

IRB SAYS IT CAN COLLECT OUTSTANDING TAXES EVEN AFTER DEATH

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The Inland Revenue Board (IRB) says the outstanding taxes is legally empowered to collect even after someone has died.

According to the Income Tax Act 1967, Section 74 and Section 106, IRB is empowered to claim a deceased's outstanding tax from the rightful next-of-kin. If the next-of-kin is not able to pay the whole sum, IRB advises the next-of-kin to visit IRB's office to discuss paying in installments.

Section 74 of the Income Tax Act 1967 states: "Where an individual dies in the basis year for a year of assessment, his executors shall be assessable and chargeable to tax for that year of assessment, for the following year of assessment and, whenever necessary, for any previous year of assessment in respect of the chargeable income of that individual for any such year of assessment; and, where they are so assessable and chargeable, they shall be assessable and chargeable to tax in like manner and to the like amount as the individual would be assessed and charged to tax if he had not died".

Section 106 of the same Act allows the government to recover tax due and payable through civil proceedings as a debt due to the government.

A Facebook post by one Amran Mohamed complaining about the IRB pursuing his outstanding taxes from his wife after claiming that he had died. IRB made the explanation in this case, stated that it had mistakenly it had passed away and apologised for the error.

IRB found that the payee is still alive and would like to apologise to him for the mistake.

It said a letter of apologized had sent to him and appropriated action had taken to avoid a similar mistake.

However, IRB has the power to collect outstanding taxes even who had died.

Likewise, if a deceased had overpaid his or her taxes, the rightful next-of-kin can apply for a reimbursement with the relevant documents.