THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

COMPLAINT NO.1551/KHI/IT/2025

Dated: 28.01.2025* R.O Karachi

Mr. Asif Sattar Khan, Complainant
CNIC 42301-9882130-5
House # 670, Street # 1, Mehmoodabad
No. 3, Karachi.

Versus

The Secretary, ...Respondent
Revenue Division,
Islamabad.

Dealing Officer	:	Mr. Badruddin Ahmad Quraishi, Advisor
Appraisal Officer	:	Mr. Muhammad Tanvir Akhtar, Advisor
Authorized Representative	:	The complainant in person.
Departmental Representative	:	Mr. Mustafa Haider, ACIR, RTO-1, Khi.

FINDINGS/RECOMMENDATIONS

The complaint mentioned above was filed in terms of Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against compulsory income tax registration on 22.08.2019 without any intimation, filing of fake income tax returns for tax years 2014 & 2015 on 27.03.2021 on behalf of the complainant misusing his CNIC & ID declaring fake

(i) income from salary of Rs.6,500,000 with fake adjustable tax (Salary of Employees u/s 149) of Rs. 1,497,000 & net assets worth Rs. 164,000,000 for the tax year 2014 and

(ii) further declaring a total income of Rs.1,772,200,241 for the tax year 2015 again with a fake adjustable tax of Rs. 619,492,584

As a result, the department confronted the complainant against the source of income leading to an ex-parte assessment order for the tax year 2014 creating a tax liability of Rs.63,037,923 u/s 122(5A) of Income Tax Ordinance 2001 (the Ordinance) and subsequently the department attached of all bank accounts of the complainant including his salary account.

*Date of registration with FTO Secretariat

BACKGROUND:

2. Briefly, the complainant is an employee of the Government of Sindh S & GAD & Coordination Department. He joined the Govt. service as a "Driver" in January 2009 and is presently working as a "Junior Clerk" in the same department. As per the complaint, some miscreants registered him in income tax on 22.08.2019 by misusing his CNIC without any intimation and subsequently e- filed fake income tax returns for tax years 2014 & 2015 on 27.03.2021. Thereafter, till todate, no income tax returns were filed through IRIS. The details of income tax returns for tax years 2014 & 2015 are as follows:

TAX YEAR 2014

Income from Business (Other Revenues)	Rs. 6,500,000
Adjustable Tax (Salary of Employees u/s 149)	Rs. 1,497,000
Tax chargeable	Rs. 1,497,000
Net Assets:	Rs.164,000,000
Plot 56, Khayaban e Rahat,	
DHA, Phase II Karachi	Rs. 4,000,000
Household Effect	Rs. 5,000,000
Personal item	Rs. 100,000,000
Cash	Rs. 55,000,000

TAX YEAR 2015

Income from salary	Rs. 250,000,000
Income from Business	Rs. 1,522,200,241
Adjustable Tax (Salary of Employees u/s 149)	Rs. 619,492,584
Tax chargeable	Rs. 619,492,584
Net Assets:	Rs.164,000,000
Plot 56, Khayaban e Rahat,	
DHA, Phase II Karachi	Rs. 4,000,000
Household Effect	Rs. 5,000,000
Personal item	Rs. 100,000,000
Cash	Rs. 55,000,000

The ADCIR, Range-1, Zone-1, RTO-II Karachi issued an ex-parte assessment order u/s 122(5A) of the Ordinance by making an addition of Rs.180,108,350 against an unexplained source of investment (at FBR value of the declared property) and created tax liability of Rs. 63,037,923 on 07.08.2024. Thereafter, the department attached two bank accounts one of the complainant's salary account at NBP, Sindh Secretariate Branch Karachi, and the other of Bank Al-Habib Mehmoodabad Branch, Karachi. The Complainant came to know about this fraud when the department attached his bank accounts; hence this complaint with the request to detach bank accounts so that he can feed his family.

3. The complaint was referred to the Secretary, of Revenue Division for comments on Section 10(4) of the FTO Ordinance read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response, the Commissioner-IR, Zone-1, RTO-II Karachi vide letter dated 04.02.2025 submitted comments stating that the complainant declared assets worth Rs.164,000,000 for the first time in the reconciliation of assets and liabilities for tax year 2014. The complainant was provided six opportunities through IRIS and on non-compliance, an assessment order was passed on merit within the time limit prescribed u/s 122(2) read with 122(5A) of the Ordinance. Moreover, the complaint is about the assessment of income, determination of tax liability, and interpretation of law against which Appellate fora are available; therefore, the instant complaint may be discharged. During the hearing, the DR appeared and submitted copies of the income tax returns, details of tax deductions at source, assessment order u/s 122(5A) for the tax year 2014, and copies of all correspondences with the complainant through IRIS.

4. Arguments of parties heard and record perused.

5. The objection regarding bar of jurisdiction, raised under Section 9(2)(b) of the FTO Ordinance, is misconceived as the Complainant is aggrieved against misusing his CNIC & ID, filing fake income tax returns, and resulting to an exparte assessment order without providing the opportunity of being heard as prescribed u/s 218 of the Ordinance. Moreover, the honorable Supreme Court of Pakistan while deciding the civil petition for special leave to Appeal no. 788 of 1984 dated 07.11.1988 states:

> *"One of the conditions for grant of relief in writ jurisdiction of the High Court is that petitioner before it should not have any alternate adequate remedy. In this case, a remedy by way of appeal, as mentioned in the impugned order, was such remedy. Therefore, it is correct that no relief could be granted to the petitioner under article 199 of the Constitution. But that does not mean that the petitioner has not been allowed any relief by the departmental authorities (despite the observation of the supreme Court) the petitioner would have no immediate remedy at all against the highhandedness of the department.*
>
> *Amongst others he can file a complaint and grievance application before the Federal Ombudsman, who can provide effective redress, in a case like the present one. That forum has several attributes of a Court in many aspects of its powers. It can also move in a matter promptly whenever so needed. At the same time, it does not suffer from some of the handicaps, due to technicalities of procedural nature, which operates as impediment or thwart such like action by the Courts. For example, the limitation of non-availability of alternate remedy in this case for the High Court under Article 199 of the Constitution, is not applicable to the said forum. Besides, the same being quasi-judicial it is also headed by a judge of the Supreme Court, with similar powers to punish for contempt. In this context therefore, it can be safely concluded, that it can provide the alternate effective and adequate remedy to the petitioner also.*
>
> *With the foregoing observations and remarks, leave to appeal is refused in the circumstance of this case, due to the technical hurdle faced by the petitioner in High Court. He may file a complaint before the Ombudsman."*

The preliminary objection regarding the bar of jurisdiction being misconceived is overruled.

6. INVESTIGATION RELATED TO DECLARED IMMOVABLE PROPERTY

As per the income tax return for the tax year 2014, residential property has been declared with address Plot # 56, Khayaban e Rahat, DHA, Phase II Karachi at Rs. 4,000,000. On inquiry from DHA, the Additional Director, Transfer & Record, DHA Karachi vide letter dated 07.02.2025 has confirmed that the particulars of the property are incorrect meaning thereby this property does not exist. Therefore, the assessment made by the ADCIR vide order dated 07.08.2024 at an FBR value of Rs.20,108,350 against a declared value of Rs.4,000,000 is not based on facts.

ANALYSIS OF INFORMATION OBTAINED FROM PRAL

7. The Chief Networks & Infrastructure Officer vide letter dated 11.02.2025 submitted information reproduced below:

> (i) *"The subject complainant was registered under the BTB Process on 22-Aug-2019. The registration profile along with the registration trail are given in the enclosed excel file. Bank account information is not found in the profile.*
>
> (ii) *The income tax returns for tax year 2014 and 2015 were filed on 27103/2021 through IP address 180.92.136.73. Further details regarding change in particulars and login history are given in the enclosed excel file.*
>
> (iii) *Withholding tax details linked to CNIC 42301-98821305 are also given in the enclosed excel file.*
>
> (iv) *The copies of submitted Income Tax Returns and Wealth Statements are only accessible to concerned Commissioner. Therefore, the said copies may be obtained from the relevant tax office."*

8. The information related to income tax registration provided by the PRAL is as follows:

Registration Information

Sr.	Tax Office	Registration No	NTN	Name	It Registration Date
1	RTO-II KARACHI	4230198821305	6155106-6	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	22/08/2019 11:15:03 AM

Cell No	Email	Remarks
00923002496922	asifkhan2496922@gmail.com	Registration Under BTB Process., Date:22-AUG-19 11:15:03;; Jurisdiction Changed through Letter# FBR-1912161103 on 03-FEB-20 17:26:58

The above-mentioned details as provided by the PRAL reflect that the income tax registration was carried out under BTB (Broadening of Tax Base) on 22.08.2019. On the contrary, the complainant was a driver in the Govt. of Sindh earning less than the taxable limit. Therefore, registration under the garb of BTB does not make any sense.

9. IT REGISTRATION TRAIL

SR.	REGISTRATION NO	NAME	TRANSACTION DATE
1	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	08/22/2019 11:34:14
2	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	01/16/2025 16:44:06

SUBJECT	INTERMEDIARY REGISTRATION NO	MEDIUM	OFFICER REGISTRATION NO	OFFICER NAME
181 (Order to grant / refuse registration on application)		Online	0000000000000	
181 (Form of Registration filed for modification) (Income Tax)	4210154708233	Manual	4220102758797	Aijaz Ahmed

10. The IT registration trail as provided by the PRAL reflects that the complainant was registered online u/s 181 on 22.08.2019 at 11:34:14 hrs. by an Officer without any name and Officer Registration No. written as "00000000000". This shows that the complainant was registered fraudulently wherein the identity of the Officer has been intentionally and purposefully left blank to avoid being caught for this fraud.

EXAMINATION OF COPY OF ORDER U/S 181 TO GRANT /REFUSE REGISTRATION ON APPLICATION

11. The examination of the copy of order u/s 181 of Income Tax Ordinance 2001 submitted by the DR from RTO-II Karachi gives more details as compared to what PRAL has provided through IT Registration Trail in an Excel sheet vide letter dated 11.02.2025. It is highly surprising to note that the PRAL Excel sheet did not provide the cell no and email address who registered the complainant on 22.08.2019 which is very necessary to identify the cyber-criminal. The copy of the order u/s 181 of the Ordinance is as follows:

Federal Board of Revenue
Revenue Division - Government of Pakistan

FBR PAKISTAN — Inland Revenue Service

181 (ORDER TO GRANT / REFUSE REGISTRATION ON APPLICATION)

Name: ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN
Address:

Registration 4230198821305
Tax Year : 2019
Period : 01-Jul-2018 - 30-Jun-2019
Medium : Online
Due Date : 22-Aug-2019

100...0322474

Personal Info:

Person : Individual
CNIC / CNICOP : 4230198821305
Type : Pakistani Male
Name : ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN
Cell No. : 00923352679592
Email : kk3169790@gmail.com
Nationality : Pakistan
Accounting Period : -
Formation/Birth Date :
liquidation/Death Date :
Registered Address :
Registered for Sales Tax: No

DNFBP Registration Status:

Attributes

Attribute	Value
Decision	Granted / Accepted

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12. The above-mentioned order for registration reveals the following cell no and email have been used for registration of the complainant in income tax:

Cell No. 00923352679592

Email: kk3169790@gmail.com

12. The above-mentioned cell phone sim 009233552679592 used for this fraud pertains to the U-fone. Accordingly, the CEO of Ufone (Pak Telecom Mobile Limited) was asked to furnish details of the individual who was allotted this sim. M/s A,F. Ferguson & Co, the AR vide letter dated 20.02.2025 submitted the following details of Subscriber sim 009233552679592:

Name:	Allah Baksh
CNIC	51507-7786442-1
Address	Matadi, Tehsil Sonmiani, District Lasbella
Other Nos regd on same CNIC	0332-8082256, 0337-0395735, 0335-2679592, 0330-3367492, 0331-8290880

13. Therefore, the Director General I & I to probe the above-mentioned person Mr. Allah Bux whose sim was used for the registration of the complainant for the purpose of carrying out this fraud. On the other hand, the PRAL is required to investigate as to how the complainant was registered online u/s 181 on 22.08.2019 at 11:34:14 hrs by an Officer without any name and Officer Registration No. written as "0000000000".

14. LOGIN HISTORY IRIS OF ASIF SATTAR KHAN

SR.	USER ID	USER IP	LOGIN TIME	LOGOUT TIME
1	4230198821305	180.92.136.73	27/03/2021 4:43:50 PM	27/03/2021 5:09:57 PM
2	4230198821305	175.107.39.102, 10.105.34.2, 10.105.34.57:51501	17/01/2025 10:40:31 AM	
3	4230198821305	175.107.39.102:39825	17/01/2025 10:41:13 AM	17/01/2025 10:58:05 AM
4	4230198821305	175.107.39.102, 10.105.34.2, 10.105.34.55:52592	17/01/2025 11:00:37 AM	17/01/2025 12:05:57 PM
5	4230198821305	175.107.39.102:40720	17/01/2025 11:03:41 AM	17/01/2025 11:34:12 AM
6	4230198821305	175.107.39.102:43729	17/01/2025 12:04:12 PM	17/01/2025 12:05:57 PM
7	4230198821305	175.107.39.102, 10.105.34.2, 10.105.34.56:53429	17/01/2025 4:58:13 PM	
8	4230198821305	175.107.39.102:57747	17/01/2025 4:58:20 PM	17/01/2025 5:29:24 PM

9	4230198821305	119.73.104.77, 10.105.34.2, 10.105.34.56:58253	27/01/2025 12:35:38 PM	
10	4230198821305	119.73.104.77:10015	27/01/2025 12:37:28 PM	27/01/2025 1:16:21 PM
11	4230198821305	154.57.218.18:40202	27/01/2025 3:03:15 PM	

INCOME TAX RETURNS

Sr.	NTN	Registration No.	Name	Tax Year	Submission Date
1	6155106	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	27/03/2021 5:05:17 PM
2	6155106	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2015	27/03/2021 5:09:46 PM

WORKFLOW TASKS

SR.	REGISTRATION NO	NAME	TAX PERIOD	TASK CODE	SUBJECT
1	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2019	1519	181 (Order to grant / refuse registration on application)
2	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2018	2413	114(4) (Notice to file Return of Income for complete year)
3	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2019	3445	176 (Notice to obtain information or evidence)
4	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	2125	116(2) (Wealth Statement)
5	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	2107	114(1) (Return of Income filed voluntarily for complete year)
6	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2015	2125	116(2) (Wealth Statement)
7	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	3505	120 (Order to make Self-assessment)
8	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2015	2107	114(1) (Return of Income filed voluntarily for complete year)
9	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2015	3505	120 (Order to make Self-assessment)
10	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2021	9438	147 (Intimation to Pay Advance Tax)
11	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2022	9438	147 (Intimation to Pay Advance Tax)
12	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2022	9438	147 (Intimation to Pay Advance Tax)
13	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2022	9438	147 (Intimation to Pay Advance Tax)
14	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2021	2413	114(4) (Notice to file Return of Income for complete year)
15	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2022	9438	147 (Intimation to Pay Advance Tax)
16	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2023	9438	147 (Intimation to Pay Advance Tax)
17	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2023	9438	147 (Intimation to Pay Advance Tax)
18	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2023	9438	147 (Intimation to Pay Advance Tax)
19	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2022	2413	114(4) (Notice to file Return of Income for complete year)

20	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2023	9438	147 (Intimation to Pay Advance Tax)
21	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2024	9438	147 (Intimation to Pay Advance Tax)
22	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2024	9438	147 (Intimation to Pay Advance Tax)
23	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2023	2413	114(4) (Notice to file Return of Income for complete year)
24	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2019	2413	114(4) (Notice to file Return of Income for complete year)
25	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2020	2413	114(4) (Notice to file Return of Income for complete year)
26	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2024	9438	147 (Intimation to Pay Advance Tax)
27	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	3409	122(9) (Notice to amend assessment)
28	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2024	9438	147 (Intimation to Pay Advance Tax)
29	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	3403	111(1) (Notice to explain Income / asset)
30	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	3515	122(5A) (Order to amend original assessment prejudicial to revenue)
31	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	8401	137(2) (Notice to pay tax payable)
32	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	8407	138(1) (Notice to pay overdue tax payable)
33	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2025	9438	147 (Intimation to Pay Advance Tax)
34	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2025	9438	147 (Intimation to Pay Advance Tax)
35	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2025	1123	181 (Form of Registration filed for modification) (Income Tax)
36	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2025	1123	181 (Form of Registration filed for modification) (Income Tax)
37	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2025	1523	181 (Order to grant / refuse modification to registration on application)
38	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	6254	127(4) (Application to file Appeal against Reference Order)
39	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	6250	127(6) (Application to file Condonation request against reference Order)
40	4230198821305	ASIF SATTAR KHAN S/O ABDUL SATTAR KHAN	2014	6550	127(6) (Order to grant/refuse Condonation Application)

TRANSACTION DATE	MEDIUM	OFFICER REGISTRATION NO	OFFICER NAME
22/08/2019 11:34:14 AM	Online	0000000000000	
22/08/2019 6:24:25 PM	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
24/12/2020 1:26:33 AM	System	4240118009309	SHAIR GUL
27/03/2021 5:00:54 PM	Online	4230142115065	MUHAMMAD ANSIR ALI KHAN
27/03/2021 5:04:13 PM	Online	4230142115065	MUHAMMAD ANSIR ALI KHAN
27/03/2021 5:06:01 PM	Online	4230142115065	MUHAMMAD ANSIR ALI KHAN
27/03/2021 5:05:17 PM	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
27/03/2021 5:07:39 PM	Online	4230142115065	MUHAMMAD ANSIR ALI KHAN
27/03/2021 5:09:46 PM	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
10/06/2021 00:31:36	System	4230142115065	MUHAMMAD ANSIR ALI KHAN

19/08/2021 4:30:31 PM	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
12/10/2021 14:27:09	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
07/01/2022 21:14:09	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
04/04/2022 14:10:44	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
07/04/2022 14:21:45	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
09/01/2022 22:23	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
13/10/2022 6:36:29 PM	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
01/01/2023 11:05	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
16/01/2023 2:03:21 PM	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
13/04/2023 5:17:39 AM	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
09/09/2023 17:34	System	4230142115065	MUHAMMAD ANSIR ALI KHAN
20/10/2023 1:45:35 AM	System	4130698130229	ANEES AHMAD
22/11/2023 2:59:33 PM	System	4130698130229	ANEES AHMAD
18/01/2024 3:35:23 PM	System	4130698130229	ANEES AHMAD
18/01/2024 4:06:12 PM	System	4130698130229	ANEES AHMAD
03/04/2024 15:32	System	3460389089649	SHAHAR YAR AHMED
03/05/2024 11:00	Online	4230192484565	MUHAMMAD ASFANDYAR JANJUA
06/04/2024 17:39	System	4230122408739	SUNIL KUMAR
06/07/2024 16:56	Online	5630255728427	ABDUL RAUF
08/02/2024 12:19	Online	5630255728427	ABDUL RAUF
08/07/2024 14:09	System	5630255728427	ABDUL RAUF
09/09/2024 10:47	Online	4220102758797	AIJAZ AHMED
09/10/2024 11:14	System	4220102758797	AIJAZ AHMED
12/11/2024 19:39	System	4220102758797	AIJAZ AHMED
30/12/2024 3:42:25 PM	Manual	4220102758797	AIJAZ AHMED
16/01/2025 4:44:06 PM	Manual	4220102758797	AIJAZ AHMED
16/01/2025 4:45:19 PM	System	4220102758797	AIJAZ AHMED
17/01/2025 12:04:11 PM	Online	4230186678039	FAISAL RAUF MEMON
17/01/2025 5:04:43 PM	System	4220125677093	ABDUL HAMEED SHAIKH
17/01/2025 5:09:20 PM	System	4220125677093	ABDUL HAMEED SHAIKH

15. The above-mentioned information related to the login history of IRIS, details of Income Tax Returns, and Workflow Tasks provided by the PRAL confirm that only income tax returns for Tax years 2014 & 2015 have been filed on 27.03.2021 through IP address **180.92.136.73**. This IP address was searched through Google and it was located in the City of Wilmington, State of Delaware, USA through a proxy VPN. Therefore, the D.G. I & I is required to probe the most important evidence i.e. IP address **180.92.136.73** to find out the real culprit who filed fake income tax returns for tax Years 2014 & 2015.

16. The data of all withholding income tax since the registration of the complainant in FBR reflects the sale of two small flats in 2018 against which Rs. 15,000 and Rs.19,300 were withheld u/s 236C of the Ordinance. On inquiry, the complainant clarified that these two flats were earlier bought by his mother in his name which were sold in 2018 and the amount was distributed among eight siblings. In addition, the Sindh Government had allotted a residential plot measuring 120 sq. yds at "Sinwa Cooperative Housing Society" Malir against which Rs.1800 was paid u/s 236K of the Ordinance. Other withholding deductions relate to profit on debt u/s 151, cash withdrawal u/s 231A, and salary of provincial Govt employee's u/s 149 of the Ordinance.

EXAMINATION OF THE COMPLAINANT'S SOURCE OF INCOME & LEGAL OBLIGATIONS:

17. The complainant is presently a Junior Clerk in the S&GAD & Coordination Department, Govt. of Sindh. Some cyber criminals registered him in income tax on 22.08.2019 by misusing his CNIC and subsequently filed fake income tax returns for tax years 2014 & 2015 on 27.03.2021. During tax years 2014 & 2015, he was a driver, and as per his pay slips, his monthly gross salary was around Rs.20,000 which was much below to prescribed taxable income limit for Tax years 2014 & 2015. Hence, the complainant was not required to file income tax returns for tax years 2014 & 2015 when there was no evidence of additional other heads of income. Thus, it appears that the CNIC of the complainant has been misused for registration and filing of income tax returns for tax years 2014 & 2015. Moreover, the Deptt did a gross injustice when the ADCIR issued an exparte assessment order u/s 122(5A) of the Ordinance by making an addition of Rs.180,108,350 against a fake non-existent immoveable property Plot 56, Khayaban e Rahat, DHA, Phase II Karachi (as discussed in earlier para), creating tax liability

of Rs. 63,037,923 on 07.08.2024. Thereafter, the department attached his two bank accounts including the complainant's salary account at NBP, Sindh Secretariate Branch Karachi making the living of his family members consisting of five persons including three innocent children miserable.

18. The salary of the complainant was attached without taking into consideration the conditions imposed under Rule 128 of Income Tax Rules 2006 reproduced below:

> *"128. Exemption from attachment. - The following shall not be liable to attachment and sale under these rules, namely: -*
>
> *(a)----------*
>
> *(h)-----------*
>
> *(i) salary to the extent of the first hundred rupees and one half of the remainder:*
>
> *Provided that where such salary is the salary of the servant of Government or servant of a railway or local authority, and whole or any part of the portion of such salary liable to attachment has been under attachment, whether continuously intermittently for a total period of twenty four months, portion shall be exempt from attachment until the expiry of further period of twelve months and, where such attachment been made in execution of one and the same certificate, shall be finally exempt from attachment in execution of that notice; (j) the pay and allowances of persons to whom the Pakistan 1[Army] Act, 1952 (XXXIX of 1952), applies, or of persons other than Commissioned Officers to whom the Pakistan Navy Ordinance, 1961 (XXXV of 1961), applies;*
>
> *(k) all compulsory deposits and other sums in or derived from fund to which the Provident Funds Act, 1925 (XIX of 1925), the time being applies in so far as they are declared by the Act not to be liable to attachment;*
>
> *(l) any allowance forming part of the emoluments of any servant of Government or of any servant of a railway or local authority which the appropriate Government may, by notification in the official Gazette, declare to be exempt from attachment, and any subsistence grant or allowance made to any such servant while under suspension;*
>
> *(m) any expectancy of succession by survivorship or other 1[merely] contingent or possible right or interest; and*
>
> *(n) a right to future maintenance.*
>
> *Explanation 1.-. The particulars mentioned in clauses (g), (h), (i), (j) and (l) are exempt from attachment or sale whether before or 2[after] they are actually payable, and in the case of salary other 3[than] salary of a servant of the Government or a servant of railway local authority the*

attachable portion thereof is exempt from attachment until it is actually payable.

Explanation 2- In clauses (h) and (i), "wages" or "salary" means the total monthly emoluments, excluding any allowance declared exempt from attachment under the provisions of clause (l), derived by a person from his employment whether on duty or on leave.

Explanation 3.- In clause (l), "appropriate Government" means

(i) as respects any person in the service of the Federal Government, or any servant of Railway Board, a cantonment! authority or of the port authority or a major port, the Federal Government; and

(ii) as respect any person in the service of a Provincial Government or a servant of any local authority, the Provincial Government."

19. In addition, Non-payment of salary to a person would be tantamount to a violation of fundamental rights guaranteed under Articles 2-A,3,4,9,14 and 18 of the Constitution of Islamic Republic of Pakistan 1973. In the case of Larkana and another Vs Ghulab Khan and 5 Others cited as 2001 SCMR 1320, wherein the honourable Supreme Court has held:

"In *our considered opinion their salaries cannot be withheld on the ground that their appointment was illegal being made in violation of the relevant recruitment rules and in fact action should have been initiated against those who are sitting the helm of affairs for such irregularities. The respondents cannot be held responsible in any manner whatsoever*"

FINDINGS:

20. Illegal income tax registration, filing of fake income tax returns for Tax years 2014 & 2015 creating tax liability of Rs. 63,037,923 on 07.08.2024 against a fake non-existent immoveable property, and enforcing recovery through the illegal attachment of the salary account of the complainant causing administrative excesses tantamount to maladministration under section 2(3)(i)(a)(b)(c) & (ii) of FTO Ordinance.

RECOMMENDATIONS:

21. FBR to direct:

(i) the Commissioner -IR, Zone-1, RTO-II Karachi to detach at least the salary account of the complainant at

NBP, Sindh Secretariate Branch Karachi as discussed in para 17 to 18 immediately as no evidence of involvement of the Complainant was so far found in this fraudulent act and report compliance within 15 days;

(ii) the Director General I & I IR to initiate Fact Finding Inquiry by probing cell no 009233552679592 and IP address **180.92.136.73** to dig out the cybercriminals as discussed in paras 12, 13 & 15 for appropriate conviction under the law;

(iii) the Director General I & I IR to seek access to IP data more than one-year-old as available to other agencies designated under IFTA (The Investigation for Fair Trial Act, 2013) from the competent Authority to overcome the technical limitation for necessary investigation, especially in tax fraud cases;

(iv) the Member (Ops)/DG IT-DT, FBR to inquire into the fake online registration of the complainant u/s 181 on 22.08.2019 at 11:34:14 hrs by an Officer without any name and Officer Registration No. written as "00000000000" as discussed in paras 7 to 11 for necessary correction to avoid identical tax fraud in the future;

(v) the Commissioner Zone-I, RTO-II Karachi not to pursue recovery proceedings and revisit the ex-parte assessment order dated 07.08.2024 under Section 122A of the Ordinance once the investigation by the DG I & I is complete and the complainant was not found involved in this criminal act; and

(vi) FBR to furnish a comprehensive report to this forum within 60 days except recommendation at sl.no. (i) which should be implemented immediately without any condition in view of decision of the honourable Supreme Court of Pakistan cited as 2001 SCMR 1320

A Jah

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

Dated: 6 : 3 : 2025
Akif

Approved for reporting