

Ref : <u>KTBA/09.2023/088</u> Date : <u>September 06, 2023</u>

Malik Amjad Zubair Tiwana Chairman, Federal Board of Revenue, Islamabad

Dear Malik Sahib, AOA

IRIS 2.0: URGENT RESOLUTIONS REQUIRED

This is the second (2nd) letter in a row on the subject. The first one was written on September 01, 2023. Your necessary attention is drawn to some critical issues discovered lately in IRIS 2.0 that have only added to the hardship of your taxpayers. The issues are being narrated in the ensuing paragraphs:

2- Attachment Tab for Withholding Statement;

Section 165 of the Income Tax Ordinance, 2001

2.1- The first issue pertains to the Attachment Tab for withholding data in Statement u/s.165 of the Income Tax Ordinance, 2001 (Ordinance) under Excel format in the new IRIS 2.0 system. Despite all the figures been entirely valid, the system consistently displays the "loading" status for an extended duration, rendering it impossible for taxpayers to submit their declarations accurately and on time.

2.2- To provide clarity on this matter, we have attached a screenshot for your reference, which illustrates the problem.

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This persistent problem not only hinders one's ability to ensure timely compliance but on the worse side erodes the confidence in the software in terms of its operational efficiency, which is otherwise supposed to be reliable and seamless.

3- Printing Error on Iris 2.0 (In Addition to our Previous Concerns)

3.1- This issue surfaced just last night, which is that when users attempt to print the draft return prepared on the IRIS 2.0 system by clicking the "Print" button, an error is encountered. This unexpected error has only compounded the difficulties that taxpayers are already experiencing.

To provide clarity on this issue, we have attached a screenshot that clearly demonstrates the error message displayed by IRIS 2.0.

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A "printing command error" as it may be called, may sound too small to compel a Bar association to write a letter about it, however, fact cannot be ignored that the state-run software is not even free from these tiny problems, which cannot be even expected from even the low-priced softwares available otherwise for sale.

3.2- Therefore, this newly surfaced problem not only becomes a cause of frustration but factually ceases one's ability to review on a printed draft without which no one would file his return. The combination of these issues, along with many other innumerable issues have already caused and are constantly causing distress and frustration among taxpayers.

4- Separate Issues related to 7E (1% on Local Property)

The issues related to filing and declaring 7E forms in terms of market values and cost of properties and illegal amendment in IRIS 2.0 in terms of compulsive failure to file wealth in absence of filing of 7E form, are another set of issues, which simply defeat the whole purpose. We are writing separately to you to highlight the same.



Way Forward:

We at Karachi Tax Bar Association believe that a combined meeting of not only the Member Policy, Operations and IT is needed but it is more critical that the core Technical Team of PRAL is also invited therein so that the FBR legal side with PRAL technical side can be approached to at the same time.

Regards, (Syed Zafar Ahmed) President Mobile: +92-314-2590000 E-mail: <u>zafar.ahmed@mooreshekhamufti.com</u> info@karachitaxbar.com

C.C. to:

- i. **Mr. Afaque Ahmed Qureshi**, Member (Inland Revenue Policy), FBR, Islamabad.
- ii. Mir Badshah Khan Wazir, Member-IR (Operations), FBR, Islamabad.
- iii. Mr. Nasir Khan, Member (Information Technology), FBR, Islamabad.
- iv. Syed Javed, Independent Director Chairman BOD, PRAL, Islamabad.
- v. Mr. Rana Munir Hussain, President, Pakistan Tax Bar Association.
- vi. Press Media