

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

COMPLAINT NO. 16322/LHR/IT/2026

Dated: 09.09.2026* RO, Lahore

Mr. Shahid Nazir,
7-Haseeb Block, Azam Garden,
Multan Road,
Lahore.

...Complainant

Versus

The Secretary,
Revenue Division,
Islamabad.

...Respondent

Dealing Officer	:	Mr. Muhammad Jamil Bhatti, Advisor
Appraised by	:	Mr. Muhammad Tanvir Akhtar, Advisor
Authorized Representative	:	Mr. Muhammad Khalid, Advocate Mr. Abdal Khan Kasi, Advocate
Departmental Representative	:	Ms. Anum Ilyas, DCIR, RTO-I, Lahore (present online)
Date of Hearing	:	29.09.2026

FINDINGS

The above-mentioned complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against non-issuance of refund for Tax Year 2025.

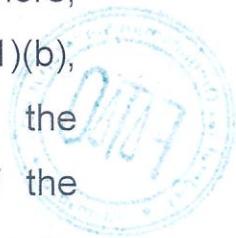
2. Briefly, the Complainant, an individual, government contractor under the name and style of "Shahid Nazir Associates", e-filed the return of income for Tax Year 2025 u/s 114(1) of the Income Tax Ordinance, 2001 (the Ordinance), claiming refund amounting to Rs.6.123 million and accordingly e-filed refund application for tax year 2025 on 19.01.2026 for issuance of above said refund. Later on, the complainant e-filed revised return of income u/s 114(6) of the Ordinance, which were deemed to be assessed u/s 122(3) of the Ordinance, claiming refund amounting to Rs.12.102 million. The refund arose on account of tax deducted under sections 236(1)(a), 153(1)(b), 153(1)(a) and 153(1)(c) of the Ordinance. According to

*Date of registration with FTO Secretariat

the AR of the Complainant, refund application, under sub-section (4) of Section 170 of the Ordinance, was e-filed on the basis of return filed u/s 114(1) of the Ordinance for tax year 2025 on 19.01.2026. Nevertheless, the Deptt failed to pass an order under Section 170(4) of the Ordinance, within the stipulated time. Hence, this complaint.

3. The complaint was sent for comments to the Secretary, Revenue Division, 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-I, Lahore vide letter dated 28.09.2026 forwarded parawise comments of the Commissioner-IR, Refund Zone, RTO-I, Lahore. It has been contended that the complainant then submitted online application for issuance of refund amounting to Rs.6.123 million for tax year 2025 on 19.01.2026. Later on, the complainant e-filed revised return for tax year 2025 u/s 114(6) of the Ordinance on 15.12.2025 and creating refund at Rs.12.102 million which was deemed to be assessed u/s 122(3) of the Ordinance. Furthermore, the complainant claimed tax deductions u/s 236(1)(a), 153(1)(b), 153(1)(a) and 153(1)(c) of the Ordinance. To ascertain the admissibility of tax deductions, the notice u/s 170(4) of the Ordinance has been issued to the complainant for compliance on 09.10.2026. The application will be disposed of in accordance with the law upon receipt of the required documents / records from the complainant.

4. During the course of hearing, both the AR of the Complainant and the DR reiterated the stance taken in the complaint and parawise comments respectively. The AR stated that the complainant is sole proprietor of M/s. Shahid Nazir Associates. The



refund is claimed due to exemption available under Clause 77 of Part-IV of the 2nd Schedule of the Ordinance. Remaining tax withheld is minimum tax.

5. Both parties heard and available record perused.

6. **FINDINGS:**

- (i) Perusal of record reveals that the complainant originally claimed refund of **Rs.6.123 million** for Tax Year 2025 on the basis of return filed under sections 114(1) of the Ordinance. Subsequently, revised return under section 114(6) of the Ordinance was e-filed, which was deemed to be assessed under section 122(3) of the Ordinance. The revised return claimed substantially higher refund of **Rs.12.102 million**. The refund application dated 09.01.2026 was e-filed keeping in view declarations made in the original return filed under section 114(1) of the Ordinance. Once revised return has been filed and deemed assessed, the refund application/claim must correspond to the revised assessment.
- (ii) In view of above, the refund application filed on the basis of original return under section 114(1) has become infructuous in the light of the revised return under section 114(6) of the Ordinance. The complainant is advised to file fresh refund application under section 170(4) of the Ordinance in the light of the revised return for Tax Year 2025, along with complete documentary evidence of tax deductions. The department is directed to process the fresh application in accordance with law within the statutory period of 60 days from the date of filing.

7. The complaint stands disposed of in the manner herein above. File be consigned to record.

Dated: **22 OCT 2026**


(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

