

“PROBLEMS FACED IN ONLINE TAX FILING & THEIR REMEDIES”



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ABSTRACT

Advancing through the age of science and technology, nearly everything around us has digitized. All basic necessities are only a click away. The governments all around the globe have benefited greatly from this technological revolution. The Government of Pakistan is no exception. Almost all government offices are resorting to internet and online services to get the increasing workload off their hands. The department of revenue collection has been following the footsteps. The Federal Board of Revenue (FBR), in its attempt to raise the number of taxpayers, has digitized most of its services. The process of filing tax returns has shrunk to computer screens entirely. The one most needed by the common taxpayer of Pakistan was income tax e-filing. Income tax, along with sales tax, serves to contribute more than half of the total revenue for Pakistan. It was, indeed, necessary to make the filing of income tax returns as easy as possible. For this sole purpose, FBR launched an online portal for income tax returns, called Iris. It is seen by tax professionals as a monumental step in promoting income taxpaying.

Iris, being a state-of-the-art e-portal holds a great potential to increase income tax returns. Since its inception in 2014, Iris has recorded an upward trend in registration of income tax filers. However, keeping in mind the average Pakistani income taxpayer, online platforms of taxation have met with a feedback worthy of analysis. The goal here, is to pinpoint the areas of concern in online tax filing through Iris. How the taxpayers perceive the software, how its use is affected by their perception and the ground issues faced by the income tax filers on the software. A detailed inspection of all the problems like security concerns, technical hindrances and lack of tax knowledge bring us to their root causes and solutions.

The solutions for overcoming these obstacles are synthesized such that by eradicating the problems, FBR will be able to get maximum taxpayer participation. Building a relationship of trust and confidence and providing necessary support and training to the taxpayers are some basic steps in ensuring better tax collection. All recommendations and remedies to the described problems are directed to expand tax bases and provide ease for the common taxpayer.