

Government of Pakistan
Revenue Division
Federal Board of Revenue

C.No.2(4)Rev Bud/2008.

Islamabad, the 1st July, 2008.

CIRCULAR NO.04 OF 2008
(DIRECT TAXES)

Subject: **TAX ARREARS SETTLEMENT INCENTIVE SCHEME (TASIS) 2008.**

In exercise of the powers conferred under section 146B of the Income Tax Ordinance, 2001, the Federal Board of Revenue is pleased to announce the scheme for the payment of arrears of income tax and withholding income tax as under:

1. **Title and scope of the scheme**

- (1) This scheme shall be called "Tax Arrears Settlement Incentive Scheme (TASIS) 2008".
- (2) The scheme shall apply to:
 - (i) a taxpayer against whom income tax arrears, including additional tax and penalty for non-payment, are outstanding;
 - (ii) a withholding agent who withheld the statutory tax but did not deposit it into the government treasury or failed to withhold the tax, including additional tax and penalty thereon as accrued and/or is leviable;
 - (iii) a taxpayer who has disputed the tax demand before the appellate authorities and wants to settle the arrears; and
 - (iv) the taxpayers at (i) to (iii) shall include an individual, a company or an association of persons incorporated, formed, organized or established in Pakistan or elsewhere, as defined in section 80 of the Income Tax Ordinance, 2001.
- (3) On payment of the principal amount of arrears, in lumpsum or in agreed installments, additional tax and penalty on arrears shall stand waived off provided additional tax at reduced rate of 5% per annum is paid in case payment is to be made in installments within the stipulated period.
- (4) The provisions of the scheme shall be effective from 1st day of July 2008 to 30th day of September 2008.

2. **Procedure for settlement**

- (1) A taxpayer, desiring to settle the arrears:
 - (i) shall submit a statement of outstanding arrears alongwith penalty for non-payment and amount of statutory additional tax, accrued and actual, or the arrears in litigation before the appellate authorities, to the Commissioner in the prescribed manner and offer settlement of arrears under the provisions of the scheme;
 - (ii) the Commissioner shall, within seven days of the receipt of the statement, issue a certified copy of the arrear statement confirming from his records the total amount of arrears and accept the offer for the proposed settlement, if the amount of arrears is the same as stated by the taxpayer;
 - (iii) where the arrears as per ledger of the Commissioner are different from the taxpayer's statement at (i) above, the correct amount of arrears, for proposed settlement, shall be communicated to the taxpayer within seven days of the receipt of the statement.
- (2) The taxpayer shall deposit the principal amount of arrears within seven days of the communication from the Commissioner. In case the arrear is settled to be paid in installments, each installment shall be paid by due date, and not later than 30th September, 2008, alongwith additional tax at the rate of 5% per annum of the unpaid amount of arrears.
- (3) The Commissioner shall issue a certificate to the taxpayer, in the prescribed format, confirming the payment of arrears and waiver of the additional tax and penalty due to the arrears.
- (4) The arrears in dispute before the appellate authorities would be settled in the same manner provided the following conditions are fulfilled, namely:-
 - i. the taxpayer opts to withdraw the appeal;
 - ii. the disputed tax is paid in lumpsum or in three monthly installment with additional tax at the rate of 5% per annum; andhe shall also be entitled to a relief of 10% of the amount disputed in appeal besides waiver of additional tax and penalty, if any.
- (5) Failure to pay total tax liability within the prescribed (agreed) period shall result in lapse of waiver of additional tax and penalty and entire arrears shall be recovered under the normal provisions of law.

Enclosures: **Annex-I**
Annex-II

(Dr. Bashir Ullah Khan)
Secretary (Rev Bud)
Ph:9202649

Government of Pakistan
Revenue Division
Federal Board of Revenue

No.

Dated: _____

TAX ARREARS SETTLEMENT INCENTIVE
SCHEME (TASIS) 2008

Certified that Mr./Mrs./M/s. _____ bearing NTN/CNIC _____ has paid following amount of tax arrears under Tax Arrears Settlement Incentive Scheme 2008:

S. #	Assessment/Tax Year	Amount	CPR No.	Date of Payment
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
Total				

The additional tax/penalty of Rs. _____ stand waived off as a part of settlement under the scheme.

Official Stamp

Director General/
Authorized Taxation Officer
LTU/RTO

To,
The Commissioner Enforcement-
RTO/LTU_____ ,

Subject: **Application for Settlement of Arrears under Tax Settlement Arrear Incentive Scheme (TASIS) 2008.**

1. The following arrears are outstanding against the Individual/AOP/ Company as on 30.06.2008.

A. ARREAR STATEMENT – NO APPEAL PENDING

Tax Year	Amount of Arrear	Addl tax for non payment /delayed payment	Penalty	Total	Tax Payable under TASIS
(1)	(2)	(3)	(4)	(5)	(6)

B. ARREAR STATEMENT – DISPUTED IN APPEAL

Amount disputed in appeal				Additional Tax accrued /actual	Penalty	Total	10% relief in disputed amount	Tax payable under TASIS
CIT(A)	ITAT	H.C	S.C.					
				(2)	(3)	(4)	(5)	(6)

2. Kindly confirm the above statement of arrears from your records.

3. The undersigned on behalf of myself/AOP/Company undertakes to make the payment in respect of above stated arrears:-

- (a) in lumpsum by _____
- (b) in three equal installments each payable on 31st of July, August & 30th September, 2008 alongwith additional tax @ 5% per annum under the provisions of TASIS 2008.

4. The undersigned, on behalf of myself/AOP/Company further undertake to withdraw the appeal pending before _____ in respect of the disputed tax demand proposed to be settled within a week and submit copy of withdrawal of appeal within seven days of your acceptance of this application.

5. I solemnly declare that the above information is correct to the best of my knowledge and belief. Kindly certify the above statement of arrears and allow us to settle payment as proposed above.

-sd-
Name & Designation
(Ind/AOP/Director or Principal
Officer of the Coy/AR)