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FBR Grants Extension for June Tax Returns With Strict Payment Condition

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– Categories: Real Estate



The Federal Board of Revenue (FBR) has extended the filing deadline for Sales Tax and Federal Excise Returns related to June 2025, providing taxpayers with some relief amid compliance pressures. The new deadline is now August 4, 2025. However, this extension is not a blanket reprieve. The FBR has clarified that the actual sales tax liability must still be

deposited within the original due date, ensuring that tax collections are not delayed even as administrative filing is eased.

This move, announced via official notification on Thursday, has been made under Section 74 of the Sales Tax Act, 1990, and Section 43 of the Federal Excise Act, 2005. The decision directly impacts Large Taxpayer Offices (LTOs), Medium Taxpayer Offices (MTOs), Corporate Tax Offices (CTOs), and Regional Tax Offices (RTOs), which have been instructed to enforce the revised deadline uniformly. It appears the FBR is attempting to strike a balance between administrative flexibility and fiscal discipline especially during a period of economic uncertainty. 

While the extension offers temporary procedural relief to businesses and tax consultants, the underlying requirement to meet tax payment obligations on time reinforces the FBR's commitment to maintaining revenue flows. It is a signal to both individual and corporate taxpayers that while the state can offer some breathing room, the broader fiscal responsibilities cannot be evaded. Delayed filings are often a sign of inefficiency or a strained business environment, but allowing returns to pile up without payment could risk undermining public finance stability.

This decision comes at a time when the government is under pressure to boost tax compliance and widen the tax net without overburdening the compliant segment of the economy. The FBR's step is pragmatic, but it also reflects a system that still struggles with consistency and long-term reform. Moving forward, tax reforms should aim at reducing complexity and increasing predictability, rather than relying on repeated extensions. Still, in a time when many businesses are trying to stay afloat, this limited concession is likely to be welcomed by taxpayers looking for just a bit more time to stay on the right side of the law.

