

PERSONS REQUIRED TO FILE RETURN OF INCOME

Filing of Returns of Income is covered u/s 114 and Statements u/s 114(4) and Employer's Statements u/s 115(1) (a) vide section 118(2) (3).

Filing of Return of Income u/s 114:

At present the following persons are required to file Return of Income:

- ✳ Every Company.
- ✳ Every person other than a Company whose taxable income for the year exceeds the maximum exempt income threshold.
- ✳ any nonprofit organization (viz. Societies, Trust, etc) approved u/s 2(36) of the Income Tax Ordinance, 2001 and any trust or welfare institution covered under clause (58) of Part I of Second Schedule to the Income Tax Ordinance, 2001
- ✳ any person who is the holder of commercial or industrial connection of electricity where the amount of annual bill exceeds rupees one million
- ✳ A person who has been charged to tax in respect of any of the two preceding tax years.
- ✳ a person who claims a loss carry forward and
- ✳ a person who owns immovable property measuring 250 sq yards or more or flat in the municipal cantonment limits or in the Islamabad Capital Territory.
- ✳ A person who owns a motor vehicle having engine capacity above 1000 cc
- ✳ Who has obtained National Tax Number
- ✳ Who owns immovable property of 500 sq yards or more located in a rating area.
- ✳ Who owns a flat having covered area of 2000 sq. ft. or more located in a rating area.
- Due to changes in the taxability of persons whose receipts are liable to collection/deduction of tax under section 148 (Import) 151(1) (b) (Service) have been brought out of the ambit of final taxation and are required to file Return of Income.
 - ✳ Importer of edible oil (minimum Tax)
 - ✳ Commercial importers and manufacturers importing "Packing Material (minimum tax)

- * Providing services (tax deducted under sub-clause (b) of sub-section (1) of section 153 shall be minimum tax

Statement of Final Taxation
(Section 115(4) (4A)

The following person deriving following income would now be required to file a simplified statement of final taxation.

- a) Income under section 5 (tax on Dividend)
- b) Income under section 6 (tax on certain payments to non-resident)
- c) Income under section 7 (tax on shipping and air Transport income of a non-resident.
- d) Income under section 15 (Income from Property)
- e) Income under section 113(A), (retailer having turnover upto Rs. five million)
- f) Income under section 113(B), (retailer having turnover exceeds five million rupees and filling a return under sales tax special procedure).
- g) Income under section 148 import.
- h) Income under section 151 (clauses) (a), (b), and (c) of sub section (1).
- i) Income under section 152 (profit on debts) (payments to non-resident).
- j) Income under section 153 clause (1) (a) & (c) of sub section.
- k) Income under section 154 exports.
- l) Income under section 156 prizes and winnings
- m) Income under section 156 (a) petroleum products.
- n) Income under section 233 brokerage or commission, Travel Agent or Insurance Agent sub section (3).
- o) Income under section 233(A), Commission earned by Member Stock Exchange on sale and purchase of shares.
- p) Income under section 234(5) Transport Businesses.
- q) Income under section 234 (A) (3) CNG station.

REVISED STATEMENT OF FINAL TAX:
SUB-SECTION (4A) OF SECTION 115:

Any person who, having furnished a statement, discovers any omission or wrong statement therein, he may, without prejudice to any other liability which he may incur under this Ordinance, furnish a revised statement for that tax year, at any time within five years from the end of the financial year in which the original statement was furnished.

Wealth Statement and Reconciliation of Wealth (Sub-Section (4B) of section 116) :

Every person (other than a company) filing the statement of final taxation, falling under Fixed Tax Regime and have paid tax amounting to Rs. 35,000/- or more for the tax year will now be required to file a wealth statement along with reconciliation of wealth statement.

Moreover, every member of AOP whose share of income from such AOP, before tax, for the year is Rs.1,000,000/- or more

Now every taxpayers filing a return of income for any tax year whose last declared or assessed income or the declared income for the year is Rs. 1,000,000/- or more is required to furnish a wealth statement for the year together with such return. Further, the commissioner is also empowered to require any person to furnish a wealth statement in the prescribed form.

Revised Return of Income: Section 114(6):

If a taxpayer later on discovers any omission or wrong statement is allowed to file a revised return.

The filing of a revised return now is, without prejudice to any other liability which he may incur under the ordinance, subject to following conditions;

- a) The revised return can only be filed within five years from the end of the financial year in which the original return was filed.
- b) The revised return has to be accompanied by revised accounts or revised audited accounts, as the case may be.
- c) The reason for revision of return, in writing duly signed has to be filed therewith; and
- d) The revised return has to be filed before the issuance of the notice for amendment of assessment.

Date of Filing Return of Income/monthly/annual statement

The dates proposed for filing of Returns are as under:-

- a) In case of **Companies** with tax year ending between first day of January and the thirtieth day of June, **on or before thirty first day of December next following the end of Tax Year** to which the returns relates.
- b) In any other case, on or **before the thirtieth day of September next following the end of the tax year** to which the returns relates.
- c) A return of any **person other than a company** an employer certificate of an individual, return of income through e-portal in the case of a salaried person **or a statement under section 115(4)** shall be furnished **on or before thirty first day of**

- August next following the end of Tax Year** to which the return, certificate or statement relates.
- d) In case of return of income u/s 114 for any person (other than a company and as described as above in clause © **shall file return on or before the thirtieth day of September next following the end of the tax year** to which the return relates.
 - e) A wealth statement shall be furnished by the due date with the return of income for that year if the income is 10,00,000/- or more.
 - f) If a taxpayer is not borne on NTN register, he must file an application alongwith Return of Income or statement/certificates as the case may be, failing which the Return/Statement/Certificate shall not be treated as a properly filed Return/Statement/Certificate as the case may be.

Following persons are exempted from compulsory filing return of return of Income:

- a) A widow.
- b) An orphan below the age of 25 years.
- c) A disabled person.
- d) Non-resident in case of ownership of immoveable property.