

THE FEDERAL TAX OMBUDSMAN ISLAMABAD

Complaint No.16477/MLN/IT/2026

Dated: 11.09.2026* R.O. Multan

Principal D.G. Khan Medical College,
Jampur Road, D.G. Khan.

... 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. M. Aurangzaib Khan, Advocate
Departmental Representative	: Mr. Muhammad Ahsan, ACIR, RTO, Multan
Date of Hearing(s)	: 06.10.2026 & 12.10.2026

FINDINGS / RECOMMENDATIONS

The complaint has been filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against coercive recovery amounting to Rs.10.563 million for Tax Year 2016 through attachment of bank account under Section 138/140 of the Income Tax Ordinance, 2001 (the Ordinance) without passing/serving order under Section 161/205 of the Ordinance by the RTO, Multan. The Deptt also failed to provide attested copy of order on Complainant's request dated 05.12.2016.

2. The complaint was referred to the Secretary Revenue Division, for comments, in terms of Section 10(4) of the FTO Ordinance read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response thereto, the Chief Commissioner-IR, RTO, Multan forwarded Para-wise comments of the Commissioner-IR, Withholding Tax Zone dated 02.10.2026 vide letter dated 05.10.2026 stating therein that order under Section



* Date of registration in FTO Sectt.



161/205 of the Ordinance was passed on 09.10.2016 creating a demand of Rs.10.563 million after providing proper opportunity of being heard to the withholding agent / Complainant. Subsequent recovery proceedings under Section 140 of the Ordinance were initiated after service of recovery notices under Section 137/138(1) of the Ordinance upon the Complainant. No application regarding provision of attested copy of the said order is available on the Dept'l record.

3. During hearing on 06.10.2026, the AR & DR attended. Case was discussed and adjourned for 12.10.2026 for filing of rejoinder on the request of the AR. On the said date, the AR filed a rejoinder and asserted that recovery of tax made through coercive measures is illegal because no order under Section 161 of the Ordinance has been passed / provided despite a request in writing.

4. Both the parties have been heard. The contents of the complaint and parawise comments filed by the Deptt alongwith rejoinder filed by the Complainant also considered. The complaint has been filed by Principal, D.G. Khan Medical College against illegal recovery of tax from the institution without any valid / legal order under Section 161/205 of the Ordinance for Tax Year 2016.

5. Facts of the case in brief are that RTO, Multan coercively recovered an amount of Rs.10.563 million on account of withholding default allegedly committed by the college for the period 01.07.2015 to 30.06.2016. The Complainant is contesting that said recovery has been made without any order issued under Section 161/205 by the Deptt and hence the recovery enforced is illegal accordingly.

6. The record made available shows that the notice under Section 161(1A) of the Ordinance was issued on 17.11.2016 through IRIS. Consequent to this notice, ACIR Unit D.G. Khan



issued notice under Section 138(1) of the Ordinance for recovery of tax of the said amount of Rs.10.563 million on 21.11.2016. In response to the said notice the College authorities approached the tax office on 05.12.2016 to provide copy of order under Section 161/205 of the Ordinance. The said order was never provided to the Complainant but recovery proceeding were apparently held in abeyance.

7. After a considerable lapse of time another officer took up the recovery proceedings by issuing notice under Section 138 of the Ordinance on 22.12.2025 followed by notice under Section 140 dated 30.12.2025 and recovered the amount. The Complainant has vehemently contested that said recovery has been made unlawfully because no legal order under Section 161/205 has ever been provided to it to contest the same at appropriate appellate forum. The Deptt on its part has not been able to produce any order under Section 161/205 and actually treating the notice under Section 161(1A) of the Ordinance dated 17.01.2016 as an order under Section 161/205. It appears that the recovery has been enforced without proper valid legal order in terms of Section 161/205 of the Ordinance through IRIS.

8. The Complainant has prayed that Deptt be directed to provide a valid legal order under Section 161/205 of the Ordinance in order to seek remedy by filing appeal before appropriate legal fora.

FINDINGS:

9. In view of aforementioned facts, the Deptt has committed acts of maladministration in discharge of duties and responsibilities in terms of Section 2(3)(i)(a) (b) &(ii) of the FTO Ordinance 2000.

RECOMMENDATIONS:

10. FBR to –



- (i) direct the CCIR, RTO, Multan to provide a copy of valid barcoded order under Section 161/205 of the Ordinance to the Complainant enabling him to file appeal before appropriate legal fora; and
- (ii) report compliance within 30 days.

Dated: 20 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman