipts exceeding Rs 50 million.

However, all others are also encouraged to electronically file return; manually on paper at Taxpayer Facilitation Counter of the respective Regional Tax Office. Paper return form can be downloaded from FBR Website <http://www.fbr.gov.pk>. Taxpayers may seek guidance through the following modes: By calling Helpline 0800 00 227, 051 111-227-227 By visiting the nearest Taxpayer Facilitation Centre (TFC), list of which can be downloaded from FBR website at <http://www.fbr.gov.pk> Tax can be paid in any authorized branch of NBP & SBP at any time before filing of return. List of authorized branches of NBP & SBP can be downloaded from <http://www.fbr.gov.pk>.