

THE FEDERAL TAX OMBUDSMAN ISLAMABAD

C.NOS. 17333-17336/SKT/IT/2026

Dated: 01.10.2026 - HQ* Islamabad

**M/s G.R. Metal Works,
(Through Partner Mr. Abdul Qayyum),
C/o. Chaudhry Tax Chamber, 4-K, Trust
Plaza, G.T Road, Gujranwala.**

... Complainant

V e r s u s

**The Secretary,
Revenue Division,
Islamabad.**

... Respondent

Dealing Officer
Appraised by
Authorized Representative
Departmental Representative
Date of hearing

: Mr. Khalid Javed, Advisor
: Mr. Muhammad Naseer Butt, Advisor
: Mr. Hussain Siddique Ch. Advocate (V/Link)
: Mr. Awais Shafqat Kujjar, ACIR,
RTO, Sialkot (V/Link)
: 13.10.2026

FINDINGS/RECOMMENDATIONS

This consolidated order disposes of four complaints filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against non-issuance of income tax refund amounting to Rs.2,382,114/-, Rs. 2,462,073/-, Rs. 3,823,718/- and Rs. 4,309,998/- for Tax Years 2021, 2022, 2023 and 2024 respectively. The complainant, an Association of Persons (AOP) engaged in the manufacturing of non-ferrous copper strips, filed online refund applications under Section 170 of the Income Tax Ordinance, 2001 (the Ordinance) on 27.12.2024 for Tax Years 2021 to 2024 along with payment evidence under Sections 235, 236, and 153(1)(a). However, despite repeated requests and the lapse of significant time period, the department failed to process or issue the refund orders, hence these complaints.

2. The complaints were referred to the Secretary, Revenue Division, Islamabad for comments under Section 10(4) of the FTO Ordinance read with Section 9(1) of the Federal Ombudsmen Institutional Reforms

*date of registration in FTO Sectt..



Act, 2013. In response, parawise comments were submitted by the Commissioner Inland Revenue (Refund Zone), RTO Gujranwala vide letters No. 728, 727, and 730 dated 07.10.2026 forwarded by the Additional Commissioner IR (HQs), RTO Gujranwala vide letter No. 1593 dated 07.10.2026.

3. The following preliminary objection has been raised by the department which are responded accordingly.



That the refund application is in a queue as per Board's notification dated 17.10.2024 refund application shall be processed by following FIFO (First in-First Out) method.	• Board's notification dated 17.10.2024 itself excludes Court/FTO cases from the operations of said circular. • Statutory timeline u/s 170(4) cannot be overturned/replaced through administrative instructions. • This plea of FBR has already been dismissed by Presidency in a large number of representations filed by FBR on this account. Matter has attained finality.
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The department submitted that the refund applications filed on 27.12.2024. It was further stated that notices under Section 170(4) of the Ordinance have been issued to the taxpayer and the claims will be adjudicated upon verification of tax deductions.

4. Hearing in these cases was conducted on 13.10.2026, both the DR and AR joined the proceedings.

5. Perusal of confirms that the complainant submitted the electronic refund applications u/s 170 for Tax Years 2021, 2022, 2023, and 2024 on 27.12.2024. According to the provision of Section 170(4) of the Ordinance 2001, the department was legally obligated to dispose of refund claims, in either way, within the stipulated time period of 60 days. The department did not dispose of the matter till 07.10.2026 i.e date of filing of parawise comments. The above position clearly manifests

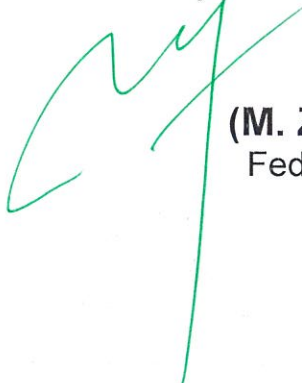
departmental inaction, delay, ineptitude in discharge of its duties which constitutes maladministration in terms of provision of Section 2(3)(ii) of the FTO Ordinance, 2000.

RECOMMENDATIONS:

6. FBR to direct:

- (i) the CIR (Refund Zone), RTO Gujranwala to dispose of the pending refund applications of the complainant for Tax Years 2021, 2022, 2023, and 2024 in accordance with law, after providing an opportunity of hearing; and
- (ii) report compliance within 30 days.

Dated: 16 OCT 2026


(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

