

Ref: <u>KTBA/03.2020/235</u> Date: <u>March 24, 2020</u>

The Chairperson

Federal Board of Revenue Islamabad

Dear Madam,

LOCK DOWN Announcement by Government of Sindh amid COVID-19 (Corona Virus)

This letter is being written in the wake of the notification issued by the Government of Sindh last night imposing lockdown in the province for fifteen (15) days starting from March 23, 2020 to April 07, 2020. You will appreciate that this is an extreme preventive measure that would have been taken by any government to stop the spread of Coronavirus pandemic which reflects upon the seriousness and gravity of the grim situation in hand.

- 2- The notification is being enclosed herewith for your necessary perusal and records.
- 3- Through this letter we wish to share a concern of our members and taxpayers who are domiciled in Sindh, that there hasn't been any directions or instructions so far been issued by your office to address the issue. You would appreciate that taxpayers' concern would not be misplaced if they are apprehensive of the protracted silence or absence of any response from the office of importance so vital, as that of yours. It is feared that their inevitable absenteeism in tax proceedings for the next fifteen (15) days, should not be alleged as non-compliance and the merit in their cases is not jeopardized.
- 4- The matter, therefore, is being brought to your knowledge with a growing concern that it is of pivotal importance that taxpayers who are domiciled in Sindh, who cannot open their offices due to lockdown ordered by the provincial government and that too due to exigency of Coronavirus pandemic, should be taken into the much necessary confidence that their interest will not be suffered at the hands of FBR.
- 5- The fear factor is aggravated due to the fact that there weren't issued any Standard Operating Procedure for hearings, as well, during the interregnum when the Coronavirus was in its embryolic stage in the City in the last 2 weeks, though a letter, was marked to all the five (05) Chief Commissioners of Karachi Tax Offices on March 19, 2020 by our Bar, numbered KTBA/03.2020/225 (attached herewith).
- 6- Hence, in view of the above it is requested to grant General Adjournment to all the pending cases for the next fifteen (15) days till April 07, 2020 including the cases of the Appeal Commissioners' Offices.

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- It has to be immediately ensured at the FBR level that Status Quo is maintained in recovery proceedings, that cases will not be taken as time barred where the limitation of time is falling within this fifteen (15) days lockdown period or immediately thereafter, appeal which couldn't be filed within these fifteen (15) days are not rejected because of being time barred, no new notices are issued, no ex-parte cases are decided, absenteeism or unintended non-compliance during these fifteen (15) days are not taken adversely. Last but not the least, the time period required for depositing the Withholding of income tax and Sales tax should automatically be extended.
- 8- Needless to mention that either the General Adjournment or the Status Quo in cases of time barred will not materially hamper any assessment proceeding on the part of FBR as there still is left the whole of the April Quarter in hand.
- 9- It would not be out of context to place a suggestion that a clarificatory circular is issued for the purpose, which is acutely necessary and will infuse confidence and trust of this group of taxpayers in the Federal Tax Administration.
- 10- It is hoped that your esteemed office will pay heed to our request which will not only be in consonance of the provincial government's notification but will also be of great help in dispelling the atmosphere of fear and apprehensions amongst the taxpayers of Sindh and their Counsel.

Yours faithfully,

(Mohammad Rehan Siddiqui)

President

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CC to:

- i. The Honourable Minister of Finance, Government of Pakistan, Pakistan Secretariat, Islamabad.
- ii. The Chief Commissioner Inland Revenue, LTU, Karachi
- iii. The Chief Commissioner Inland Revenue, LTU-II, Karachi
- iv. The Chief Commissioner Inland Revenue, CRTO, Karachi
- v. The Chief Commissioner Inland Revenue, RTO-II, Karachi
- vi. The Chief Commissioner Inland Revenue, RTO-III, Karachi
- vii. The Commissioner Inland Revenue, Appeal-I, Karachi
- viii. The Commissioner Inland Revenue, Appeal-II, Karachi
- ix. The Commissioner Inland Revenue, Appeal-III, Karachi
- x. The Commissioner Inland Revenue, Appeal-IV, Karachi
- xi. The Commissioner Inland Revenue, Appeal-V, Karachi