TPMCL

PAKISTAN TAX SERVICES

150 Questions & Answers

A practical English guide for individuals, businesses, freelancers and online sellers operating in Pakistan.

Prepared for The Practitioners Management Consultants (Pvt.) Ltd.

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How to use this guide

This guide translates the agreed 150-question list into English and answers every question in the same order. It covers Pakistan tax matters only; foreign-client receipts are included only for their Pakistan tax implications.

Use the rules for the relevant tax year and transaction date. Tax Year 2026 and Tax Year 2027 are different periods. The guide explains processes rather than publishing a universal rate card or asserting a current deadline extension.

Answers are general guidance. Eligibility, rates and relief depend on the facts and applicable legislation. Current law and notifications take priority over older portal help examples. Some official pages were accessible only through indexed extracts during research.

Commercial answers do not invent TPMCL fees, turnaround promises, refund guarantees or internal privacy policies. Obtain an agreed quotation and engagement scope for these details.

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Source numbers below each section correspond to the official reference list at the end. Primary statute sections should be read in the version applicable to the tax year.

01 | Understanding tax in Pakistan

Reference framework: [1, 2]

1. What is income tax in Pakistan?

Income tax is charged on income under Pakistan's Income Tax Ordinance, 2001. The calculation depends on the income category, taxpayer type, applicable tax year and any eligible exemptions or deductions.

2. How is paying tax different from filing a return?

Payment settles a tax amount. A return reports income, deductions and tax paid or payable. Tax deducted by a bank or employer does not, by itself, complete your annual filing obligation.

3. What is the difference between income tax and sales tax?

Income tax concerns income or specified receipts. Sales tax concerns taxable supplies of goods or services. They use different laws, registrations and returns; paying one does not automatically satisfy the other.

4. What is a tax year in Pakistan?

The normal tax year runs from 1 July to 30 June and is named after its ending year. Tax Year 2026 covers 1 July 2025 to 30 June 2026; Tax Year 2027 covers the following year.

5. Who must file an income tax return?

Section 114 sets the filing criteria. Taxable income, entity type, registration, specified assets, business circumstances and an FBR notice can create an obligation. Check all applicable criteria rather than income alone.

6. Must I file if my income is low or my tax is zero?

Possibly. A zero tax calculation does not remove every filing obligation. Review registration and other section 114 criteria, and report actual income and assets rather than automatically submitting an empty return.

7. Can a student, homemaker, unemployed or retired person become a filer?

Yes, where registration and filing are appropriate. Report the person's genuine income, financial support, assets and liabilities. Employment is not a condition for registration, but a person's status does not establish a tax exemption.

02 | NTN and FBR registration

Reference framework: [1, 3, 4]

8. What is an NTN and how do I obtain one?

An NTN identifies a taxpayer in FBR's registration system. Register or enrol through IRIS using the correct individual, AOP or company category and complete the required identity and business information.

9. How are an individual's CNIC and NTN connected?

For a registered Pakistani individual, the 13-digit CNIC serves as the registration number. AOPs and companies have their own NTN. Possessing a CNIC alone does not mean FBR registration and filing are complete.

10. What documents are needed for NTN registration?

Prepare identity details, an accessible mobile number and email, address and bank information. Business cases may need premises evidence and business documents; AOPs and companies also need formation and authorization documents.

11. How do personal and business registration differ?

A sole proprietor ordinarily operates under the individual's registration with business particulars added. An AOP or company is a separate taxpayer. Choose the category that reflects actual ownership and legal structure.

12. Does obtaining an NTN automatically make me a filer?

No. Registration and Active Taxpayer List inclusion are separate. File the relevant return and satisfy the applicable ATL conditions, including any required late-filing surcharge.

13. How do I add or update a business in my FBR profile?

Use the registration modification facility in IRIS to update business activity, name, addresses and other relevant particulars. Keep supporting documents and verify the modification's status after submission.

14. How do I change my registered mobile number, email or address?

Use the available IRIS profile or registration modification process. If you cannot access the registered contact details, follow FBR's identity-verified recovery or assistance procedure rather than creating a duplicate registration.

03 | Filer status and the ATL

Reference framework: [1, 5]

15. How do filer, non-filer and late-filer statuses differ?

ATL inclusion identifies active taxpayers; a person outside the relevant ATL is generally treated as non-active for applicable deductions. Certain transactions separately classify late filers. The result depends on the transaction and the law for that date.

16. What are the benefits of becoming a filer?

ATL status can reduce withholding on specified transactions and helps maintain a documented tax history. It does not exempt all income or guarantee the lowest rate on every transaction.

17. How can I check my ATL status?

Use FBR's official online active-taxpayer verification service. Check the correct CNIC or NTN and retain the result when needed for a transaction. Recheck status close to the actual transaction date.

18. Why is my name missing from the ATL after filing?

Check that the correct tax year's return was submitted successfully, the registration number is correct and any required ATL surcharge was paid. A draft return, incomplete conditions or processing delay can prevent inclusion.

19. How long does filer activation take?

Activation depends on successful submission, applicable surcharge verification and the system's update cycle. Check the live ATL after completing these steps; do not rely on a guaranteed activation time.

20. Do I need to file every year to remain a filer?

ATL eligibility is linked to the relevant tax year's compliance. Review your filing obligation every year and submit the required return on time; one historical filing does not establish permanent active status.

21. How can late-filer status change?

Check the statutory definition and filing history for the specific transaction. Correct outstanding compliance and file future returns on time. Paying an ATL surcharge does not necessarily remove a separate late-filer classification.

22. How does the ATL surcharge differ from a late-filing penalty?

The ATL surcharge concerns inclusion after late filing. A return-filing penalty arises under separate penalty provisions. Default surcharge on unpaid tax is another charge; paying one does not automatically settle the others.

04 | First return and supporting documents

Reference framework: [1, 3, 6]

23. How do I file my first income tax return?

Complete FBR registration, select the correct tax year in IRIS and compile income, deductions, tax credits and asset details. Prepare any required wealth statement, reconcile the figures, pay any liability and submit the forms.

24. Which documents are needed for return filing?

Provide identity and registration details, income records, bank statements, tax deduction certificates, business accounts where relevant, and asset and loan information. Include the previous return and wealth statement if available.

25. What period should my bank statements cover?

For a normal tax year, obtain statements covering 1 July to 30 June and the closing balance. Earlier records may be needed to explain opening wealth, unusual receipts or a notice.

26. Must I provide details of every bank account?

Provide all relevant accounts, including dormant accounts with balances and business or foreign accounts where reportable. Full information allows transfers, income and closing wealth to be reconciled without double counting.

27. What if I do not have a salary certificate?

Request an annual salary and tax deduction statement from the employer. Payslips, bank credits and employer confirmations can help reconstruct the figures, but missing evidence should be resolved before unsupported credits are claimed.

28. How can I file with incomplete business records?

Reconstruct records from invoices, bank statements, sales logs, supplier statements and stock information. Identify gaps and use supportable figures. Do not invent expenses or income simply to make the return reconcile.

29. How do I report old savings and assets in my first return?

Identify assets and liabilities at the relevant dates and document their sources, such as past earnings, inheritance or loans. First filing is not an amnesty; unsupported opening wealth can require explanation.

30. How do I file outstanding returns from previous years?

Review each year's filing obligation, reconstruct that year's income and wealth, and submit the appropriate return in IRIS. Assess penalties and other consequences separately and maintain consistency between successive wealth statements.

05 | Salaried individuals

Reference framework: [1, 6]

31. Why must I file if my employer already deducts tax?

Employer deduction is a payment mechanism, while your return reports your full tax position. You may have other income or a separate filing obligation, and the employer's deduction may need reconciliation.

32. How do I declare salary, bonuses and allowances?

Use the annual employment statement and classify payments under the salary provisions. Include taxable bonuses, allowances and benefits; claim an exemption only where the law specifically permits it.

33. How do I file after changing jobs during the year?

Combine relevant salary and deduction records from all employers for the same tax year. Reconcile employment dates, benefits and withholding, then calculate the annual position rather than treating each job as a separate return.

34. How is tax calculated when I have two employers?

Annual salary from both employers is considered together, subject to applicable rules. Each employer's deduction may not reflect the combined liability, so the return may show additional tax or an excess payment.

35. What if I also have business or freelance income?

Declare each income under the appropriate head or special regime. The salary share can affect the applicable rate table; some export receipts have separate treatment. Do not assume all side income follows salary rates.

36. What if my employer deducted too much tax?

Verify the deduction certificate, correct annual liability and eligible credits. Report valid adjustable deductions in the return. Any refundable balance requires the applicable claim procedure rather than an automatic cash payment.

37. How do I check the treatment of pension and retirement payments?

Identify whether the payment is pension, gratuity, provident fund, severance or another benefit. Age, scheme approval, employment history and the tax year can affect treatment; do not assume every retirement payment is exempt.

06 | Businesses and self-employed taxpayers

Reference framework: [1]

38. Is business income tax charged on sales or taxable profit?

Under the normal regime it is based on taxable business income after allowable adjustments. Minimum, final, withholding or special regimes may instead use turnover or receipts, so profit alone is not always decisive.

39. How does a shopkeeper or sole proprietor file?

Declare business income in the individual's return, supported by sales, purchases, expenses and stock records. Complete the required wealth statement and report tax payments or deductions under their correct treatment.

40. How do AOP and company returns differ?

An AOP and a company file as separate taxpayers, with different rate and compliance rules. Partners' or shareholders' own returns may also be required. Entity accounts should not be substituted with an owner's personal wealth statement.

41. Must I file if my business made a loss?

A filing obligation can remain despite a loss. Report the genuine loss with supporting accounts and check minimum tax and loss-utilization rules; a loss does not automatically eliminate every tax liability.

42. How do I declare income from several businesses?

Maintain separate records for each activity and combine reportable results in the appropriate taxpayer's return. Apply any special regimes and loss restrictions separately before determining the overall liability.

43. What if personal and business transactions share one bank account?

Classify transactions as business receipts, business payments, drawings, capital or personal transfers. Reconcile the account and keep evidence for non-income credits. A dedicated business account improves future record keeping.

44. How should I record cash sales and expenses?

Maintain dated sales records, invoices or receipts, cash books, purchase evidence and stock records. Reconcile cash movements with drawings and deposits, and check statutory payment-method and documentation requirements for deductions.

45. How do I inform FBR that my business has closed?

Update registration particulars and review cessation requirements, including section 117 where relevant. Complete outstanding returns and payments and separately address any sales tax de-registration; stopping trade does not automatically close registrations.

46. How do I know whether minimum or other business taxes apply?

Review entity type, turnover, sector, income regime and exemptions for the relevant year. Compare normal tax with applicable minimum or alternative calculations and examine withholding and super-tax obligations where relevant.

07 | Expenses and tax planning

Reference framework: [1]

47. Which business expenses can be claimed?

Expenses must meet the business deduction rules and be supported by evidence. Personal, capital or specifically disallowed costs are not ordinary revenue deductions. Withholding, payment-method and documentation failures can also affect deductibility.

48. How do I report rent, staff salaries and utility bills?

Record genuine business costs with invoices, contracts, payroll and payment evidence. Apply withholding obligations where relevant and remove personal use. These costs are not deductible merely because they appear in a bank statement.

49. How do I allocate expenses when working from home?

Use a reasonable, documented business-use basis, such as workspace or actual usage. Only the eligible business portion should be considered; the whole household bill should not automatically be claimed.

50. Can I claim an expense without a receipt?

A missing receipt weakens support and may make the claim inadmissible. Obtain supplier confirmation or other reliable evidence and check the specific legal requirement. Estimates should not replace documents that the law requires.

51. How are laptops, machinery and business vehicles treated?

Long-term assets usually require capitalization and applicable depreciation or allowance rules rather than an immediate full deduction. Business use, asset category and statutory limits affect the claim.

52. How should I separate personal and business expenses?

Use separate accounts and categorize transactions as they occur. Treat personal payments through the business as drawings or another correct entry, not as operating expenses. Retain a clear audit trail.

53. How can I check deductions and tax-credit eligibility?

Identify the exact provision, eligible taxpayer, qualifying payment, limits and documents for the relevant year. A deduction reduces the income base; a tax credit reduces tax under its own formula and conditions.

54. Which structure is suitable: sole proprietor, AOP or company?

Compare ownership, liability, expected profit, financing, reporting costs and growth plans. Tax is one factor alongside legal and commercial needs. Review the full compliance burden before changing structure solely for a headline rate.

08 | Freelancers and remote workers

Reference framework: [1]

55. How is a Pakistan-based freelancer's income declared?

Classify receipts by actual activity, client arrangement and applicable regime. Local self-employment commonly involves business income; qualifying service exports may have a separate regime. Keep contracts, invoices and receipt records.

56. Where do I report Fiverr and Upwork earnings?

The platform name does not determine the tax category. Use the IRIS fields for the underlying service and applicable export or business regime. Reconcile gross earnings, platform charges and amounts received.

57. How do local and foreign-client receipts differ?

Check the service type, place and nature of the supply, taxpayer status and realization of export proceeds. Foreign payment alone does not establish exemption or qualification for a concessional export regime.

58. How is a freelancer different from a remote employee?

An employee works under an employment relationship, while an independent contractor provides services on their own account. Contract terms and actual working arrangements determine classification; a foreign payer does not automatically make salary an export receipt.

59. How does PSEB registration relate to tax?

PSEB registration can be relevant to specified IT and IT-enabled export concessions. It is separate from FBR registration and does not remove filing or other conditions. Verify current eligibility and the applicable year.

60. What is a PRC or e-PRC and when is it needed?

A Proceeds Realization Certificate records qualifying foreign proceeds received through the banking system. Obtain it from the receiving bank where applicable to substantiate receipt details, purpose and export-related tax treatment.

61. How do I report money received through Payoneer, Wise or foreign accounts?

Keep platform and bank statements, contracts, fees and currency-conversion records. Declare income and reportable balances under the applicable rules. Do not assume a payment service or transfer description establishes export eligibility.

62. Must I file if the bank deducted tax on freelance receipts?

Bank deduction does not by itself complete return filing. Confirm whether the deduction is adjustable, minimum or final, and whether return filing and other conditions are necessary for the claimed regime.

63. How do I file when I have salary and freelance income?

Separate employment and independent-service receipts, then apply the appropriate treatment to each. Check the salary-share rule and any qualifying export regime before choosing a rate table or simplified form.

64. How do I correct previously undeclared freelance income?

Review the affected tax years and records, then assess original or revised returns, wealth corrections and tax consequences. Declare actual facts; do not relabel past service earnings as gifts or unexplained opening cash.

09 | Online sellers and content creators

Reference framework: [1, 12]

65. How do I declare Daraz, social-media or website sales?

Maintain order, return, marketplace and settlement reports. Determine gross sales and reconcile commissions, charges and deductions. Apply the business or e-commerce regime relevant to the transaction and tax year.

66. How should I record COD receipts and courier deductions?

Reconcile dispatched orders, delivered orders, cancellations, returns and courier settlements. Record charges and tax deductions separately from sales so that net settlement amounts do not hide the underlying turnover.

67. How do I report marketplace or payment-gateway deductions?

Obtain statements identifying the tax provision and taxpayer number. Separate commercial fees from tax withheld, then apply the provision's adjustable, final or minimum treatment rather than assuming every deduction is a credit.

68. Does an online seller need sales tax registration?

Possibly. Assess the goods or services sold, registration category and current e-commerce provisions. Selling through social media or operating from home does not, by itself, establish an exemption.

69. How do I declare YouTube, sponsorship and affiliate income?

Identify each revenue stream and whether business, export or specific social-media provisions apply. Keep platform statements and agreements. Sponsorship income should not automatically be given the same treatment as platform advertising receipts.

70. What tax records should an online business maintain?

Keep sales and purchase invoices, stock records, refund reports, courier and gateway settlements, bank statements and tax certificates. Retain contracts and export evidence where relevant, with a reconciliation between orders and receipts.

10 | Property, rent and investments

Reference framework: [1]

71. How do I declare rent from a house or shop?

Report rental receipts under the correct income head and apply eligible deductions and withholding credits. Keep tenancy agreements, receipts and payment records; treatment varies with taxpayer category and the relevant year.

72. Who declares rent from jointly owned property?

Identify each owner's legal share and actual entitlement. Each taxpayer ordinarily reports their corresponding income under the applicable rules; one owner's bank receipt does not necessarily establish sole ownership of all the rent.

73. Which taxes apply when buying or selling property?

Federal advance taxes and possible capital-gains obligations can arise, alongside provincial duties or charges. Transaction date, value, acquisition history and taxpayer status matter. Review the actual transaction rather than using a universal rate.

74. How do I report profit on a property sale?

Prepare a capital-gain computation using eligible cost, consideration and applicable rules for the acquisition and disposal dates. Separately report any advance tax and update assets and bank balances in the wealth statement.

75. How do I declare inherited or gifted property?

Keep succession, transfer or gift documents and establish the applicable value or cost basis. Report the asset and corresponding source of wealth. Inheritance and gifts have distinct conditions and should not be treated interchangeably.

76. Can property transaction tax be adjusted?

Treatment depends on the section, taxpayer and relevant year. Identify the collection certificate and reconcile it with the applicable liability. Not every tax, duty or transfer charge is an income-tax credit.

77. How do I declare bank profit and dividends?

Use bank and dividend statements to report gross receipts and deductions in the correct return categories. Their separate or normal tax treatment depends on the provision, taxpayer and applicable year.

78. How do I report shares and mutual-fund income?

Separate dividends or distributions from disposal gains and losses. Use broker, fund and NCCPL records where applicable. Acquisition dates, instrument type and taxpayer category can affect the calculation.

79. Is tax deducted on investments adjustable or final?

Check the specific investment and deduction provision. A tax certificate identifies the amount withheld but does not alone establish credit eligibility. Report separately taxed income in the relevant return fields.

11 | Wealth statements and family transfers

Reference framework: [1, 6, 8]

80. What is a wealth statement and who must submit it?

It records assets, liabilities and wealth movements. Resident individuals filing returns generally submit it under section 116, and FBR may require statements by notice. Entity balance sheets are a separate reporting requirement.

81. How do I report cash, bank balances, gold, property and vehicles?

List assets held at the reporting date in the proper categories, including your ownership share and relevant balances. Maintain acquisition and source records, and use the prescribed valuation basis consistently.

82. What value should I use for assets?

Use the basis required for the particular wealth-statement field, generally documented cost for acquired assets rather than casually updating everything to market price. Special situations, including inherited or gifted assets, need separate review.

83. How do I calculate household expenses?

Use actual, supportable spending on housing, food, utilities, education, travel and other personal needs. Avoid arbitrary balancing figures. Explain who paid shared expenses and exclude amounts already correctly counted elsewhere.

84. What is wealth reconciliation?

It explains the change in net assets using income, expenses and other genuine inflows and outflows. Opening wealth, closing wealth and the movement schedule must agree without counting transfers or receipts twice.

85. What if my income, expenses and assets do not reconcile?

Check missing accounts, purchase dates, loans, drawings, transfers and opening balances. Correct classification or omissions using evidence. Never insert fictitious gifts, income or cash simply to remove a difference.

86. How do I show money received from parents or a spouse?

Document the transfer, donor and purpose. Determine whether it is a genuine gift, loan, shared expense or another receipt, and check the legal treatment. A family relationship does not eliminate documentation requirements.

87. What evidence is needed for a gift, inheritance or loan?

Keep relevant agreements, donor or lender identification, bank trail and evidence of capacity or source; retain succession documents for inheritance. Cash receipts and non-relative gifts or loans require particular review under the applicable provisions.

88. How do I handle transfers between my own accounts?

Match both sides and classify them as internal transfers, not additional income. Report each relevant closing balance once. Keep bank references to distinguish transfers from receipts from another person.

89. How do I report loans and repayments?

Show genuine outstanding liabilities at year end, supported by agreements and statements. Separate principal repayments from interest and reconcile them with bank and cash movements. Borrowed principal is not ordinary business revenue.

90. How can I correct a previous wealth statement?

Identify the error and assess the legal revision window and notice restrictions before revising in IRIS. FBR's September 2026 clarification highlights a five-year limit measured from the original return's due date.

12 | Withholding, payments and refunds

Reference framework: [1, 7, 9]

91. What are withholding tax and advance tax?

Withholding is tax deducted or collected by another party under a specified provision. Advance tax is paid before final annual settlement. Their adjustment depends on the applicable regime; not all deductions work identically.

92. How does adjustable tax differ from final tax?

Eligible adjustable tax is credited against the relevant liability. Final tax settles specified income under its own rules, while minimum tax may set a liability floor. Classify the receipt and deduction before claiming credit.

93. How do I claim tax deducted from salary, banking, bills or vehicles?

Collect certificates and payment evidence, identify the relevant section and enter eligible credits for the correct year and taxpayer. Some receipts or deductions have separate treatment and cannot be included as ordinary adjustable tax.

94. Can sales tax on shopping receipts offset income tax?

Generally, no. Consumer sales tax is a different levy from adjustable income-tax withholding. A registered business may claim eligible input sales tax through its sales tax return under the relevant conditions.

95. What if deducted tax is missing from IRIS?

Compare the deductor's certificate with the correct CNIC or NTN, year and amount. Ask the deductor to correct reporting where necessary and seek FBR assistance. A missing display should not lead to an unsupported claim.

96. Who pays advance income tax and when?

Section 147 and related provisions determine eligibility, exemptions, instalments and calculation. Review your taxpayer category and prior assessment; do not assume every individual must make the same quarterly payment.

97. What are PSID and CPR?

A Payment Slip ID identifies the tax payment request. A Computerized Payment Receipt records a completed payment. Generate the correct request, pay through an authorized channel and retain the receipt for reconciliation.

98. What if payment left my bank but is not reflected in IRIS?

Keep the PSID, bank reference, amount and payment date. Confirm settlement with the bank and raise a documented issue with FBR if needed. Check the receipt before making a duplicate payment.

99. What if I paid under the wrong tax year or payment head?

Retain the payment receipt and request the appropriate correction, transfer or adjustment through the available FBR process. Do not claim the payment in an unrelated field merely to force a match.

100. How do I claim excess income tax paid?

Confirm the correct liability and eligible payments, show the excess in the electronic return and use the separate refund-application process. Keep deduction and payment evidence; a claim is subject to verification.

101. Is a refund shown in my return paid automatically?

No. FBR's guidance requires a separate application in IRIS for a return-generated refund. The displayed balance is a claim, not a guarantee of automatic payment or immediate approval.

102. Which documents support a refund claim?

Prepare the filed return, tax computation, deduction certificates or CPRs, supporting income records and bank details required for payment. Provide any additional evidence requested during verification and retain the application's acknowledgement.

103. How can I check refund status?

Review the application's IRIS status, correspondence and any order. Follow up with the responsible tax office when the portal does not resolve the issue. Keep the application number and supporting evidence available.

104. Can a previous year's refundable amount offset current tax?

Distinguish a claimed excess from an established refund or approved adjustment. Check the legal adjustment process and status of the earlier year. Do not treat every historical refundable balance as an automatic current-year credit.

105. What should I do if my refund is pending or rejected?

Check for missing documents, account details, outstanding demands or a rejection order. Respond to requests and obtain the reasons in writing. Consider the available review or appeal route within its deadline.

13 | Sales tax and provincial authorities

Reference framework: [10, 11, 12]

106. Does my business need sales tax registration?

Assess the actual activity, goods or services supplied, mandatory category and applicable thresholds or special rules. Manufacturers, importers and other specified businesses may qualify. Online selling also requires a current-law review.

107. What is the difference between NTN and STRN?

An NTN identifies income-tax registration; an STRN identifies sales-tax registration. Income-tax registration alone does not authorize collecting sales tax or replace the separate sales-tax obligations.

108. How do goods and services sales taxes differ?

FBR generally administers federal sales tax on goods, while provincial authorities administer their taxable services. Islamabad services involve federal arrangements. Classification and place-of-supply rules determine the relevant authority.

109. Which authority should I register with: FBR, SRB, PRA, KPRA or BRA?

Identify the supply and jurisdiction. SRB covers Sindh services, PRA Punjab, KPRA Khyber Pakhtunkhwa and BRA Balochistan; FBR handles federal matters. Review jurisdictional rules, not just the business's mailing address.

110. Can a business need more than one tax registration?

Yes. A business supplying both goods and services, or operating across jurisdictions, may have several obligations. Evaluate each activity and place of supply; multiple registrations do not permit indiscriminate duplicate tax collection.

111. What documents are required for sales tax registration?

Requirements vary by authority and activity. Prepare registration and bank details, premises evidence, business documents and any required photographs, verification or biometrics. Manufacturers may need additional machinery and utility information.

112. How is a monthly sales tax return filed?

Compile taxable sales, purchases, invoices, adjustments and withholding, reconcile the period, calculate liability and submit through the relevant authority's portal. Payment and filing deadlines may differ and must both be observed.

113. Must I file a monthly return when there are no sales?

A registered person may still need a nil return while registration remains active. Check the relevant law and reporting period; having no sales does not automatically suspend ongoing filing requirements.

114. What are input tax and output tax?

Output tax is charged on taxable supplies; input tax is qualifying tax paid on purchases. Only admissible input can offset output, subject to restrictions, documentation and the applicable goods or services regime.

115. How do I claim input tax on purchases?

Use valid invoices and verify the supplier, eligibility, reporting and payment conditions. Match purchases with records and portal data where required. Not every purchase, invoice or tax payment qualifies for input credit.

116. What information should a sales tax invoice include?

Follow the applicable authority's invoice requirements, including supplier registration, date and invoice number, supply details, taxable value and tax amount. Buyer identification and digital invoice fields are required where the relevant rules prescribe them.

117. Does my business need digital invoicing or POS integration?

Review the current notification, registration category and implementation requirements for your supplies. Digital invoicing and POS integration are related but distinct obligations; applicability should not be inferred merely from owning a cash register.

118. How do I claim a sales tax refund?

Establish eligibility under the relevant goods or services regime and submit the required return, application and schedules. Support the claim with invoices, payment records and export evidence where relevant. Excess input does not always create a cash refund.

119. What if my registration is suspended or blacklisted?

Obtain the notice or order, identify the grounds and meet the response deadline. Correct verified defaults and pursue restoration or challenge through the prescribed process. Check effects on invoicing and input-credit claims immediately.

120. How do I de-register after closing the business?

Apply through the relevant authority's prescribed process and complete outstanding returns, payments and any verification. Assess closing stock and other adjustments. Filing obligations may continue until de-registration takes effect.

14 | Deadlines, IRIS and corrections

Reference framework: [1, 3, 6, 8, 13, 14]

121. What is the income tax return deadline for my taxpayer type?

The usual due date is 30 September for individuals and AOPs and 31 December for normal June-year-end companies. Special tax years require separate review. Always check a valid extension for your specific year and category.

122. Where can I verify an official deadline extension?

Check the dated FBR order or notification on the official website and any relevant IRIS communication. Confirm its tax year, taxpayer category and scope. A social-media announcement alone is not sufficient evidence.

123. What should I do after missing the deadline?

Complete and submit the outstanding return promptly, pay any liability and assess late-filing consequences. Review ATL surcharge requirements separately. Do not assume a later extension applies without checking its terms.

124. What are the consequences of late filing or payment?

They can include statutory penalties, default surcharge, ATL consequences and different withholding treatment where applicable. Liability depends on the specific default and law; there is no single universal late-filing charge for every case.

125. How can I request an extension?

Use the prescribed section 119 application process and explain the reason with evidence. Apply by the relevant due date where required. A filing extension does not automatically extend the tax-payment deadline.

126. How do I recover access to IRIS?

Use the official recovery or registered-person enrolment facility. If registered contact information is unavailable, seek identity-verified FBR assistance. Keep control of your own account and avoid creating duplicate registrations.

127. Is a draft return considered filed?

No. Saving a draft is not submission. Verify that each required form, including the wealth statement where applicable, appears as completed or submitted for the correct tax year.

128. Where can I find proof of successful filing?

Download the submitted return and acknowledgement from completed tasks or the equivalent IRIS area. Verify the tax year and taxpayer number, and retain the wealth statement and payment receipts with the filing record.

129. How do I revise a submitted return?

Identify the error, assess the legal revision conditions and use the required application and revised-return process in IRIS. Revise the wealth statement too if affected; do not overwrite history without supporting explanations.

130. When is revision approval required?

Return revision ordinarily involves the statutory application or approval process, subject to any applicable exceptions. Wealth-statement revision has separate conditions. Check the current provision, time limit and any assessment notice before proceeding.

131. How do I add omitted income or an asset?

Review the affected year and determine whether a return, wealth statement or both require revision. Recompute tax and reconcile source and use of funds. Adding the item only in a later year may not correct the original omission.

132. How do I correct a previous consultant's filing?

Obtain filed forms, workings and supporting documents; compare them with actual facts. Identify material errors and use the legal correction route. Keep an explanation and evidence for every change rather than making a cosmetic adjustment.

15 | FBR notices, audits and appeals

Reference framework: [1, 15]

133. How can I distinguish an FBR reminder from a formal notice?

Read the message and verify the corresponding IRIS document, if any. A formal notice identifies the proceeding, tax year, legal provision and response requirements. A general campaign SMS does not by itself establish a specific tax demand.

134. How do I verify whether an FBR notice is genuine?

Check it independently through your official IRIS account or verified FBR contact channel. Compare reference details and avoid paying into a person's account or opening unsolicited links requesting credentials.

135. When and where should I answer a notice?

Follow the notice's stated deadline and prescribed submission channel, usually the relevant IRIS task. Submit a factual reply with evidence and retain acknowledgement. Request time formally if needed rather than assuming an informal delay is accepted.

136. What evidence explains bank deposits exceeding declared income?

Prepare a deposit-by-deposit reconciliation. Evidence may include own-account transfers, loans, sale proceeds, gifts or business receipts. Only genuine explanations supported by documents should be used; every deposit is not necessarily income.

137. What if I receive a filing message but have no income?

Review the actual filing criteria, registration and asset position, and verify whether a formal notice exists. If a reply is required, explain the facts with evidence. Do not submit a false nil return to silence a message.

138. What happens if I ignore an FBR notice?

You may lose an opportunity to explain your position, and proceedings can lead to assessments, penalties or recovery depending on the notice. Check the actual legal consequence and respond or challenge within the available process.

139. What should I do if selected for an audit?

Verify the audit communication, identify its year and scope, and assemble accounts and reconciliations. Appoint an authorized representative if needed, respond to requests and keep a complete record of submissions.

140. What documents may be requested in an audit?

Relevant books, invoices, bank statements, contracts, payroll, stock records, deduction evidence and asset-source documents may be requested. The required documents depend on the issues and statutory scope of the proceeding.

141. Can a tax consultant represent me?

An eligible authorized representative can act within the applicable rules and authority you grant. Agree the scope in writing, verify required authorization and retain copies of communications; taxpayer information must remain accurate.

142. What if I disagree with an FBR tax demand?

Review the order, computation and reasons immediately. Depending on the issue, rectification, appeal or another statutory remedy may be available. Record the service date and assess whether separate recovery relief is needed.

143. What are the deadline and documents for a tax appeal?

The forum, order type and current law determine the deadline. Prepare the order, service evidence, grounds, computation, fee and supporting documents. Have the actual notice reviewed promptly instead of assuming one deadline fits every appeal.

16 | Engaging TPMCL

Reference framework: [16] - commercial terms require TPMCL confirmation

144. What is TPMCL's filing fee and what does it include?

Request a written quotation based on taxpayer type, records, tax years and complexity. The quote should specify preparation, wealth reconciliation, submission and any follow-up included. This guide does not state an approved TPMCL price.

145. Are government tax and consultancy fees separate?

Yes. Tax, statutory charges and applicable penalties are amounts payable under the law; professional fees cover the consultant's work. Ask for an itemized breakdown and retain official payment receipts.

146. How long will filing take?

Timing depends on complete records, case complexity, required corrections and portal availability. Ask TPMCL for an estimated schedule after document review. This guide does not promise a fixed turnaround or guaranteed ATL activation.

147. Can the process be handled remotely within Pakistan?

Many registration and filing tasks use online portals and can be coordinated remotely. Some verification or proceedings may require additional steps. Confirm TPMCL's delivery arrangement and document-transfer method before engagement.

148. Can I review the return and calculation before submission?

Request the draft return, tax computation and wealth reconciliation before authorizing submission. Confirm income, assets and deductions against your records and ask for explanations of material adjustments.

149. How will my documents and financial information be kept confidential?

Ask TPMCL to confirm access controls, secure transfer arrangements, retention and authorized use in its engagement terms. No particular internal security policy is asserted in this guide. Share only necessary records through agreed channels.

150. What support is available after filing for notices or corrections?

Confirm the engagement scope in writing. Notice responses, audits, appeals and revisions may require separate work and fees unless expressly included. Keep the filed return, wealth statement, calculations and acknowledgements for future use.

Sources and verification notes

Research date: 12 October 2026. Official FBR and SRB sources support the legal and procedural framework. The answers also include original practical record-keeping and engagement recommendations. They are not copied authority FAQs.

[1] FBR - Income Tax Ordinance, 2001, consolidated to 30 June 2026. Relevant provisions include income heads, deductions, filing, wealth, withholding, refunds and procedure.

https://download1.fbr.gov.pk/Docs/2026724177725705IncomeTaxOrdinanace2001.pdf

[2] FBR - Tax period for Income Tax Return.

https://fbr.gov.pk/categ/income-tax-due-dates/51147/40846/%2081149

[3] FBR - Logging into IRIS / first-time filing.

https://fbr.gov.pk/categ/file-income-tax-return/51147/80860/71158

[4] FBR - Modification of Income Tax Registration.

https://urdu.fbr.gov.pk/categ/register-income-tax/51147/30846/71151

[5] FBR - Inclusion in the Active Taxpayer List. Older examples on the guidance page should be read with current law.

https://fbr.gov.pk/categ/active-taxpayer-list-income-tax/51147/30859/%2071168

[6] FBR - Completing Income Tax Return and wealth reconciliation.

https://www.fbr.gov.pk/categ/file-income-tax-return/51147/80860/71160

[7] FBR - Income Tax Refund.

https://fbr.gov.pk/categ/income-tax-refund/51147/40847/81150

[8] FBR - Wealth-statement revision clarification, 30 September 2026.

https://www.fbr.gov.pk/pr/fbr-busts-rs-941-billion-wealth-statement-fra/174690

[9] FBR - Knowledge Base: IRIS payments and operational guidance.

https://help.fbr.gov.pk/

[10] FBR - Sales Tax Registration basics.

https://www.fbr.gov.pk/categ/register-sales-tax/51149/50848/101150

[11] FBR - Sales Tax Basics.

https://www.fbr.gov.pk/sales-tax/51148/101149

[12] SRB - FAQs and electronic services; current federal e-commerce and invoicing provisions also require review.

https://www.srb.gos.pk/srb/faqs/

[13] FBR - Income Tax Due Dates (standard dates; verify extensions separately).

https://fbr.gov.pk/categ/income-tax-due-dates/51147/40846/81148

[14] FBR - Revising Income Tax Return. Read with current statutory limits and notice restrictions.

https://www.fbr.gov.pk/categ/file-income-tax-return/51147/80860/%2071161

[15] FBR - Income Tax help topics, including appeals and withholding.

https://fbr.gov.pk/frequently-asked-questions-income-tax/51147

[16] TPMCL - Tax Services page. Commercial answers are engagement guidance, not confirmed internal policies.

https://tpmcl.pk/tax-services/

Important application notes

Use the enacted law for the year concerned. Confirm current rates, exemptions, provincial jurisdiction, digital invoicing applicability and any deadline extension before advising a client. Return filing and payment deadlines can differ. A draft, payment receipt or refund balance alone is not proof that all obligations are complete.