

THE FEDERAL TAX OMBUDSMAN ISLAMABAD

COMPLAINT NO. 17650/ISB/IT/2026

Dated: 07/10/2026 - HQ* Islamabad

Malik Ansar Hayat,
Village Nari Shumali Khushab.

...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	: Mr. Inayatullah Khattak, AD-Audit, RTO, Islamabad
Date of hearing	: 20.10.2026

FINDINGS/RECOMMENDATIONS

This complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 against non-issuance and delay in processing of income tax refund claim of Rs. 1,918,796/- for tax year 2025. The Complainant filed income tax return, followed by an online refund application under Section 170 of the Income Tax Ordinance, 2001 on 15.04.2026 (IRIS Barcode No. 100000275077595). The refund arose due to tax payment/deductions u/s 151, 231B(1), and 236Y. However, despite the lapse of significant time period, the department failed to process or finalize the refund application, hence 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, reply/comments were submitted by the Commissioner Inland Revenue, Refund Zone, Regional Tax Office, Islamabad vide letter No. 325 dated 14.10.2026, endorsed by the Additional Commissioner (Hqrs), RTO Islamabad vide letter No.



486 dated 14.10.2026. The department stated that the complainant furnished an unsatisfactory/incomplete explanation in response to the notice issued under Section 170(4) of the Ordinance. It was further submitted that another notice dated 14.10.2026 has been issued for compliance on 23.10.2026 to produce required documentary evidence, including proof of foreign income, and that the refund claim shall be disposed of as per law.

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

4. Perusal of the case record reveals that the Complainant submitted the electronic refund application u/s 170 for tax year 2025 on 15.04.2026. According to the provision of Section 170(4) of the Income Tax Ordinance, 2001, the department was legally obligated to dispose of refund claim, in either way, within the stipulated time period of 60 days. However, the department did not dispose of the refund claim till 14.10.2026 i.e., date of filing of the comments by the department. The above position manifests departmental inaction, delay and ineptitude which constitutes maladministration in terms of provision of Section 2(3)(ii) of the FTO Ordinance, 2000.

RECOMMENDATIONS:

5. FBR to direct:

- (i) the CIR (Refund Zone), RTO Islamabad to dispose of the pending refund application of the complainant for tax year 2025 in accordance with law, after providing an opportunity of hearing; and
- (ii) report compliance within 30 days.

Dated:

27 OCT 2026

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

