

THE FEDERAL TAX OMBUDSMAN ISLAMABAD

C.NO.17235/PWR/IT/2026

Dated: 28.09.2026 HQ* Islamabad

Ms. Rabia Nasir

Baloch House, Madina Colony,
Dera Ismail Khan

... Complainant

V e r s u s

The Secretary,
Revenue Division,
Islamabad.

... Respondent

Dealing Officer	: Mr. Shaukat Mahmood, Advisor
Authorized Representative	: Complainant (online)
Departmental Representative	: Mr. Muhammad Ali, DCIR, RTO, Peshawar (online)
Date of hearing	: 15.10.2026

FINDINGS/RECOMMENDATIONS

This complaint has been filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 regarding unjustified delay in processing and release of income tax refund amounting to Rs. 51,500/- for Tax Year 2024 by Regional Tax Office, Peshawar, Federal Board of Revenue (FBR).

2. Main facts of the case are that the Complainant e-filed an online refund application under Section 170 of the Income Tax Ordinance, 2001 on 03.05.2025 for Tax Year 2024, claiming a refund amounting to Rs. 51,500/-. Despite the lapse of the statutory time period mandating disposal within the prescribed timeframe of sixty days, the Department failed to process and dispose of the refund application under Section 170(4) of the Ordinance within time. Hence, filing the instant complaint.

3. The complaint was sent for comments to the Secretary, Revenue Division, Islamabad in terms of Section 10(4) of the FTO Ordinance read with Section 9(1) of Federal Ombudsmen

Institutional Reforms Act, 2013. In response thereto, the Additional Commissioner-IR (HQs), RTO Peshawar forwarded parawise comments of the Commissioner-IR (Refund Zone) vide letter dated 30.09.2026, wherein it was contended that:

"the taxpayer has been issued a notice under Section 170(4) of the Income Tax Ordinance, 2001 for Tax Year 2024 dated 30-09-2026, and upon submission of the required documentary evidence, the taxpayer's refund application will be processed in accordance with the law."

4. Case was fixed for hearing on 15.10.2026. The Complainant and Departmental Representative attended the hearing online and reiterated their respective positions.

5. During review of the case record, it was observed that the refund application for Tax Year 2024 was duly e-filed along with supporting returns and documents, but no final refund order or payment had been issued by the Department till date. Issuing a belated notice under Section 170(4) long after the expiry of the statutory 60-day period does not absolve the Department of its default and inaction. Nevertheless, the Department was required to dispose of the refund application within sixty days under the law but failed to do so.

FINDINGS:

6. In the light of Para-5 supra, this delay is **manifestation of Departmental neglect, inattention and ineptitude in discharge of its duties and the same is tantamount to maladministration in terms of Section 2(3)(ii) of the FTO Ordinance, 2000.**



RECOMMENDATIONS:

7. FBR to direct:

- (i) the Commissioner-IR (Refund Zone), RTO, Peshawar to finalize the processing of the refund claim of the Complainant for Tax Year 2024 in accordance with law, after providing adequate opportunity of being heard; and
- (ii) report compliance within 30 days.



Dated: 21 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman