

**Government of Pakistan
Revenue Division
Federal Board of Revenue
Inland Revenue**

F.No. 1(25) ST-FE/LP&E/Misc/2019/190487-R

Islamabad, the 16th September, 2024

Sales Tax Circular No. 05 of 2024 /IR Operations

Subject: - **Standard Operating Procedure for Disposal of Cases of Condonation of Time Limit under Section 74 of the Sales Tax Act, 1990**

For purposes of disposal of requests for condonation of time limit under section 74 of the Sales Tax Act, 1990, the Board is pleased to prescribe the following procedure:

- (i) The registered person shall apply to the Commissioner-IR having jurisdiction for extension of time or period specifying the grounds for delay in terms of SRO.1444(I)/2024 dated 12.09.2024;
- (ii) Where condonation beyond three years is involved, the Commissioner-IR concerned, after considering the grounds mentioned and any other information called for by him, shall send his categorical recommendation to the Board on the following format:

S.No.	Check List	Remarks
(1)	(2)	(3)
1.	Brief facts of the case	(i) Brief facts of the case (ii) Reasons for seeking condonation (iii) Section for which condonation is required (iv) Date on which condonation application has been received
2.	Whether any application for condonation submitted by the taxpayer with field formation?	If "yes", decision taken thereon by the field formation
3.	Genuineness/ authenticity of the reasons narrated for condonation sought by the taxpayers	If 'yes', elaborate with details along with supporting documents
4.	Whether the reasons for delay in seeking condonation on the part of the taxpayer are cogent?	If 'yes', elaborate with details along with supporting documents
5.	Revenue impact (in case of registered person as well as other persons involved), if any.	If "yes", amount to be mentioned.
6.	Whether any system/ technical glitch involved in the case?	If "yes", details of the system glitch along-with supporting documents.
7.	Whether the condonation involved transaction of any closed, de-registered or any person whose registration has been blacklisted or suspended?	If "yes", then specify with reasons
8.	Whether the condonation involved adjustment/ refund of amount which has already been claimed by taxpayer?	Specify in detail


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9.	Whether supplier discharged due sales tax on supply after issuance of invoice and duly verified form Annex-C in the condonation cases of Power Sectors etc?	If "Yes", specify the date and month of return in which the same has been incorporated
10.	Both buyer and supplier are active on Active Taxpayers List(ATL)	"Yes"/"No"
11.	Whether payment is made to supplier through banking channel as envisaged under section 73 of the Act (In the case of Power Sector and Provincial Revenue Authorities input)? In case, partial payment is made to supplier, balance payable to supplier with reasons.	"Yes"/"No"
12.	Period to be condoned as requested by the registered person	No of days
13.	Categorical recommendation of the Commissioner-IR concerned	Recommendation along with reason(s) is to be made here.
14.	Documents attached.	(i) Application for condonation (ii) Original return/Annexures (iii) Proposed return/Annexures (iv) Any other relevant document

(v) The Commissioner-IR concerned shall forward his recommendation to the Board within fifteen working days of the receipt of the application where the application is received in RTO/CTO/MTO/LTO. In case the Commissioner IR calls for further information, the said period shall be reckoned from the date of receipt of such information.

(vi) After receipt of the recommendations from the Commissioner-IR, the Board shall examine the request and the recommendations and to communicate approval or rejection of the request to the Commissioner-IR as well as to the applicant.

2. This Circular supersedes Sales Tax Circular No.01/2024/IR Operations dated 04.03.2024.


(Khalid Mehmood)
 Second Secretary (ST-L&P)

Cc;

- (i) All Chief Commissioners-IR, LTOs/MTO/CTOs/RTOs
- (ii) Chief (PR), FBR, Islamabad for placement on FBR's webportal