

**BEFORE
THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

COMPLAINT NO. 2810/ISB/IT/2021

Dated: 31.12.2021* HQ, Islamabad

Mr. Muhammad Furqan,
Rizwan & Co Cost & Management
Accountants, Flat No. 08, Ground Floor, ...Complainant
Sughra Tower, Street. 73, F-11/1,
Islamabad.

Versus

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

| | | |
|-----------------------------|---|---|
| Dealing Officer | : | Mr. Muhammad Majid Qureshi, Advisor |
| Appraisal Officer | : | Mr. Muhammad Tanvir Akhtar, Advisor |
| Authorized Representative | : | Complainant in person |
| Departmental Representative | : | Ms. Asma Humayun, DCIR, RTO, Islamabad |

FINDINGS/RECOMMENDATIONS

This complaint has been filed under Section 10(1) of the Federal Tax Ombudsman Ordinance 2000 (FTO Ordinance) to agitate inaction on the part of FBR in respect of "change of tax year from "special year" to "normal year" and tax jurisdiction from RTO, Islamabad to CTO, Islamabad.

2. The complaint was referred for comments to the Secretary, Revenue Division, in terms of Section 10(4) of the FTO Ordinance, read with Section 9(1) of the Federal Ombudsman Institutional Reforms Act, 2013. No comments were however submitted by the due date. Hearing notice under Section 9(2) of the Federal Ombudsman Institutional Reforms Act, 2013 was issued on 04.02.2022.

3. On the due date Mr. Muhammad Furqan, the Complainant and Ms. Asma Humayun, DCIR, RTO, Islamabad attended the office. The complainant informed that the two of his clients, namely M/s. Platinum Visa Facilitation Services (Pvt) Ltd & M/s. Green Agrimax International (SMC-Pvt) Ltd were new companies registered with Security Exchange Commission of Pakistan (SECP) Both the said companies were allocated special tax year instead of normal year. An application for change of tax year was submitted to the CIR, CTO, Islamabad who intimated the Complainant that jurisdiction of these cases was presently with the RTO, Islamabad, hence the request for change of tax year be submitted to RTO, Islamabad. When the Complainant approached the concerned office in RTO, Islamabad he was informed that the jurisdiction of all companies cases lies with CTO, Islamabad. The Complainant requested for transfer of jurisdiction to the CTO, Islamabad on which no action was taken till date. Due to inaction on the part of FBR officers, the complainant was unable to file tax returns of his clients.

4. The DR intimated that CCIR, RTO, Islamabad vide a letter dated 31.01.2022 has conveyed NOC to Secretary, (jurisdiction-IR), FBR, Islamabad for transfer of jurisdiction from RTO, Islamabad to CTO, Islamabad. The DR was however, unaware of the updated status of the case. After hearing arguments of both the parties and perusal of the record, it is found that the requests made by the complainant were not promptly addressed. The correspondence made by CCIR, RTO, Islamabad with the Secretary, (Jurisdiction-IR) FBR was not being followed up even after lapse of 45 days.

FINDINGS:

5. In view of the above discussion, neglect, inattention, complacence and delay in the discharge of duties and responsibilities on the part of field officers has been established in terms of Section 2(3)(ii) of the FTO Ordinance.

RECOMMENDATIONS:

6. FBR to:-

- (i) direct the concerned section of FBR to assign correct jurisdiction to all such cases, particularly the instant two cases;
- (ii) direct Members-IR Operations and IT to ensure that taxpayers are not made to suffer for any departmental lethargy. IT enabled services need to be foolproof as well; and
- (iii) report compliance within 45 days.

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

Dated: 24/02/2022
U.f

Certified to be True Copy

Registrar
FTO Secretariat
Islamabad

