

**BEFORE
THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

COMPLAINT NO.2766/KHI/IT/2022

Dated: 27.06.2022 R.O. Karachi

Mr. Waqas Uddin,

Flat No. B-4, Habib Square, Nazimabad No. 03,
Karachi.

... *Complainant*

V e r s u s

The Secretary,
Revenue Division,
Islamabad.

... *Respondent*

Dealing Officer	: Ms. Seema Shakil, Advisor
Appraisal Officer	: Mr. Muhammad Tanvir Akhtar, Advisor
Authorized Representative	: Mr. Arif Manthar Advocate,
Departmental Representative	: Mr. Sardar Ali, DCIR, MTO, Karachi

FINDINGS/RECOMMENDATIONS

The above-mentioned complaint has been filed against the Commissioner-IR, Enforcement-I MTO Karachi in terms of Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance), for attachment of bank accounts for recovery of alleged demand which has no relation to the complainant.

2. The instant Complainant is a salaried person employed by ATCO laboratories Ltd since 2006 & claims to have never been registered for tax, as he is earning salary less than the basic exemption limit. In the month of February 2022, it has come to knowledge of the complainant that his salaries bank account No.00711021562 of united bank limited has been frozen and when the concerned bank was approached regarding the matter, it was informed by the bank officials that the salaries account of the complainant has been attached by the Respondent reasons best known to them. Bank also showed inability to de-freeze or de-attach the said A/C without clearance from the respondent. That the complainant has made several personal visits as well as written letters dated 22.04.2022 and 15.06.2022 to the

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respondents but no positive response has been given to the complainant.

3. The complaint was referred to the Secretary, Revenue Division for comments in terms of the FTO Ordinance read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response, the DR appeared alongwith copy of NTN certificate, whereby a business with the name of APEX International is registered on the CNIC of complainant. It is submitted that the unit was registered in 2013 for sales tax purposes. This is a blacklisted unit against which demand of Rs.15(M) is outstanding for which recovery proceedings were initiated and all bank accounts being operated on the CNIC were attached. Whereas the complainant denied any knowledge of this business & contended that a fake unit was registered by misusing his CNIC, of which he has no knowledge.

4. During hearing, the DR was given opportunity with specific instructions to investigate if there's any connivance between the complainant & person operating fake unit. Substantial time was provided to investigate from registration documents of PRAL, banks used for operating business, relevant customs clearing agent. However, in spite of ample opportunity, the department came with nothing tangible. Neither the registration record maintained by PRAL, bio-metric verification record (if maintained) was obtained nor any effort was made to even get the account opening forms from the bank to establish connivance. It is thus evident that department is showing no serious intention to ascertain the factual position, which is not only a hindrance in redressing the complainant's grievance but also in ascertaining the actual beneficiary.

5. Complainant is a small salaried person, appointed on salary of Rs.5,500 p.m. in 2006 & on the same job for salary of Rs.26000/- p.m. at present. Thus, the plight of a small salaried person can be gauged

by anyone & he cannot be left at the mercy of insensitiveness of the departmental functionaries. He has not been able to withdraw his salary for last few months & also fear that a new bank account that he has opened for transfer of his salary by the employer due to pervious attachment, may also be attached by the department. Therefore, he was required to furnish undertaking to the department on stamp paper, regarding his complete ignorance and non-involvement in the alleged business, which was given to the department on 20.7.2022.

FINDINGS:

6. In view of facts of the case of apparent misuse of CNIC & department's inability to establish any connivance, there is no justification is keeping the salaried bank account attached by the department. However, if at any later stage, it is established that there is any connivance or involvement of complainant, the department is at liberty to take legal action against the complainant.

RECOMMENDATIONS:

7. FBR to direct: -
- i) commissioner-IR, Enforcement-I, MTO, Karachi to de-attach the salaried account of the complainant and refrain from attaching new bank account No.0947991560603 in HBL;
 - ii) CCIR to refer the case of this alleged Benami A/C to Benami Zone, Karachi for proper investigation; and
 - iii) report compliance within a week.

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

Dated: 10: 8: 2022

Approved for reporting