

Amnesty ordinance

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Declarants offered Opportunity
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ISLAMABAD: The Presidential Ordinance to extend date for filing of amnesty scheme has introduced major amendment to empower taxpayers/declarants to file revised declarations to rectify errors, omissions, miscalculations and wrong statements made in original declarations under the scheme.

Official sources told Business Recorder here on Sunday that the ordinance has addressed two major issues. Firstly, facility to provide revised declarations and secondly, addressed legal issues raised by tax experts regarding disclosure of income till April 9, 2018.

The facility has been provided to the declarants of the amnesty scheme through the Ordinance. Under a new provision (revision) added in the Ordinance, the Federal Board of Revenue (FBR) has allowed any person who has filed declaration and discovers any omission, mistake, computational error and wrong statement, to file revised declaration within the due date. This is subject to the condition that the value of any asset or tax thereon shall not be less than the value of asset or tax thereon declared in the original declaration.

The Ordinance has further clarified that the undisclosed income does not include income which was not required to be disclosed by April 9, 2018.

The official added that the concerns raised by tax experts have been addressed in the said Ordinance.

The federal cabinet, on the recommendations of the Finance Minister, has approved extension of closing date of tax amnesty schemes for declaration of foreign assets and domestic income and assets till July 31, 2018. This has been effected through a Presidential Ordinance.

The deadline for filing amnesty declarations was June 30, 2018. However, during last week a large number of representations have been received from trade bodies, professional associations and general public for extending the closing date due to short operational period after clearing legal and procedural challenges. The extension was also needed to remove ambiguities through clarifications and explanations required to ensure certainty to the general public as well as for effective implementation of the schemes. In addition, declarants of foreign assets faced problems in the payment of tax on foreign assets and repatriation of liquid assets.

The date has been extended by one month to enable general public to file declarations for undeclared foreign assets and undeclared domestic assets and income and thereby getting their tax affairs in order.