

**BEFORE
THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

Complaint No.0336/FSD/ST/2022

Dated 01.02.2022 R.O. Faisalabad

M/s Uniform House,

48-E, Ghulam Muhammad Abad,
Chandani Chowk, Faisalabad.

... Complainant

Versus

The Secretary,
Revenue Division,
Islamabad.

... Respondent

Dealing Officer	:	Dr. Muhammad Akram Khan, Advisor
Appraising Officer	:	Mrs. Sarwat Tahira Habib, Sr. Advisor
Authorized Representative	:	Mr. Saqib Shehzad, Advocate
Departmental Representative	:	Mr. Altaf Hussain, DCIR RTO, Faisalabad.

FINDINGS/RECOMMENDATIONS

The complaint was filed in terms of Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against failure to take action on Complainant's application 16.12.2021 regarding excluding the name of the Complainant from the list of Tier-I Retailers i.e. FBR Computerized System (POS).

2. Briefly, the Complainant, an individual, was registered as wholesaler/trader of textile goods. According to the Complainant, Deptt forced to integrate with Tier-I Retailer and finally, the Complainant integrated with Tier-I Retailer on 01.12.2021. Further, the name of the Complainant was included in STGO No.01/POS/IR-Ops/2021/111436-R dated 03.08.2021 at Serial No.6221 whereby the adjustment of input tax was restricted by system automatically. However, the Complainant filed application for exclusion of his name from the list before the IR-authorities on 14.12.2021, 16.12.2021 followed by reminder dated 04.01.2022 and 19.01.2022 but of no avail, hence, instant complaint.

3. The complaint was referred to the Secretary, Revenue Division, for comments 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 Chief Commissioner, RTO, Faisalabad vide letter dated 14.02.2022 forwarded para-wise comments of the Commissioner IR, Chenab Zone, RTO, Faisalabad vide letter dated 10.02.2022. On merits, it was contended that the Complainant qualifies at all the four corners to be integrated for Tier-I as "wholesale and retail trader". Further contended that the statement of the Complainant was contradictory because on the one side the Complainant claimed to have got himself registered voluntarily on 01.12.2021 and on the other side was praying this forum for exclusion from POS system. Whereas, the Complainant had not issued a single invoice through POS system till 06.01.2022. As regards application for exclusion, the same cannot be entertained.

4. Both the parties heard and record perused.

5. During hearing on 02.03.2022, Deptt committed to conduct physical verification and fact finding report on nature of business will be provided within one week. The Deptt submitted fact finding report regarding the nature of business on the date of hearing i.e.15.03.2022. After perusal of report, it transpired that the address of the Complainant's business premises was different from the business mentioned in the report. Thus, this is not a routine negligence or inattention rather a malicious behavior towards a taxpayer/Complainant.

FINDINGS

6. The willful, unjust, oppressive and malicious act for not excluding the name from the list Tier-I Retailer is tantamount to maladministration in terms of Section 2(3)(i)(b)(c)&(ii) of the FTO Ordinance, 2000.

RECOMMENDATIONS

7. FBR to:-

- i) direct the concerned CIR, Chenab Zone, RTO, Faisalabad to dispose of application regarding exclusion the name from Tier-I list, as per law; and
- ii) take disciplinary action against the officials for submission of misleading report about the Complainant's business.
- iii) report compliance within 45 days.

Approved for
Reporting

(Dr. Asif Mahmood Jah)
(Hilal-i-Imtiaz) (Sitara-i-Imtiaz)
Federal Tax Ombudsman

Dated: 4/4/2022
RS/gq

Certified to be True Copy
5-4-22
Registrar
FTO Secretariat
Islamabad

