

No hassle-free tax refunds for individual taxpayers

KARACHI: Individual taxpayers are facing an uphill task in obtaining income tax refunds from the Federal Board of Revenue (FBR) due to various difficulties created by the tax departments.

The government had announced a policy to provide relief to the masses from the coronavirus pandemic, and under that it started disbursing payments of income tax refunds to claimants.

However, many salaried persons complained that despite providing challans of tax withheld under various provisions of Income Tax Ordinance 2001, the tax departments were demanding to provide challans afresh.

“All the required challans of tax withheld have been submitted on the IRIS (the online system of the FBR) along with income tax refund claim,” a salaried person said.

“In fact, as per requirement of the FBR, the IBAN has also been updated on the taxpayer profile,” they said.

“Instead of disbursing the payment of the refund claim, a notice has been received from the Regional Tax Office (RTO) – III Karachi, asking for the same documents which were already provided on the online system,” the taxpayer added.

Karachi Tax Bar Association (KTBA) President Zeeshan Merchant also pointed out difficulties faced by individual and salaried persons in receiving payment of income tax refund.

He said there were hurdles in verification of withholding challans submitted by the taxpayers, which resulted in rejection of deferment of refund claims.

Merchant said one of the biggest issues was that the tax departments were sending notices on registered e-mail or IRIS. “Many taxpayers, especially individuals and salaried persons do not access their emails regularly. In most cases, taxpayers only access their IRIS profile once in a year at the time of filing income tax return,” he said, and suggested that the FBR should send an SMS on mobile phones to intimate about any correspondence made on the IRIS.