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KTBA seeks extension for e-invoicing compliance

By our correspondent

KARACHI: The Karachi Tax Bar Association (KTBA) has requested an extension in the deadlines for sales tax e-invoicing and system integration, citing practical challenges faced by taxpayers in aligning with the Federal Board of Revenue's (FBR) digital compliance requirements.

As per current FBR notifications, corporate taxpayers are required to comply by July 1, while non-corporate taxpayers face a deadline of August 1. However, in a letter addressed to the FBR chairperson, the KTBA urged the tax authority to extend these deadlines, pointing to widespread technical and operational difficulties.

While the KTBA expressed full support for the FBR's digitisation drive aimed at improving transparency.and efficiency, it noted that the implementation of the e-invoicing system has encountered delays due to technical complexities and limited awareness. Transitioning to a system-based invoicing framework, the association argued, requires comprehensive training, system upgrades, and sufficient time for testing and validation.

The KTBA also highlighted a shortage of licensed integrators, adding that the limited number of authorised providers has slowed progress. As a result, most taxpayers have yet to successfully integrate their systems, with only a small proportion achieving compliance so far.

Given these challenges, the KTBA has requested the FBR to extend the implementation deadline by at least three months, allowing taxpayers sufficient time to adapt without disrupting business operations.