

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

**C.NOS. 17490, 17809, 17685, 17653, 17647, 17654, 17790, 17637,
17761, 17487, 17655, 17686 & 17601/ISB/IT/2026**

Dated: 04.10.2026 & others - HQ* Islamabad

Ms. Arzish Munir

House 868 Street 27 Sector G-9/1,
Islamabad.
(C.No.17490/ISB/IT/2026)

...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 : Ms. Sara Khan, DCIR, RTO, Rawalpindi (online)

Date of hearing : 20.10.2026

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.211,113/- for Tax Year 2024 by Regional Tax Office, Rawalpindi, Federal Board of Revenue (FBR).

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 30.09.2024 for Tax Year 2024, claiming a refund amounting to Rs. 211,113/- arising on account of advance tax paid under Section 236K in respect of property transactions. 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 Deputy Commissioner-IR (HQs), RTO Rawalpindi forwarded parawise comments of the Commissioner-IR (Refunds Zone) vide letter dated 14.10.2026, wherein it was contended that:

"the taxpayer has applied for the refund of Rs. 211,113/- in respect of tax year 2024 dated 30.09.2024, and that the unit officer has taken up the case on priority basis with a notice under Section 170(4) issued for compliance by 28.10.2026, after which the refund application will be processed as per law after complete scrutiny of the application along with other documents."

4. Case was fixed for hearing on 20.10.2026. The Complainant and the Departmental Representative attended the hearing and reiterated their respective positions.

5. During hearing and review of the case record, it was observed that the refund application for Tax Year 2024 was duly e-filed along with supporting assessment and withholding tax details, but no final refund order or payment had been issued by the Department till date. Issuing a belated notice under Section 170(4) on 13.10.2026 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.**

7. The issues involved in complaints as detailed in Annexure-A are identical, i.e. deductions of income tax u/s 236K/C and other sections of ITO, 2001 alleging delay in processing of refund applications beyond statutory time period of 60 days, as discussed in this complaint. All these cases/complaints also fall within the jurisdiction of CIR-Refund Zone, RTO, Rawalpindi. In the complaints by Teachers / Associate Professors / Professors / Researchers regarding excess deduction of income tax u/s 149 of the ITO, 2001 during the months of May and June 2025 on account of recovery of rebate allowed to the teachers in the past, the refund claims be processed under the law.

RECOMMENDATIONS:

8. FBR to direct:

- (i) the Commissioner-IR, (Refunds) RTO, Rawalpindi to process the refund claim of the Complainant for Tax Year 2024, after providing adequate opportunity of being heard under the law; and
- (ii) report compliance within 30 days.

9. In view of above, findings/recommendations supra shall, *mutatis mutandis*, apply to all the complaints as given in **Annexure-A**.

10. Annexure A (page- 4) forms the integral part of this order.

Dated: 23 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

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17637, 17761, 17487, 17655, 17686 & 17601/ISB/IT/2026

Annexure-A

Sr#	Complaint No	Complainant Name
1.	17809/ISB/IT/2026	ARSLAN IJAZ
2.	17685/ISB/IT/2026	ALI BASHIR
3.	17653/ISB/IT/2026	AHMED HAFEEZ
4.	17647/ISB/IT/2026	ZAHEERA KHATOON
5.	17654/ISB/IT/2026	ABID HUSSAIN
6.	17790/ISB/IT/2026	ANUM BIBI
7.	17637/ISB/IT/2026	FIDA HUSSAIN
8.	17761/ISB/IT/2026	MADIHA AJMAL
9.	17487/ISB/IT/2026	MUHAMMAD BILAL MALIK
10.	17655/ISB/IT/2026	MUHAMMAD HABIB UR REHMAN
11.	17686/ISB/IT/2026	QURAT UL AIN
12.	17601/ISB/IT/2026	RABIA YAQUB



17601/ISB/IT/2026