

THE FEDERAL TAX OMBUDSMAN ISLAMABAD

COMPLAINT NO.16188/MLN/IT/2026

Dated: 07.09.2026* R.O. Multan

Mr. Muhammad Ashraf,

Chak No. 255/EB, Burewala.

... Complainant

V e r s u s

The Secretary,
Revenue Division,
Islamabad.

... Respondent

Dealing Officer : Dr. Khalil Ahmad, Advisor
Appraised by : Mr. Muhammad Tanvir Akhtar, Advisor
Authorized Representative : Mr. Ijaz Aslam Ghumman, Advocate
Departmental Representative : Malik Riaz Ahmad, ACIR RTO Sahiwal
Date of Hearing(s) : 28.09.2026 05.10.2026 & 07.10.2026

FINDINGS / RECOMMENDATIONS

The complaint has been filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against delay in issuance of refund amounting to Rs.7.560 million for Tax Year 2025. According to the Complainant, refund application for the said tax year was e-filed on 12.05.2026. The Deptt failed to pass order under Section 170(4) of the Income Tax Ordinance, 2001 (the Ordinance) within the stipulated time.

2. The CCIR, RTO, Sahiwal forwarded Para-wise comments of the Commissioner-IR, Refund Zone dated 18.09.2026 vide letter dated 22.09.2026.

3. Following Preliminary objection has been raised by the Deptt in its comments which are rebutted as under:

Objections	Rebuttal
That the matter of delay in disposal of refund beyond statutory timelines is an appealable matter u/s	<u>In the cases of delay beyond statutory timelines the Taxpayer has been given two options: to file an appeal or lodge a Complaint because such delay has been</u>

* Date of registration in FTO Sectt.





170(5)(b). FTO doesn't hold jurisdiction because legal remedy is available.	<u>categorized as an act of maladministration u/s 2(3(ii) of FTO Ordinance, 2000.</u> <u>Fundamental rights under the Constitution of Pakistan ensure that citizens are dealt with in accordance with law, and the state cannot compel a person to surrender a legal right unless authorized by an act of parliament.</u> <u>Therefore, FBR cannot force a citizen to abandon one lawful choice for another arbitrarily.</u>
The taxpayer has not submitted refund application on prescribed format as specified under Rule 71 at Part VI of the First Schedule of the Income Tax Rules, 2002.	The Deptt may ask the Complainant to file the required application in the prescribed manner. The refund application cannot be held as premature because Deptt has never intimated the Complainant to make up the deficiency.

4. In parawise comments, the Deptt has contended that the Complainant e-filed refund application for Tax Year 2025 claiming refund under Section 236K of the Ordinance. Therefore, notice under Section 170(4) of the Ordinance has been issued followed by reminder dated 18.09.2026 for compliance by 25.09.2026 to the Complainant for provision of necessary documents / record. The Deptt has reported the following facts as well:

- *Time limitation of 60 days from filing of refund application has expired.*
- *No tax demand is outstanding:*
- *No proceedings are pending.*
- *The tax has been withheld under Section 236K of the Ordinance amounting to Rs.7.560 million is adjustable.*
- *The claimed refund has not already been adjusted.*
- *Refund claim is not based on any appeal effect order.*

5. On fixed date of hearing on 28.09.2026, the DR attended. None appeared for the Complainant. The DR explained that notice under Section 170(4) of the Ordinance followed by reminder has been issued but both have not been responded. Case was refixed for 05.10.2026. On the said date, the DR attended but AR sought adjournment. On last date of hearing the AR & DR attended. The AR

explained that notice has been received and responded to as well. The DR acknowledged that documents relevant to property have been provided. The DR committed to dispose of the claim after examining reply / documents as per law. The claim of refund relates to tax deducted under Section 236K of the Ordinance. No adverse facts having any impact on refund have been reported by the Deptt in parawise comments.



6. Admittedly, the Complainant e-filed refund application for Tax Year 2025 on 12.05.2026. In terms of Section 170(4) of the Ordinance, the Deptt was required to have disposed of refund application, either way, within 60 days of the filing, after providing opportunity of hearing. In the instant case, the Deptt, failed to dispose of Complainant's refund application for Tax Year 2025, within the time stipulated in terms of Section 170(4) of the Ordinance.

FINDINGS:

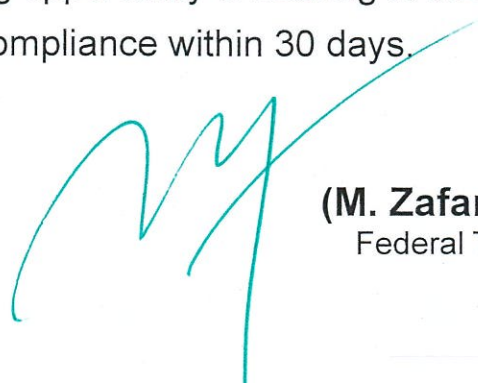
7. Inattention and delay in the administration or discharge of duties and responsibilities in disposal of refund application for Tax Year 2025, within the stipulated time is tantamount to maladministration, in terms of Section 2(3)(ii) of the FTO Ordinance.

RECOMMENDATIONS:

8. FBR to-

- (i) direct the Commissioner-IR, Refund Zone, RTO, Sahiwal to dispose of refund claim for Tax Year 2025, under Section 170(4) of the Ordinance, as per law, after providing opportunity of hearing to the Complainant; and
- (ii) report compliance within 30 days.

Dated: 13 OCT 2026


(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman