

Ref: KTBA/06.2020/224

Date: June 15, 2020

**The Chairperson**

Federal Board of Revenue  
Constitution Avenue  
Islamabad

**Dear Madam,**

**DUE DATE OF PAYMENT OF TAX  
ASSETS DECLARATION ORDINANCE, 2019**

This is with reference to the due date of payment of tax under section 6 of the Assets Declaration Ordinance, 2019 (“ADO, 2019”), which in terms of section 6 of the ADO was 30 June 2019. A declarant was also provided with an option to pay the tax on deferred payment basis in installment till the date of June 2020. This late payment, however, had to be made along with default surcharge at the rates given in Clause (2) of the Schedule to the ADO, 2019. You must be aware of the fact that the maximum rate of default surcharge is 40% which would apply if the tax payment is made by 30 June 2020.

It is in this context, we feel it imperative to draw your attention to the ongoing circumstances in the wake of current pandemic of COVID-19 which, undisputedly, has affected the life and business of every individual, adversely and taxpayers are no exception. The fall out of the cessation of business activities in the last three (03) months due to intermittent lockdown orders has effected every ones’ tax paying capacity as well.

It has become quite difficult for the taxpayers to make the payment of tax as per the proviso discussed above, by 30 June 2020. In this connection, on behalf of our members, we would suggest that the following may be considered:

1. the due date of payment of tax may be extended up to 31 December 2020 without increasing the rate of default surcharge further

AND

2. allow adjustment from tax refund, if any, available to the taxpayer, against the aforesaid payment.

We understand that the above measures will not only repose confidence to the taxpayers but will also show the resolve of the FBR to address a genuine issue.

Your earliest response in this respect would be highly appreciated.

Yours faithfully,



**(Mohammad Rehan Siddiqui)**

President

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CC to:

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