

**PATRON**

Rana Munir Hussain - Lahore

**PRESIDENT**

Anwar Kashif Mumtaz - Karachi

**SENIOR VICE PRESIDENTS**

Farooq Majeed - Lahore  
Muhammad Azam - Peshawar  
M. Arshad Qureshi - Central Sindh  
M. Shahid Saleem - Multan  
Asif Ali - Balochistan  
Zahid Attique Chaudhry - Lahore  
Muhammad Zubair - Karachi  
Arshad Nawaz Maan - Sialkot

**VICE PRESIDENTS**

M. Saqib Sheikh - Gujranwala  
Tahir Bashir - Lahore  
Jawad Sarwar Butt - Sialkot  
Sh Muhammad Ahsan - Sahiwal  
Sh M. Yousaf - Faisalabad  
Asif Iqbal Sheikhani - Sukkur  
Khurshid Anwar Khan - Mianwali  
Ch Muhammad Asif - Okara  
Farhan Dawood - Sargodha  
Ashiq Ali Rana - Lahore  
Ghulam Ahmed Ansari - Kasur  
Saulat Sattar - Lahore  
Arshad Hassan - Hyderabad  
Riaz H. Azam Bopera - RWP/ISB

**GENERAL SECRETARY**

M. Rehan Siddiqui - Karachi

**JOINT SECRETARY**

Syed Irfan Haider Shah - Lahore

**INFORMATION SECRETARY**

Imran Ahmed Khan - Karachi

**TREASURER**

S. Wasimuddin Hashmi - Karachi



January 25, 2024

Mr. Amjad Zubair Tiwana  
Chairman,  
Federal Board of Revenue,  
Islamabad.

Dear Sir,

**NAKED SWORD OF SECTION 122(5A) OF THE  
INCOME TAX ORDINANCE, 2001 (THE ORDINANCE)**

We at Pakistan Tax Bar Association understand the situation of the economy in general and the tax system in particular and we are conscious that in Pakistan the number of tax filers are very low and not up to the potential of Pakistan's economy. However, the tax filers are being squeezed under different provisions of the Ordinance, which includes but is not limited to Section 122(5A) of the Ordinance.

We and our member bars have time and again been highlighting that the tax machinery is invoking Section 122(5A) of the Ordinance on the drop of a pin without considering the conditions stipulated in the said Section whereby the legislature has clearly intended that wherever any notice under Section 122(5A) of the Ordinance to be issued it has to be issued when the return is erroneous and prejudicial to the interest of revenue. But the notice under section 122(5A) of the Ordinance is vehemently being issued even after the clear directions of the Federal Board of Revenue (FBR) and the Apex Courts who have decided a number of cases and held that the two conditions need to co-exist i.e. one of it being erroneous and the other of it being prejudicial to the interest of revenue.

The legislature was conscious of the compliance burden on the tax filers therefore they have made the amendment under the audit proceedings that once the tax payer's audit has been conducted the tax payer will not be selected for audit for 4 years. But the naked sword of Section 122(5A) of the Ordinance is always hanging on the tax payer and the department is misusing blatantly under the nose of the FBR. The overabundance of notices issued under Section 122(5A) of the Ordinance subside the relief provided by the legislature by limiting the selection of case for audit under the provision of the Ordinance. Every year the tax filer has to comply with the notices under Section 122(5A) of the Ordinance which increases the cost of doing business and creates hardship for the tax filer. *u*

**PATRON**

Rana Munir Hussain - Lahore

**PRESIDENT**

Anwar Kashif Mumtaz - Karachi

**SENIOR VICE PRESIDENTS**

Farooq Majeed - Lahore  
Muhammad Azam - Peshawar  
M. Arshad Qureshi - Central Sindh  
M. Shahid Saleem - Multan  
Asif Ali - Balochistan  
Zahid Attique Chaudhry - Lahore  
Muhammad Zubair - Karachi  
Arshad Nawaz Maan - Sialkot

**VICE PRESIDENTS**

M. Saqib Sheikh - Gujranwala  
Tahir Bashir - Lahore  
Jawad Sarwar Butt - Sialkot  
Sh Muhammad Ahsan - Sahiwal  
Sh M. Yousaf - Faisalabad  
Asif Iqbal Sheikhani - Sukkur  
Khurshid Anwar Khan - Mianwali  
Ch Muhammad Asif - Okara  
Farhan Dawood - Sargodha  
Ashiq Ali Rana - Lahore  
Ghulam Ahmed Ansari - Kasur  
Saulat Sattar - Lahore  
Arshad Hassan - Hyderabad  
Riaz H. Azam Bopera - RWP/ISB

**GENERAL SECRETARY**

M. Rehan Siddiqui - Karachi

**JOINT SECRETARY**

Syed Irfan Haider Shah - Lahore

**INFORMATION SECRETARY**

Imran Ahmed Khan - Karachi

**TREASURER**

S. Wasimuddin Hashmi - Karachi




In view of the above submission, we strongly urge you to direct your field force not to misuse Section 122(5A) against the clear scheme of invoking the said Section and if you cannot stop the same, it will enhance the trust deficit of the tax filer and jeopardize the actual potential of the Pakistan tax system.

We look forward to discussing the aforesaid with yourself in person if your honor so pleases.

Your truly

**Anwar Kashif Mumtaz**  
President



**M. Rehan Siddiqui**  
General Secretary