

From: **Asif Siddiq Kasbati** <asif.s.kasbati@professional-excellence.com>

Date: Mon, Dec 15, 2025 at 6:49 PM

Subject: TLQC3393= Draft Amendment in Rule 81B(9) about AJK & GB via SRO 2423 and KC Comments & Updated Rule 81B in track

530+ Taxes & Levies Quick Commentary – TLQC 3393

I. BACKGROUND

1. This refers to the related Important TLQCs **in trail, blue, italic and double Line** (a) 3371 of 4.12.25 about Updated IT WHT procedure for certain Non-ATL persons (b) 3299 8.10.25 about ATL 2025 Publication delayed until 16.10.25 (c) 3293 of 1.10.25 about IT Return TY 2025: Deadline extended TO 15.10.25 as KC predicted and KC Views & Recommendations

2. We also refer to several Other TLQC including (a) 2942 of 30.10.24 about New ATL List likely from 1.11.24 (instead of 1.3.25) (b) 2907 of 23.9.24 about Draft Amendments for IT ATL Rule 81B- SRO 1448 (c) 2889 of 5.9.24 about IT ATL for TY 2023 @ 5.4M and predicted @ 10M shortly

II. EXECUTIVE SUMMARY

A. General

1. FBR has introduced significant amendments to the Income Tax Rules, 2002, aimed at streamlining the process of recognizing active taxpayers belonging to AJK and GB. The draft amendments were issued through SRO 2423 of 11.12.25 (**Attachment 3393.1**).

2. According to the proposed changes, the FBR plans to revise Rule 81B, to ensure clarity and consistency in determining the status of taxpayers from AJK and GB in Pakistan's ATL under Section 181A of the Income Tax Ordinance.

3. Under the amended provisions, individuals listed as active taxpayers by the AJK or GB will be included in Pakistan's ATL if they meet specific conditions. These include having a temporary or permanent address within AJK or GB, or having both temporary and permanent addresses in Pakistan, subject to an additional verification process.

4. For taxpayers falling under the second category, the FBR has detailed a **two-stage verification mechanism**:

B. Verification by Commissioner Inland Revenue (CIR)

The CIR with jurisdiction based on the CNIC-linked temporary address must confirm that the taxpayer has no employment or business activities within Pakistan. This verification will be carried out through the IRIS system after inquiries and obtaining a formal undertaking from the individual.

C. Verification by AJK or GB Tax Authorities:

The relevant Commissioner of the AJK Central Board of Revenue or the GB Council Board of Revenue must verify that the taxpayer's sole employment or business activities exist within AJK or GB. This confirmation will also be processed through IRIS.

The amendments further empower authorities to monitor compliance. If the CIR has reason to believe that such individuals are liable to file returns u/s 114 but fail to respond to notices, their names will be removed from the ATL in accordance with Section 181A.

III. DETAILS & UPDATED EXTRACT

Further to KQU 3698 of 12.12.25, being an important matter, we would inform you about [SRO 2423\(I\)/2025 - Amendment in Rule 81B \(ATL\) of the Income Tax Rules, 2002](#) (**Attachment 3393.1**).

Updated Rule 8IB is reproduced below in Italics and changes in **bold**, with deleted Sub-Rule (9) in strike out and new one **bold**

81B. Active Taxpayers List.-

(1) This rule shall apply for the purposes of publishing active taxpayers' list, hereinafter referred to as ATL, under section 181A of the Ordinance.

(2) A person's name shall be included in the ATL, if he files return of income tax for the latest tax year, by the due date specified in section 118 of the Ordinance or by the due date as extended under section 119 thereof by the Commissioner or by the due date as extended by the Board under section 214A thereof.

Explanation. - "latest tax year" means the tax year last completed before the date on which return is filed and shall include the tax year previous to that year in case the due date or extended due date for filing of return for the last completed year has not expired.

(2A) In case a person files his income tax return for the latest tax year, after the due date or extended due date as mentioned in subrule (1), his name shall be included in the active taxpayer's list, if he pays surcharge as specified in proviso to clause (a) of sub-section (1) of section 182A of the Ordinance.

(3) ATL published in any financial year shall be valid for the period beginning on the date of publish and ending on on the next day after the due date or extended due date as mentioned in sub-rule (1):

Provided that Active Taxpayers List published during financial year 2013-14, shall be valid upto the 10th April, 2015

(4) ATL shall be updated on 4 5 daily basis.

(5) The name of a company or an association of persons, whose return is not due to be filed because of incorporation or formation of such company or association of persons after the 30th day of June relevant to the latest tax year, shall be included in the active taxpayers' list

(6) In case a joint account is held in a bank by more than one person, the joint account holders as an entity shall be deemed to have met the criteria as laid down under sub-rule (5), if any of the persons in the joint account meets the criteria as laid down under the said subrule (5).

(7) In case an account is held in a bank in the name of a minor, the minor shall be deemed to have met the criteria as laid down under sub-rule (5), if the parent, guardian or any person who has made deposits in the minor's account meet the criteria as laid down under said sub-rule (5).

(8) A person's name shall be included in ATL on the: immediately following updation date, if at any time the criteria as laid down under sub-rule (5), is fulfilled by that person.

~~*(9) A person's name, where such person has filed return in the Azad Jammu and Kashmir Central Board of Revenue or Gilgit-Baltistan Council Board of Revenue, shall be included in the active taxpayers' list, if his temporary and permanent addresses are in the Azad Jammu and Kashmir or, as the case may be, in the Gilgit Baltistan.*~~

(9) In the case of a person on the active taxpayers' list of the Azad Jammu and Kashmir Central Board of Revenue or Gilgit-Baltistan Council Board of Revenue, the name of such person shall be included in the active taxpayers' list under section 181A of the Ordinance, if-

(a) his temporary or permanent address is in the Azad Jammu and Kashmir or, as the case may be, in the Gilgit-Baltistan; and

(b) his temporary and permanent addresses are in Pakistan, the following procedure shall be adopted, namely:-

(i) the Commissioner Inland Revenue, having jurisdiction over the case on the basis of his temporary address mentioned on the CNIC, shall verify the non-existence of any employment or business in Pakistan through IRIS after making inquiry and seeking undertaking from such person; and

(ii) the concerned Commissioner of Azad Jammu and Kashmir Central Board of Revenue or Gilgit-Baltistan Council Board of Revenue, as the case may be, shall verify the employment or sole business existence in the Azad Jammu and Kashmir or the Gilgit-Baltistan through IRIS:

Provided that where the Commissioner Inland Revenue has any reason to believe that the person, whose name has been included under clause (a) or (b), is liable to file return of income under section 114 of the Ordinance and the person does not comply with the notice under sub-section (4) of section 114 of the Ordinance, his name shall be removed from the active taxpayers' list under section 181A of the Ordinance."

C. Further Details & Services

Should you require any clarification or explanations in respect of the above or otherwise, or require Income Tax, Federal & Provincial Sales Tax or Withholding Tax Statement, Advisory, Return Filing or Review services, please feel free to email Mr Amsal at amsal@kasbati.co with CC to info.kasbati@professional-excellence.com, asif.s.kasbati@professional-excellence.com.

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From: **Asif Siddiq Kasbati** <asif.s.kasbati@professional-excellence.com>

Date: Thu, Dec 4, 2025 at 11:45 AM

Subject: TLQC3371= Updated IT WHT procedure for certain Non-ATL persons

A. Background (BG)

1. This refers to the related Important TLQCs **in trail, blue, italic and double Line** (a) 3369 of 1.12.25 about Updated Withholding Income Tax Rate Card & KC Recommendations (b) 3210 of 22.7.25 about Updated Income Tax Ordinance, 2001 (c) 3183 of 30.6.25 about Budget 2025-26: Finance Act - Gazette version

2. We also refer to several Other TLQC including (a) 3180 of 28.6.25 about Budget 2025-26: Finance Act passed by NA (Unauthentic Version) (b) 3179 of 27.6.25 about Budget 2025-26: Amendments in the Finance Bill moved by FN in NA

B. Updated Commentary

1. Further to KQU 3665 of 22.11.25, **being an important matter**, we would inform you about Mr Shahnawaz Akhter Article of FBR updates rules for persons not appearing in 2025 Active Taxpayers List (ATL) (**Attachment 3371.1**) in the ensuing paragraph, with emphasis in **bold & Underline** for quick reading.

2. The FBR has issued updated rules regarding individuals and entities not appearing in the ATL for the TY 2025.

3. According to FBR, only persons who have filed their income tax returns by the due date, or filed late with the payment of surcharge, will be included in the ATL.

4. The FBR issued the 10th Schedule of the ITO, 2001, specifying detailed provisions for tax collection and deduction from persons not on the ATL. Under the updated rules, tax rates on transactions involving non-ATL persons are increased to discourage non-compliance.

5. Tax Rates for Persons Not Appearing in ATL (Section 236K)

S. No.	Fair Market Value of Immovable Property	Tax Rate
1	Up to Rs. 50 million	10.50%
2	Rs. 50 million to Rs. 100 million	14.50%
3	Above Rs. 100 million	18.50%

6. Tax Collection on Other Transactions for Non-ATL Persons

S. No.	Section	Description	Tax Rate
1	236C	Sale/transfer of immovable property	11.50%
2	236G	Sale to distributors/dealers (excluding fertilizer)	2%
3	236H	Sale to retailers	2.50%

7. FBR also clarified rules for persons on the ATL who have not filed returns by the due date, imposing higher tax rates depending on the fair market value of property or consideration received. Provisional assessments may be made by the Commissioner if returns are not filed within the due period, with such assessments treated as final after 45 days unless returns or wealth statements are submitted within the timeframe.

8. The regulations require withholding agents to provide complete details of non-ATL persons, and failure to do so may result in penalties under sections 182 and 191. Moreover, the Commissioner retains the authority to amend assessments based on definite information, undisclosed income, or misclassification of income.

9. Certain exemptions are also defined, including taxes collected or deducted under specific sections like 149, 152 (certain clauses), 154, 154A, 231AB, 235, 236, and 237A. FBR emphasized that these measures aim to strengthen tax compliance and expand the active taxpayer base across Pakistan.

C. Further Details & Services

Should you require any clarification or explanations in respect of the above or otherwise, or require Income Tax, Federal & Provincial Sales Tax or Withholding Tax Statement, Advisory, Return Filing or Review services, please feel free to email Mr Amsal at amsal@kasbati.co with CC to info.kasbati@professional-excellence.com, asif.s.kasbati@professional-excellence.com.

Best regards for Here & Hereafter
Asif S Kasbati (FCA, FCMA & LLB)

From: **Asif Siddiq Kasbati** <asif.s.kasbati@professional-excellence.com>

Date: Wed, Oct 8, 2025 at 6:08 PM

Subject: TLQC3299= ATL 2025 Publication delayed until 16.10.25

A. Background

1. This refers to the related Important TLQCs **in trail, blue, italic and double Line** (a) 3293 of 1.10.25 about IT Return TY 2025: Deadline extended TO 15.10.25 as KC predicted and KC Views & Recommendations (b) 3291 of 30.9.25 about IT Return TY 2025: FBR likely to extend deadline, ISA (c) 3288 of 28.9.25 about IT TY 2025 Return Extension inevitable as over 15 Reasons – which was Recommendations were published in Business Recorder of 29.9.25 as Expert (Asif Kasbati) warns of IRIS slowdown on 29 & 30.9.25 plus for 15 Other reasons, he recommended Govt to announce extension - Sohail Sarfraz

2. We also refer to several Other TLQC including (a) Professional Accountants Forum (PAFO) Letter dated 28.9.25 about IT Return extension to FM - Several reasons (b) 3287 of 27.9.25 about IT Return TY 2025 & Wealth Statement Property FMV Disclosure removed (c) 3283 of 25.9.25 about IT Return TY 2025: IRIS Portal Glitches Hindering Tax Return Filing – PTBA, etc.

B. Updated Commentary

Further to KQU 3583 of 4.10.25, being an important matter, we would inform you about FBR Delays ATL 2025 Release to October 16 (Attachment 3299.1) in the ensuing paragraph, in Italic with emphasis in **bold & Underline**, heading ours for quick reading.

2. The FBR announced on 1.10.25 that the release of the ATL for the TY 2025 has been postponed for 15 days.
3. Originally scheduled for October 1, the new ATL will now release on 16.10.25. According to an FBR official, the delay was necessary because the government recently extended the deadline for income tax return filing until 15.10.25. Since the ATL is based on verified returns, the new list can only be finalized once the extended filing period has officially ended. “The new ATL for TY 2025 is now set to release on 16.10.25, immediately after the closing of the return filing window,” the official clarified.
4. The ATL is considered a vital document for taxpayers in Pakistan. Those whose names appear on the list benefit from reduced rates of withholding tax compared to non-filers and late-filers. This provides a significant incentive for individuals and businesses to file their returns on time.
5. In recent years, the FBR has modified the schedule of ATL issuance. Previously, the list was published on March 1 each year, based on returns filed up to the end of February. However, the new policy ties the ATL's release directly to the tax return deadline, ensuring faster updates and closer alignment with the actual compliance timeline.

C. Further Details & Services

Should you require any clarification or explanations in respect of the above or otherwise, or require Income Tax, Federal & Provincial Sales Tax or Withholding Tax Statement, Advisory, Return Filing or Review services, please feel free to email Mr Amsal at amsal@kasbati.co with CC to info.kasbati@professional-excellence.com, asif.s.kasbati@professional-excellence.com

Best regards for Here & Hereafter
Asif S Kasbati (FCA, FCMA & LLB)

From: **Asif Siddiq Kasbati** <asif.s.kasbati@professional-excellence.com>

Date: Wed, Oct 1, 2025 at 5:28 PM

Subject: TLQC3293= IT Return TY 2025: Deadline extended TO 15.10.25 as KC predicted and KC Views & Recommendations

Further to matters in BG, WhatsApp sent at about 11:45pm yesterday & KQU 3581 of 1.10.25, **being an important matter for permanent records**, we would inform you about Extension in date of Filing of Income Tax Returns for Tax Year 2025 (Attachment 3293.1).

In exercise of the powers conferred u/s 214A of the ITO, 2001, inspite of FBR claim for no extension (TLQC 2390 of 30.9.25 refers) and our prediction that extension likely to be allowed (TLQCs 3291 of 30.9.25 and 3288 of Sunday 28.9.25 refer), the FBR had finally allowed the date of filing of ITR for TY 2025, for the persons who were required to file their returns by 30.9.25 is **extended to 15.10.25, in view of the requests from various trade bodies, taxpayers and tax bar associations.**

B. Kasbati & Co Views & Recommendations

We expect that for the reasons specified in TLQCs 3288 & 3291, PAFO Letter of 28.9.25 to FM, we feel that further general or specific extension is likely to be allowed till 31.10.25.

However, we recommend filing the return as soon as possible well before 15.10.25, unless there is a major issue whereby your entity can convince the Commissioner to allow an extension.

C. Background

1. This refers to our TLQCs **in trail, in blue, in italic and after double line** (a) 3291 of 30.9.25 about IT Return TY 2025: FBR likely to extend deadline, ISA (b) 3290 of 30.9.25 about IT Return TY 2025 – FBR claimed that no extension & KC Views (c) 3288 of 28.9.25 about IT TY 2025 Return Extension inevitable as over 15 Reasons – which was Recommendations were published in Business Recorder of 29.9.25 as Expert (Asif Kasbati) warns of IRIS slowdown on 29 & 30.9.25 plus for 15 Other reasons, he recommended Govt to announce extension - Sohail Sarfraz (treat it as **Attachment 3293.2**)

2. We also refer to several Other TLQC including (a) Professional Accountants Forum (PAFO) Letter dated 28.9.25 about IT Return extension to FM - Several reasons - Attachment 3293.3 (b) 3287 of 27.9.25 about IT Return TY 2025 & Wealth Statement Property FMV Disclosure removed (c) 3283 of 25.9.25 about IT Return TY 2025: IRIS Portal Glitches Hindering Tax Return Filing – PTBA, etc, etc (d) 2943 of 30.10.25 about Owing to New ATL issue, etc, IT Return Extension may be till 13.11.24 & Recommendations.

D. Further Details & Services

Should you require any clarification or explanations in respect of the above or otherwise, or require Income Tax, Federal & Provincial Sales Tax or Withholding Tax Advisory, Statement or **Return Filing or Review services**, or related accounting matters like the above, please feel free to email Mr Amsal at amsal@kasbati.co with CC to info.kasbati@professional-excellence.com OR call r Amsal at 0313 9233 1111. **Your Goodself may continue to get other services from your current Tax & Legal Advisors.**

Best regards for Here & Hereafter
Asif S Kasbati (FCA, FCMA & LLB)

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