

Ref : KTBA/11.2020/188

Date : November 03, 2020

Dr. Muhammad Ashfaq Ahmed,
Member IR (Operations),
Federal Board of Revenue,
Islamabad.

REQUEST FOR GENERAL CONDONATION OF TIME TO FILE REVISED ANNEXURES "H"&"F" RESPECTIVELY FOR THE TAX PERIOD JULY 2019 AND ONWARDS IN ORDER TO E-FILE PENDING REFUND CLAIMS

Dear Dr. Muhammad Ashfaq Ahmed Sir,

Through this letter, we reiterate our appreciation for the efforts by your good office to ensure speedy liquidation of Sales Tax Refunds U/s. 8B and 10 of the Sales Tax Act, 1990 respectively, in consonance with Prime Minister's Covid-19 Relief Package.

The Federal Board of Revenue's (FBR) Sales Tax Circular No. 01/2020 dated August 04, 2020 has been very much supportive in this course. It, however, needs to be acknowledged that due to prolonged pendency there are anomalies in Annexures "F" and "H" and or gaps/contradictions in its supporting documents have rendered a sizeable quantum of refund claims pending with the FBR.

The Board has divided these pending claims into three (03) following categories:

1. Not Rolled Back
2. Pending Fresh Claim
3. Pending Deferred Claim

It will not be out of context to add here that in all those cases, revised Annexures "F" or "H" are required to be filed from July 2019 on a sequential basis. The Board has been very kind to extend the date of filing Annexure "H" on its own by realizing the genuine issue and glitches. However, the said time limit expired on **September 30, 2020.**

Although as per section 74 of the Sales Tax Act, 1990 readwith Rule 28 and 39D, condonation on case to case basis is available, yet we at KTBA feel that a general condonation and extension of time limit by sixty (60) days by FBR itself would save the taxpayers to file Annexure "H" and "F" respectively without wastage of time on sequential basis.

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It is pertinent to mention here that the FBR has precedence for such an exercise in past:

- a) C.NO.9(11)/ST/Misc/Cond/2016/ dated May 15, 2020 extended time for filing of Annexure-H for the Tax Period 07/2019 to 12/2019 upto June30, 2020.
- b) C.NO.9(11)/ST/Misc/Cond/2016/110737-A dated July 07, 2020 extended for the Tax Period(s) 07/2019 to 01/2020 upto July 31, 2020.
- c) C.NO.9(11)/ST/Misc/Cond/2016/141345-Rdated August 24, 2020 for the Tax Period(s) 07/2019 to 02/2020 extended upto September 19, 2020.

Owing to the size of the problem due to prolonged pendency, we request your good office to kindly intervene at your earliest convenience by issuing the general condonation for the facilitation of taxpayers in allowing their Sales Tax refunds which though was promised to be issued within 72 hours of filing of claim on faster.

Thanking you,
Yours sincerely,


(**Muhammad Zeeshan Merchant**)
President
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C.C to :

- i. **Mr. Muhammad Javed Ghani**, Chairman, FBR , Islamabad.
- ii. **Ch. Muhammad Tarique**, Member (Inland Revenue - Policy), FBR, Islamabad.
- iii. **Dr. Bakhtiar Muhammad**, Member (Facilitation & Taxpayers Education), FBR, Islamabad.
- iv. **Press and Media**