INTERNATIONAL
THE NEWS
October 01, 2025

KTBA slams FBR over 'glitches' in return filing system

By our correspondent

KARACHI: The Karachi Tax Bar Association (KTBA) has raised alarm over multiple issues hindering taxpayers from meeting their statutory obligation to file returns for the tax year 2025 on time, urging the Federal Board of Revenue (FBR) to take immediate corrective measures.

In a letter to the FBR chairman, the association noted that the final return of income for the tax year 2025 was notified through SRO 1562(I)/2025 on August 18, 2025, in contravention of the timelines prescribed under Rule 34A of the Income Tax Rules, 2002.

"This belated notification has substantially compressed the time for the compilation and filing of returns by 31 plus 17 days," it said, adding that during this shortened period the FBR continued altering the return format on the IRIS portal, with changes made as late as six days before the statutory closing date of 30 September 2025.

The KTBA highlighted that, most notably, on the morning of September 24 a column titled 'Estimated Current Market Value' was added to the statement of assets and liabilities, only to be withdrawn on 26 September. The association said this amendment appeared to have been carried out without following the mandatory procedure under Section 237 of the Income Tax Ordinance, 2001, raising "serious questions of legal propriety."

Taxpayers and consultants, it added, had been left "in an intolerable situation" due to persistent breakdowns and instability of the IRIS portal, which consumed countless hours in failed filing attempts.

The KTBA said it had repeatedly engaged the FBR to flag these malfunctions and anomalies, but its concerns had largely gone unaddressed. Its request for a virtual meeting through Google Meet or Zoom had also been ignored.

In view of what it described as the FBR's failure to uphold principles of good governance and its engagement in practices "contrary to law," the association, under the Right of Access to Information Act, 2017, sought disclosure of the complete log of breakdowns and outages the IRIS portal had suffered.

The KTBA further advised the FBR to undertake a full overhaul of the portal to align it with the prevailing legal framework, eliminate technical glitches and legal inconsistencies, and notify the return of income afresh in line with Section 237 of the Income Tax Ordinance, 2001. It said taxpayers must then be given the full statutory period of 90 days for filing as prescribed under Section 118 of the Ordinance.

The association also said the FBR owed taxpayers an apology for violating established legal procedures, misleading them about the portal's functionality, and failing to provide the full filing period mandated by law.