

Practitioners want clarity on tax amnesty

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KARACHI: Tax practitioners on Tuesday urged the authorities to explain how the tax amnesty scheme would be availed in the last two days of its deadline.

“The tax practitioners have approached the Federal Board of Revenue (FBR) and the State Bank of Pakistan (SBP) to issue clarification about availing the foreign tax amnesty scheme during the last two days,” Zeeshan Merchant, vice president of Karachi Tax Bar Association (KTBA) said.

The former government announced the amnesty scheme for foreign as well as domestic undeclared assets, implemented from April 10, and was launched through a presidential order, which was later provided a legal shelter through a parliamentary approval. The scheme is valid up to June 30.

Merchant said June 30 is falling on Saturday, which is a weekly holiday. Since offices are closed on the day, amnesty for foreign assets cannot be availed. Foreign assets’ holders may also not process their request on June 29 (Friday) due to wire transfer problem, he added. Officials said the government was urged to extend the deadline for the amnesty by 15 days. A former senior tax official of FBR said it will not be easy for the caretaker government to extend the timeline as it was approved by the parliament.

“However, it can extend the last date through presidential ordinance,” Rehmatullah Khan Wazir, ex-member of Inland Revenue (Operation) said. “Any such extension will need a parliamentary approval within the next 120 days.”

The present caretaker government is promoting the amnesty scheme to make it successful, considering weak fiscal position of the country.

The scheme appears to be not successful so far as unofficial figures revealed that only 1,100 returns have been filed under which Rs135 billion was declared. And, the FBR could be able to get only four billion rupees as income tax on the declared assets.