

THE FEDERAL TAX OMBUDSMAN ISLAMABAD

COMPLAINT NO. 16483/LHR/IT/2026

Dated: 11.09.2026* R.O, Sialkot

Mr. Muhammad Ramzan,
G. T. Road, Attawa, Gujranwala.

...Complainant

Versus

The Secretary,
Revenue Division,
Islamabad.

...Respondent

Dealing Officer	:	Mr. Rana Hassan Akhtar, Advisor,
Appraised by	:	Mr. Muhammad Tanvir Akhtar, Advisor
Authorized Representative	:	Mr. Muhammad Usman, AR
Departmental Representative	:	Mr. Awais Shafqat Kujjar, ACIR, RTO, Gujranwala
Date of Hearing	:	07.10.2026

FINDINGS/RECOMMENDATIONS

The complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance 2000 (FTO Ordinance) and the case was fixed for comments on 21.09.2026. The department filed parawise comments, which were examined and placed on file. Both the AR of the complainant and DR attended. Arguments were heard and record perused. The complaint is disposed of on the basis of available record as under.

2. Brief facts as stated in the complaint are that the Complainant filed returns of income / statements of taxation by claiming refund amounting to Rs.0.572 million, Rs.0.927 million, Rs.2.179 million, Rs.2.840 million & Rs.1.841 million on account of excess deduction of withholding tax under Sections 153(1)(b), 235, 236(1)(a), 236H & 236G of the Income Tax Ordinance, 2001 (the Ordinance) for Tax Years 2020 to 2024, respectively. The Complainant also e-filed refund applications on 09.04.2025. The Deptt has failed to pass order within the stipulated time, hence this

*Date of Registration in FTO Sectt.



complaint.

3. The Department submitted parawise comments dated 26.09.2026, wherein it is admitted that the taxpayer e-filed refund applications on 09.04.2025, claiming refundable income tax of Rs.0.572 million, Rs.0.927 million, Rs.2.179 million, Rs.2.840 million & Rs.1.841 million for tax years 2020 to 2024, respectively. The refund applications shall be processed as per FIFO list in due course of time.

4. The departmental objection that refund claim will be processed on a First-In, First-Out (FIFO) basis is rebutted as under: -

Objection raised by FBR	Rebuttal
In the light of FBR's Instructions vide letter No.4(10)Rev.Bud/2024-25/205-490-R dated 17.10.2024, the taxpayer's refund applications are at FIFO S.#.2605 to 2609 and shall be processed as per FIFO list in due course of time.	- Board's notification dated 17.10.2024 itself excludes Court/FTO cases from the operations of said circular. - Statutory timelines 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.

5. The department contended that notice u/s 161/205 of the ITO, 2001 was issued and proceedings of the case are pending with the department for the tax year 2020. The department further informed that notice u/s 161(1A) of the ITO, 2001 issued for the tax year 2024 and proceedings of the case are pending with the department. Notice u/s 170(4) of the ITO, 2001 have been issued on 11.10.2026 for the tax years 2020 to 2024.



6. The taxpayer claimed tax credit for tax collected/deducted under different Sections as under: -



Section	Tax Claimed	Nature of Tax	Tax verified	External Verification required.
Tax Year 2020				
153(1)(b)	568,107	Minimum Tax	568,107	No
235	1,535,523	Adjustable Tax	0	Yes; GEPCO electricity bills required
236(1)(a)	135,993	Adjustable Tax	0	Yes
Tax Year 2021				
153(1)(b)	841,452	Minimum Tax	841,452	Yes; for Un-verified Amount
235	1,423,345	Adjustable Tax	0	Yes; GEPCO bills required
236(1)(a)	59,940	Adjustable Tax	0	Yes
236H	44,256	Adjustable Tax	44,256	No
Tax Year 2022				
153(1)(b)	2,163,164	Minimum Tax	2,071,776	Yes; for Un-verified Amount
235	2,080,233	Adjustable Tax	0	Yes; GEPCO bills required
236(1)(a)	63,567	Adjustable Tax	0	Yes
236H	72,935	Adjustable Tax	8,814	No
236G	8,814	Adjustable Tax	8,814	No
Tax Year 2023				
153(1)(b)	1,894,860	Minimum Tax	1,894,860	Yes; for Un-verified Amount
235	3,343,509	Adjustable Tax	0	Yes; GEPCO bills required
236(1)(a)	55,472	Adjustable Tax	0	Yes
236H	66,865	Adjustable Tax	66,865	No
236G	1,205	Adjustable Tax	1,205	No
Tax Year 2024				
153(1)(b)	6,163,266	Minimum Tax	6,105,045	Yes; for Un-verified Amount
235	3,386,924	Adjustable Tax	0	Yes; GEPCO bills required
236(1)(a)	62,488	Adjustable Tax	0	Yes
236H	103,666	Adjustable Tax	103,666	No

7. Admittedly, the Complainant e-filed refund applications on 09.04.2025 for Tax Years 2020 to 2024. The Deptt: was required to have disposed of the refund applications within 60 days of its filing, in terms of Section 170(4) of the Ordinance. But till filing of instant complaint, the Deptt failed to dispose of refund applications. Thus,



delay in disposal of refund applications for the said Tax Years within the stipulated time under Section 170(4) of the Ordinance is evident.

FINDINGS:

8. Inordinate delay in disposal of refund applications for the Tax Years 2020 to 2024 is manifestation of Departmental neglect, inattention and inaptitude in discharge of its duties and the same tantamount to maladministration in terms of Section 2(3)(ii) of the FTO Ordinance, 2000.

RECOMMENDATIONS:

9. FBR to direct-

- (i) The Commissioner-IR, (Refunds), RTO, Gujranwala to dispose of complainant's refund applications for Tax Years 2020 to 2024 as per law, after affording opportunity of being heard to the complainant; and
- (ii) report compliance within 30 days.

Dated: 20 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman