

THE FEDERAL TAX OMBUDSMAN ISLAMABAD

C.NOS. 17451, 17640, 17904 & 18010/FSD/IT/2026

Dated: 03.10.2026 & Others- HQ* Islamabad

Mr. Liaquat Ali & Others

Chak No. 188/RB Nalaywala Chak
Jhumra, Faisalabad.

... Complainant

V e r s u s

The Secretary,
Revenue Division,
Islamabad.

... Respondent

Dealing Officer	: Mr. Khalid Javed, Advisor
Appraised by	: Mr. Muhammad Naseer Butt, Advisor
Authorized Representative	: Nemo
Departmental Representative	: Rai Zulfiqar Ali, DCIR, RTO, Faisalabad (V/Link)
Date of hearing	: 20.10.2026

FINDINGS/RECOMMENDATIONS

This complaint bearing No. 17451/FSD/IT/2026 was filed by Mr. Liaquat Ali, under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 against non-issuance and non-processing of income tax refund claim of Rs. 1,193,140/- for tax year 2024. The complainant filed revised income tax return, followed by an online refund application under Section 170 of the Income Tax Ordinance, 2001 (IRIS Barcode No. 100000280805918) dated 15.07.2026. The claimed refund arose on account of advance tax collections/deductions u/s 236C, 236K, and 150 of the Income Tax Ordinance, 2001. However, despite the passage of considerable time, the department failed to process, sanction, or dispose of the pending refund application, leading to this complaint.

2. The complaint was referred to the Secretary, Revenue Division, Islamabad for comments under Section 10(4) of the FTO Ordinance read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response, parawise comments were submitted

*date of registration in FTO Sectt..



by the Deputy Commissioner Inland Revenue, Refund Unit-01, Refund Zone, RTO Faisalabad vide letter No. REF/RTO/FSD//20 dated 19.10.2026. The department submitted that the refund claim is based on tax collection/deduction u/s 236C, 236K, and 150 as per the return for tax year 2024. It was stated that a notice u/s 170(4) has been issued to the complainant and the refund application will be processed as per law as soon as the verification process is completed and original proofs/NOC are received. It was further confirmed that no audit, rectification, or revision proceedings are pending against the Complainant for tax year 2024.

3. Hearing in this case was conducted on 20.10.2026. The DR of the department joined proceedings, but DR/complainant did not attend.

4. Perusal of the record reveals that the complainant filed the electronic refund application u/s 170 of the Income Tax Ordinance, 2001 for tax year 2024 on 15.07.2026. Under Section 170(4) of the Income Tax Ordinance, 2001, the department is statutorily required to pass an order u/s 170(4) on refund application within 60 days of its filing. Failure to dispose of the refund claim within the stipulated statutory time period constitutes administrative delay, neglect, and ineptitude, which amounts to maladministration in terms of Section 2(3)(ii) of the FTO Ordinance, 2000.

RECOMMENDATIONS:

5. FBR to direct:

- (i) the CIR (Refund Zone), RTO Faisalabad to dispose of the pending refund application of the Complainant for tax year 2024 in accordance with law, after providing an opportunity of hearing; and
- (ii) report compliance within 30 days.



6. The issues involved in complaints as detailed in Annexure-A are exactly identical, i.e, alleged delay in processing of refund applications beyond statutory time period of 60 days, as discussed in this complaint. The department has also furnished the same comments for all these complaints, as discussed above. In view of above, findings/recommendations supra shall, *mutatis mutandis*, apply to the complaints as given in **Annexure-A**.

7. Annexure-A (page-3) forms the integral part of this order.



Dated: 23 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

Annexure-A

Sr#	Complaint No	Complainant Name	Tax Year	Amount
1	17640/FSD/IT/2026	Ahmad Saeed Virk	2024	Rs. 2736208/-
2	17904/FSD/IT/2026	M/s Makkah Weaving	2025	Rs. 1086551/-
3	18010/FSD/IT/2026	M/s Mistequay International (Pvt), Ltd.	2021 & 2022	Rs. 3558263/-