

**BEFORE
THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

COMPLAINT NO. 2651/KHI/IT/2022

Dated 23.06.2022 * R.O. Karachi

Mr. Muhammad Naseem,
C-197/1, Road # 03, KDA Scheme -1-A,
Karachi.

...Complainant

Versus

The Secretary,
Revenue Division,
Islamabad.

...Respondent

Dealing Officer	: Mr. Badruddin Ahmad Quraishi Advisor
Appraisal Officer	: Mr. Muhammad Tanvir Akhter, Advisor
Authorized Representative	: Mr. Mohsin Waheed, FCA
Departmental Representative	: None

FINDINGS/RECOMMENDATION

The above-mentioned complaints were filed in terms of Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against delay in issuance of refund for Tax Years 2014 to 2021.

2. The Complainant, a senior citizen (82 years old), a retired Chartered Accountant filed income tax returns for Tax Years 2014 to 2021 under Section 114(1) of the Income Tax Ordinance 2001 (the Ordinance) claiming refund amounting to Rs.26,114, Rs. 124,597, Rs.122,167, Rs.194,950, Rs.162,493, Rs.198,974, Rs.58,940 & Rs. 102,988 respectively. According to the AR, refund applications were e-filed on 09.06.2020 for Tax year 2014 on 12.08.2021; for Tax years 2015 to 2020 and for Tax Year 2021 on 17.12.2021. As per complaint, the Deptt failed to process the refund applications even after repeated visits to Tax Office Lahore, hence this complaint.

¹ Date of registration in FTO Sectt.

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 thereto, the Chief Commissioner, RTO Lahore vide letter dated 22.07.2022 submitted report of Commissioner-IR, Zone-II, RTO Lahore stating that the rightful jurisdiction of the complainant was RTO-1 Karachi. Further Commissioner, Zone-II RTO Lahore had already issued NOC for transfer of jurisdiction vide letter dated 21.05.2022 and the Chief Commissioner IR, RTO-1 Karachi was also asked vide letter dated 21.05.2022 to issue NOC on his part for transfer of jurisdiction by the Secretary Jurisdiction.

4. Arguments of parties heard and record perused.

5. Evidently, the Complainant e-filed refund applications on 09.06.2020 for Tax year 2014, on 12.08.2021 for Tax years 2015 to 2020 and on 17.12.2021 for Tax Year 2021 respectively. In terms of Section 170(4) of the Ordinance, the Deptt was required to have disposed of refund applications, either way within sixty days, after providing the Complainant opportunity of hearing. However, the Deptt remained indolent and thus the delay in disposal of refund applications for Tax Years 2014 to 2021 within the time stipulated under Section 170(4) of the Ordinance is evident.

6. As regards transfer of jurisdiction, it is an undeniable fact that the Complainant's jurisdiction lies with RTO-1 Karachi in terms of FBR jurisdiction order F.No.57(2)Jurisdiction/2017 dated 10.03.2019. But the case of the Complainant is still appearing in RTO Lahore. The Commissioner, Zone-II RTO had already issued NOC for transfer of jurisdiction vide letter dated 21.05.2022 and the Chief Commissioner RTO Lahore has already forwarded NOC to the Board & further also asked the Chief Commissioner IR, RTO-1

Karachi vide letter dated 21.05.2022 to issue NOC on his part for transfer of jurisdiction by the Secretary Jurisdiction.

FINDINGS:

7. Delay in settling the Complainant's refund for Tax years 2014 to 2021 is tantamount to maladministration, in terms of Section 2(3)(ii)&(v) of the FTO Ordinance.

RECOMMENDATIONS:

8. FBR to direct-

- (i) the Secretary (IR-Jurisdiction) FBR Islamabad, to transfer the Complainant's jurisdiction from RTO Lahore to RTO-I Karachi in view of FBR jurisdiction order F.No.57(2)Jurisdiction/2017 dated 10.03.2019;
- (ii) the concerned Commissioner –IR, RTO-1 Karachi to dispose of the Complainant's refund claims for Tax Years 2014 to 2021 after providing him the opportunity of hearing telephonically in view of his age. He is a respected senior citizen of 82 years of age.
- (iii) report compliance within 45 days.


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

Dated: 23:8:2022
satti

Approved for reporting

Certified to be True Copy


Registrar
FTO Secretariat
Islamabad