

FBR receives only 215,000 tax returns by September 30

The Federal Board of Revenue received merely 215,000 tax returns out of 1.2 million taxpayers in the country by 30th September 2017, a deadline set for filing of tax returns, said sources. This awkward situation has led to the extension of last date for filing of returns up to 31st October 2017, they added. A snail-paced filing of returns is a cause of concern for the Board, as the Member Information Technology (IT) Kh Adnan Zaheer was adamant on not extending deadline in a recently held meeting for orientation of integrated Risk Information System (IRIS) for tax consultants.

It may be noted that Member Tax Reform Commission Ashfaq Tola has recently stressed the need for simplifying tax laws to attract new taxpayers. He was of the view that tax laws should not be inordinately complex or complicated which usually create undue hardship and encourage filing of tax returns.

Tax experts maintain that the Income Tax Ordinance, 2001, is highly complex and a badly drafted law. Despite witnessing over 2500 amendments during the last 16 years, it still carries anomalies. According to the tax circles, taxation should be narrowed down to the ability to pay. Uniformity of tax treatment for various categories, minimizing dependence on withholding taxes, promotion of voluntary compliance, removal of tax exemptions, introduction of National Tax Court and removal of distortions and anomalies are a few more proposals to make the law coherent and consistent.

Furthermore, taxing the rich and mighty is also sought to promote tax culture. Besides, all presumptive and minimum tax regimes, concessions and exemptions in the existing law should be removed and ensure taxpayers' rights through legislation with prime focus on spending of tax collection on public welfare.

The FBR has launched an intensive drive to increase the total number of return filers this year. Last year, 1.2 million people filed their tax returns. The chief commissioners of Lahore and Islamabad Large Taxpayer Units have been advised to work hard for achieving their targets for the current fiscal year, said sources.

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