

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
FEDERAL BOARD OF REVENUE

C.No. 4(14)S(ITP-II)/2014

Islamabad, the 06th August, 2014

Circular No.3 of 2014
(Income Tax)

SUBJECT: **ACCEPTANCE OF EVIDENCE OF FILING OF RETURN FOR COLLECTING TAX UNDER SECTION 234 OF THE INCOME TAX ORDINANCE, 2001 WHERE WITHHOLDING AGENTS DO NOT HAVE ACCESS TO THE ACTIVE TAXPAYERS' LIST**

Through the Finance Act, 2014, concept of filer and non-filer has been introduced to increase the cost for non-compliant persons. Accordingly there are higher rates of advance tax to be collected under section 234 at the time of collecting motor vehicle tax. However, it has been brought to the knowledge of the Board that certain post offices collecting motor vehicle tax do not have access to the Active Taxpayers' List issued by the Board due to which these are not able to discern the status of the person either as filer or non-filer. This may cause hardship to the taxpayers. In order to remove this difficulty, it has been decided that the withholding agents collecting advance tax under section 234 who do not have facility to access the Active Taxpayers' List are authorized to collect tax at the rates applicable for filers if the taxpayer furnishes evidence of filing of latest income tax return in the form of stamped copy of return for the Tax Year 2013 or return acknowledgment slip for the Tax Year 2013 alongwith an undertaking stating his NTN and that he has filed return for the Tax Year 2013. However, withholding agents who accepted the evidence of filing of return due to lack of access to the Active Taxpayers' List, shall furnish the undertaking furnished by the taxpayer and information regarding such persons by the 15th of every month to the regional tax office in the following format:-

Name of the taxpayer	NTN	CNIC	Engine Capacity (cc)	Tax collected under section 234


(Shabfn ul Aijaz)

Secretary (Income Tax Policy)