

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

COMPLAINT NO.15772/KHI/IT/2026

Dated: 30.08.2026 *R.O. Karachi*

Mr. AHMED SULEMAN HAQUE

Registration # 4200079894119

F-94, Jail Road, Opposite Central Jail
Karachi.

...Complainant

Versus

The Secretary,
Revenue Division,
Islamabad.

...Respondent

Dealing Officer	: Mr. Sahibzada Abdul Mateen, Advisor.
Appraising Officer	: Mr. Muhammad Tanvir Akhtar, Advisor.
Authorized Representative	: Miss Adeela Ansari, ITP
Departmental Representative	: Mr. Muhammad Waseem, OIR, RTO-II Karachi.
Date(s) of hearing	: 24.09.2026 & 01.10.2026

FINDINGS/RECOMMENDATIONS

The above-mentioned complaint was filed against the Commissioner IR, Zone-IV, Unit-I, RTO II Karachi, in terms of section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance), against the order passed under section 122(5A) of Income Tax Ordinance 2001 (ITO 2001) for Tax Year 2012 through TAMS, recovery of tax demand through Bank attachment by the Commissioner-IR, Zone-I RTO-II, Karachi and refusal of Commissioner Appeals to accept manual appeal.

2. The brief facts of the case are that the complainant is a Professor / Teacher in Agha Khan University and assessed to tax with Zone-I, RTO-II, Karachi. The complainant stated that the impugned order passed under Section 122(5A) of the Income Tax Ordinance, 2001, via the Tax Administration Management System (TAMS) bearing Order No. 2012-RK3-20180629-10007, is arbitrary,



illegal, and void *ab initio*. Furthermore, the complainant was forced to file the appeal manually because the aforementioned TAMS order failed to reflect on the Integrated Risk Information System (IRIS) portal; however, the Commissioner Inland Revenue (Appeals-V) refused to entertain the manual filing.

3. The complainant further contended that the impugned order, dated 29.06.2018, was issued through TAMS despite the fact that the Integrated Risk Information System (IRIS) was instituted in the year 2014. Since no orders whatsoever have been processed or passed on TAMS post-2014, the processing of the instant order via TAMS in the year 2018 is highly suspicious and indicative of *mala fide* intent.

4. The complainant alleged that the mandatory statutory requirement of issuing a show-cause notice prior to amending the assessment under Section 122(5A) was grossly violated, as no notice was ever served to the complainant through TAMS or any other prescribed mode. Furthermore, no opportunity for a hearing was provided to the appellant. Hence this complaint.

5. 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.

6. The Commissioner-IR, Zone-I, RTO-II, Karachi submitted Para-wise comments, stating therein as follows;

"FACTS OF THE CASE"

As per Taxpayer Registration Profile, the complainant is an Individual who filed this complaint requesting de-freezing of bank account and refund of recovered amount against order passed under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2012 through the TAMS system. The paragraph-wise comments on the allegations raised by the taxpayer are submitted as under:



PARA-WISE COMMENTS

Para 01: The contents of this paragraph are not disputed to the extent that the order under section 122(5A) of the Income Tax Ordinance, 2001 for Tax Year 2012 was issued through the TAMS system. It is submitted that the FBR IRIS system was implemented from Tax Year 2014 onwards. Accordingly, in respect of assessment orders pertaining to tax years prior to Tax Year 2014, the TAMS system was required to be used for processing and issuance of such orders, irrespective of the date on which the assessment order was actually issued. Therefore, the use of TAMS for issuance of the impugned order pertaining to Tax Year 2012 was in accordance with the applicable system and procedure.

Para 02: The contents of this paragraph are acknowledged to the extent that a true copy of the order passed under section 122(5A) of the Income Tax Ordinance, 2001 for Tax Year 2012 has duly been issued/provided to the taxpayer. It is further submitted that, subsequent to receipt of the said order, the taxpayer has availed the statutory remedy available under the law and has filed an appeal before the Commissioner Inland Revenue (Appeals-V). Thus, the matter is presently sub judice before the competent appellate forum.

Para 03: It is submitted that the appeal filed by the taxpayer against the impugned order is presently pending adjudication before the Commissioner Inland Revenue (Appeals-V). Accordingly, any consequential action regarding defreezing of the bank account and refund/adjustment of the amount recovered pursuant to the impugned order shall be processed in accordance with the decision of the competent appellate authority. The matter may, therefore, be considered in light of the fact that the taxpayer has already availed the statutory appellate remedy and the appeal is pending adjudication."

7. Both the AR of the complainant and the DR attended the hearing. Commissioner Appeals was heard through Whatsaap, their contention was heard, case record was perused.

8. FINDINGS:

- i. The main issue involved is that allegedly the ADCIR passed the impugned order under Section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2012, through the Tax Administration Management System (TAMS) bearing Order No. 2012-RK3-20180629-10007 on 29-06-2018. The contention of the complainant is that the impugned order, dated 29.06.2018, was issued through TAMS despite the fact that the Integrated Risk Information System (IRIS) was functioning since 2014. Since the impugned order was not passed the complainant was to file the appeal manually, and the staff of the Commissioner Inland Revenue (Appeals-V) refused to entertain the manual filing. Lastly that no opportunity for a hearing was provided to the appellant.





As far as the contention of the AR about the disposal of the order through IRIS it is noted that the FBR IRIS system was implemented from Tax Year 2014 onwards therefore the impugned order was correctly processed through TAMS. Similarly, the impugned order shows that proper opportunity of being heard was afforded to the complainant taxpayer. It is evident that the show cause notice u/s 122(5A) was issued on 24-05-2018 for compliance on 31-05-2018. In compliance thereof, the A.R. of the tax payer M/s. A. F. Ferguson & Co, Chartered Accountants filed adjournment application vide letter dated 31-05-2018. The requested adjournment was granted. However, on the due date no one attended nor any reply was submitted. Another opportunity of being heard was granted vide notice dated 21-06-2018 for compliance on 28-06-2018. Again, the notice remained un-complied. Hence this contention of non-affording of opportunity of being heard to the complainant taxpayer is not tenable.

- ii. The department has already issued/provided the True copy of the order passed under section 122(5A) of the Income Tax Ordinance, 2001 for Tax Year 2012 to the taxpayer. The department submission that, subsequent to receipt of the said order, the taxpayer has availed the statutory remedy available under the law and has filed an appeal before the Commissioner Inland Revenue (Appeals-V) is contradicted by the AR of the complainant who stated that the staff of Commissioner (Appeals-V) has refused to accept the manual appeal.
- iii. It has been noted that filing of appeal is the statutory right of the complainant. This being a hardship case involving the technicalities of the system only, therefore the manual appeal in such a situation is required to be accepted by the Commissioner Appeals-V Karachi to ensure the principles of natural justice.

Refusal by staff of CIR (Appeals-V) Karachi is manifestation of maladministration in terms of section 2(3)(i)(b) of FTO Ordinance, 2000.

RECOMMENDATIONS:

9. FBR to direct,

- (i) the Commissioner-IR Zone-I RTO-II Karachi to keep in abeyance the notices u/s 138 and 140 of the Income Tax Ordinance 2001 issued in connection with the recovery of demand for the tax year 2012 till the decision of the Commissioner Appeals,
- (ii) the Commissioner Appeals-V Karachi to accept the manual appeal of the complainant against the impugned order passed u/s 122(5A) through TAMS for the tax year 2012 and dispose of the appeal in accordance with law and after affording opportunity of being heard to the complainant
- (iii) report compliance within 30 days

Dated: 21 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

