

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

COMPLAINT NO. 17762/LHR/IT/2026

Dated: 09.10.2026- HQ* Islamabad

M/s WS Steel (Pvt) Ltd.

(through Mr. Shaban Latif)

Shop No.2 Rehman Gali No.5, Brandreth
Road, Data Gunj Bukhsh Town,
Lahore

... Complainant

V e r s u s

The Secretary,

Revenue Division,
Islamabad.

... Respondent

Dealing Officer

Appraised by

Authorized Representative

Departmental Representative

Date of hearing

: Mr. Khalid Javed, Advisor

: Mr. Muhammad Naseer Butt, Advisor

: Mr. Saad Ayoub Khan, Advocate (V/Link)

: Mr. Ali Mansoor, ADCIR, CTO, Lahore (V/Link)

: 20.10.2026

FINDINGS/RECOMMENDATIONS

This complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against non-issuance and delay in processing of income tax refund claim of Rs. 4,923,213/- for tax year 2018. The complainant filed income tax return, followed by an online refund application under Section 170 of the Income Tax Ordinance, 2001 on 14.07.2026 (IRIS Barcode No. 100000280686717). The refund arose due to tax payment/deductions. 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 on 09.10.2026. However, the department failed to submit any parawise comments or formal reply within the allowed timeframe, choosing instead to maintain absolute silence and inaction.

*date of registration in FTO Sectt..



3. Hearing in this case was conducted on 20.10.2026. Both the DR of the department and complainant's AR joined the proceedings. The DR during the course of hearing stated that notice u/s 170(4) has been issued calling for documentary evidence and the refund order will be passed after due verification.



4. Perusal of the case record reveals that the complainant submitted the electronic refund application u/s 170 for tax year 2018 on 14.07.2026. 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. The failure of the department to process the application and issue a speaking order within the mandatory statutory period of sixty (60) days clearly demonstrates departmental inaction, delay, 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), CTO Lahore to dispose of the pending refund application of the complainant for tax year 2018 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