THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

COMPLAINT NO.24987/KHI/IT/2025

Dated: 03.10.2025* R.O Karachi

Mrs. Marium Atif CNIC 4200013715568 ...Complainant
25-B, KDA # 1,
Miran Muhammad Shah Road,
Karachi

Versus

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

Dealing Officer	:	Mr. Badruddin Ahmad Quraishi, Advisor
Appraisal Officer	:	Mr. Muhammad Tanvir Akhtar Advisor
Authorized Representative	:	Mr. Muhammad Atif, Husband
Departmental Representative	:	Nemo

Federal Tax Ombudsman Secretariat HQS Islamabad FTO

FINDINGS/RECOMMENDATIONS

The above-mentioned complaint was filed against the Commissioner Zone-II, RTO-II Karachi in terms of Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance), for an alleged illegal assessment order dated 23.06.2025 imposing tax liability of Rs67,350 for the tax year 2019 against concealment on the purchase of a Toyota Corolla Model 2018, **misusing the CNIC** of the complainant.

2. The Complainant, a salaried individual, filed her return of income for tax year 2019, declaring income of Rs 400,000. Based on third-party information related to the purchase of a Toyota Corolla, vehicle worth Rs.2,049,000 in her name during tax year 2019, the DCIR initiated proceedings and passed an assessment order u/s 122(1) read with section 111(1)(b) of the Income Tax Ordinance 2001 (the Ordinance) imposing tax liability of Rs.67,350 for tax year 2019 on 23.06.2025 despite the written denial by the

*Date of registration with FTO Secretariat complainant against the purchase of the said vehicle. As per the complainant, she had neither booked nor paid any amount against the purchase of this motor vehicle. This vehicle was booked in her name by misusing her CNIC; hence this 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 the Federal Ombudsmen Institutional Reforms Act, 2013. In response, the Commissioner, Zone-1, RTO-II Karachi vide letter dated 13.10.2025 submitted comments stating that on the basis of third-party information, the deemed assessment order was amended as the complainant claimed tax deduction of Rs.40,000 u/s 231B of the Ordinance but failed to declare the corresponding motor vehicle in the wealth statement. The Unit Officer initiated proceedings and passed the assessment order u/s 122(1) read with section 111(1)(b) of the Ordinance, after providing a proper opportunity of being heard.

4. Both parties' arguments considered.

5. In order to investigate the misuse of CNIC against the purchase of a Toyota Corolla, a vehicle worth Rs2,049,000, it is utmost necessary to find out the individual who actually made payment to Indus Motor Company Ltd against the purchase of this vehicle. Accordingly, information was acquired from Indus Motor Company Ltd, which provided information vide letters dated 16.10.2025 & 28.10.2025 as shown below:

> *"Order no. 1237114, Name: Mrs Mariyum Atif, Model Corolla GLi 1.78 / 2018, Silver color, Chassis No. NZE170R-4155309, Engine No. 7329324, Booking date 23.02.2018, Dealership Toyota Eastern Motors, Karachi.*

*Payment made: Rs. 500,000 vide pay order no. 00593722 dated 23.02.2018 and Rs 1,594,000 vide pay order no. 00698564 dated 06.06.2018, both drawn on **Sindh Bank Limited Muhammad Ali Society Branch, Karachi**."*

This information was sent to the concerned bank i.e. Sindh Bank Limited, Muhammad Ali Society Branch, Karachi, to find out details of the individual who actually paid the amount against the purchase of this vehicle.

6. The Operation Manager & Branch Manager, Sindh Bank vide letter dated 05.11.2025 submitted that both the above-mentioned pay orders payable to M/s Indus Motor Company Ltd on account of Marium Atif were issued from Account no. 0333-401138-4300 maintained in the name of **Mr. Farrukh Saleem, CNIC 42301-7495044-1, Address; House No. 50/2, Mohalla Lane 16, Phase 7, DHA Karachi (a taxpayer of RTO-1 Karachi)**. Furthermore, this account was closed on 24.07.2019. This forum called Mr. Farrukh Saleem, CNIC 42301-7495044-1, to explain his position vide letter dated 11.11.2025, but he failed to respond to date, meaning thereby he has nothing to offer in his defense. Hence, it is established beyond any iota of doubt that Mr. Farrukh Saleem is the person who intentionally gained a financial benefit by misusing the CNIC of the complainant and would be liable for criminal proceedings. The Complainant has every right to pursue this fraud case before any competent forum against Mr. Farrukh Saleem, s/o Mazhar Hussain, CNIC 42301-7495044-1 Address: House No. 50/2, Mohalla Lane 16, Phase 7, DHA Karachi

7. In addition, information was also acquired from the Excise & Taxation Authority, Govt of Sindh and the Excise & Taxation Officer, Motor Registration Wing, Civic Centre Karachi vide letter

ETO/MRA(OR-C)/13695 dated 26.11.2025 submitted that the vehicle was booked in the name of Mrs. Marium Atif by M/s Toyota Indus Motors Company Ltd but the vehicle in question was initially registered in the name of Mr. Amjad Ali s/o Kamal Khan Noonari, CNIC 41308-9473934-9, Noonari House Bathoro Road, Tando Muhammad Khan, Transfer date: 16.05.2019. However, presently, the ownership stands in the name of Mr. Ahmed s/o Muhammad Suleiman, CNIC 44107-2778564-7, Village Malho Junejo, PO Umerkot Thatharai Teh District Umerkot. Taxpayers Profile Inquiry from the FBR database reflects that Mr. Amjad Ali s/o Kamal Khan Noonari, CNIC 41308-9473934-9, is a taxpayer of RTO-II Karachi, whereas no record exists in the FBR database against Mr. Ahmed s/o Muhammad Suleiman, CNIC 44107-2778564-7, Village Malho Junejo, PO Umerkot Thatharai Teh District Umerkot who is the present owner, meaning thereby, Mr. Ahmed s/o Muhammad Suleiman, CNIC 44107-2778564-7, is not registered in income tax.

8. As can be observed from the above detailed discussion, the said vehicle Corolla GLi 1.78 / 2018, Silver color, Chassis No. NZE170R-4155309, Engine No. 7329324 was not purchased by the complainant, but the CNIC of the complainant was misused by Mr. Farrukh Saleem, CNIC 42301-7495044-1, Address: House No. 50/2, Mohalla Lane 16, Phase 7, DHA Karachi, who fraudulently. Used the CNIC of the complaint to acquire the said motor vehicle. On the contrary. unfortunately, the Department did not bother to investigate the details of the investment from M/s Toyota Indus Motors Company Ltd - the manufacturer of this vehicle before concluding the assessment proceedings against the complainant. Not a single letter was issued to the manufacturer to confirm the nature, type & source of payment against the purchase of this vehicle.

9. Whenever the legislature confers a wide-ranging power, it must be deemed to have assumed that the power will be firstly, exercised in good faith; secondly, for the advancement of the objects of the legislation; thirdly, in a reasonable manner. Section 24A of the General Clauses Act 1897 reiterates the principle that statutory power is to be exercised reasonably, fairly, justly, and for the advancement of the purposes of the enactment. In the instant case, these principles were not followed, and an innocent person was penalized for the fraudulent activities of fraudsters.

FINDINGS:

10. The above trail of facts proves that verification proceedings conducted by this forum could have been easily done by the assessing officer at amendment assessment stage. Thus, departmental failure to investigate the original source of investment against purchase of vehicle Corolla GLi 1.78 / 2018 from the manufacturer of vehicles (M/s Toyota Indus Motors Company Ltd) on misuse of CNIC of the complainant, caused administrative excesses, inattention and ineptitude, tantamounting to maladministration in terms of section 2(3)(i) & (ii) of FTO Ordinance.

RECOMMENDATIONS:

11. FBR to direct:

(i) the Commissioner Zone-1, RTO-II Karachi, to revisit the impugned assessment order dated 23.06.2025 on its merit in accordance with the law in the light of detailed discussions held in paras 5 - 9;

(ii) the CCIR, RTO-1 Karachi, to take appropriate legal action against Mr. Farrukh Saleem, CNIC 42301-7495044-1, Address: House No. 50/2, Mohalla Lane 16, Phase 7, DHA Karachi, a taxpayer of RTO-1 Karachi, against the purchase of this vehicle by misusing the CNIC of the complainant;

(iii) the CCIR, RTO-II Karachi, to examine the issue for taking appropriate action in the case of Mr. Ahmed s/o Muhammad Suleiman, CNIC 44107-2778564-7, a taxpayer of RTO-II, as per the Taxpayers Profile Inquiry as discussed in para 7;

(iv) the CCIR, RTO-II, Karachi to ensure counselling in the case of concerned assessing officer who processed the third-party information in slip shod manner and without proper verification; and

(v) report compliance within 45 days

Federal Tax Ombudsman Secretariat HQs Islamabad FTO

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

Dated: 04 FEB 2026

Approved for reporting