Government of Pakistan
(Revenue Division)
Federal Board of Revenue
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Islamabad, the 6th January, 2011

NOTIFICATION
(Income Tax)

S.R.O. 09(I)/2011:- The following draft of certain further amendments in the Income Tax Rules, 2002, which the Federal Board of Revenue proposes to make in exercise of the powers conferred by section 237 of the Income Tax Ordinance, 2001 (XLIX of 2001), is hereby published for the information of all persons likely to be affected thereby, as required by sub-section(3) of the said section, and notice is hereby given that the draft will be taken into consideration after fifteen days of its publication in the official Gazette.

Any objection or suggestion which may be received from any person, in respect of the said draft before the expiry of the aforesaid period, shall be considered by the Federal Board of Revenue.

DRAFT AMENDMENTS

In the aforesaid Rules, in Chapter-XIII, after rule 81A the following new rules shall be inserted, namely;-

"81B. **Active Taxpayers List:- (1)** This rule shall apply for the purpose of section 181A of the Income Tax Ordinance 2001.

(2). The Federal Board of Revenue shall publish Active Taxpayers' List referred to as ATL hence forth, comprising of the persons complying with the following within due date:

i) Filing the return of income/statement u/s 114 & 115
ii) Filing the wealth statement u/s 116
iii) Filing of return u/s 143 & 144
iv) Filing the statement of tax deduction u/s 165
v) Deducting the tax at source and depositing it
vi) Paying the advance tax
vii) Responding to the notice issued by the commissioner of Inland Revenue
viii) Any other statement prescribed by the Board

(3). Initially all the compliant taxpayers meeting the following criteria will be included in the Active Taxpayers' List (ATL).

a) e-Filers of return of income/statement u/s 114/115 for Tax Year 2009.
b) e-Filers of Quarterly Employer Statements on deductions made u/s 149 of the Income Tax Ordinance 2001, for tax years 2009, onwards.
c) e-Filers of Quarterly Withholding Tax Statement u/s 165 of the Income Tax Ordinance 2001, for tax years 2009, onwards.
d) Employees who's annual income is Rs. 500,000 and above (as reported by their employers) and e-filed their income tax returns for TY-2009, onwards.
e) Meet the criteria laid under Sales Tax, Federal Excise and Customs for including the taxpayers in the Active Taxpayers' List.

(4). Following actions will be taken in advance for informing the taxpayers regarding their non-compliance:

a) Provisional Active Taxpayers' List will be made available on the FBR's web portal (15) days prior to its finalization.
b) Access to the ATL will be on cases to case basis through the NTN or CNIC of the taxpayer.
c) e-intimations will be sent to the e-Enrolled persons not qualifying the criteria referred above and thirty (30) days time shall be allowed to ensure compliance.
d) The initial criteria given above, and any change in such criteria shall also be publicized for education and awareness of the taxpayers.

(5). The taxpayer registered under section 181 of the Income Tax Ordinance 2001, shall automatically be placed in the Active Taxpayers' List, on the day of its registration subject to the following conditions that:

No return/statement due on the date of registration is pending to be filed and the compliance as per sub-rule (3), wherever due, has been made,

(6). The non-compliant taxpayers will be removed from the Active Taxpayers' List through the automated system as per following procedure:

i) In case of persons **<u>required</u>** to file the declarations electronically

a. Upon expiry of the due date, the computer system will send an e-Intimation at the registered e-mail address of the taxpayer informing him about his default and advising him to make the compliance within 7 days time, failing which its name shall be removed from the Active Taxpayers' List.

b. After completion of 7 days compliance time after issuance of the e-Intimation sent through the computer system referred above, the computer system will remove automatically the name of the non-compliant taxpayer from the Active Taxpayers' List.

ii) In case of persons **not** required to file the declarations electronically

a. Upon expiry of the due date and feeding of all the returns in the computer system, the respective Commissioner (Enforcement) shall **initiate** the ATL process through the computer system whereby the computer system will print Intimation Letter to the non-compliant taxpayer informing him about his default and advising him to show the compliance within ten days, failing which his name will be removed from the Active Taxpayers' List.

b. Upon receipt of the return, the respective Commissioner (Enforcement) shall arrange to feed the return to the computer within a week.

c. After completion of a period of ten (10) days of the intimation issued by the computer system referred above, the computer system will remove the names of the non-compliant taxpayers from the Active Taxpayers' List.

(7). The computer system will execute the ATL procedure every night at 2400 hrs and bring the compliant taxpayers back to the ATL.

(8). The registration of the taxpayer removed from the ATL will be treated as suspended for the period of his removal from ATL and such taxpayer shall not be treated as a registered person during the suspension period unless regularized through an order by the respective commissioner (Enforcement).

(9). The entire suspension period of registration will automatically be regularized immediately upon compliance by the defaulter and restoration in the ATL".

[C.No.3 (6)/ITR/2010]

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