THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

COMPLAINT NO.02858/ISB/IT/2026

Dated:10.02.2026* HQ Islamabad

Malik Aftab Hussain, ...Complainant
(Registration No: 3740518746529)
House No. 1214, Aalamgeer Road, Lalkurti, Rawalpindi.

Versus

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

Dealing Officer	:	Mr. Muhammad Naseer Butt, Advisor
Appraised by	:	Mr. Khalid Javed, Advisor
Authorized Representative	:	Mr. Sanaullah Baber, AHC
Departmental Representative	:	Ms. Roaman Alam, ADCIR, RTO, Rawalpindi

FINDINGS/RECOMMENDATIONS

The complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance 2000 (FTO Ordinance). The comments were obtained from the department, which were examined and placed on file. The DR and AR attended. Arguments were heard and record perused and complaint is disposed of on the basis of available record as under.

2. The complainant, **a non-resident**, is aggrieved by delay in processing of refund for tax year 2025 amounting to Rs. 2,157,000/ on account of tax deducted u/s 236K. The online refund application was filed u/s 170 of the Income Tax Ordinance, 2001 (the Ordinance) on 03.11.2025, which was not processed by the department despite a lapse of statutory time of 60 days. The complainant prayed that the department may be directed to process pending refund application and issue refund along with compensation.

* **Date of registration with FTO Secretariat**

3. The RTO, Rawalpindi filed written comments wherein, they stated that the instant case has been processed and disposed of as per law for the tax year 2025 by issuing order u/s 170(4) of the Ordinance on 23.02.2026 whereby the refund claim of the complainant has been rejected. Copy of refund order has been obtained and placed on file.

4. Perusal of complaint and record shows that the complainant, a non-resident, came up before this forum to seek direction to the department to process his pending refund application for tax year 2025 amounting to Rs. 2,157,000/-. Record further shows that the department passed ex-parte order u/s 170(4) of the Ordinance for tax year 2025 on 23.02.2026 and rejected the refund claim of the complainant.

5. It is further noted the complainant claimed refund on account of excess tax deducted u/s 236K on account of purchase of property. During hearing, the AR stated that order has been passed without providing opportunity of hearing and that being a non-resident, late filer rate has been applied whereas normal rate is applicable to a non-resident. It is further noted that the complainant also applied for ATL payment for non-resident which was rejected by the department on 23.01.2025 by issuing one line order stating *"without documentation; application rejected"*. Whereas, the AR stated that he attached all the relevant supporting documents with application and the order was passed without providing an opportunity of hearing.

6. Record further shows that the Departmental officer passed ex-parte order u/s 170(4) on 23.02.2026 by rejecting the claim of the complainant on the ground that the tax so collected constitutes minimum/final tax which can only be adjusted against the taxpayer's liability and is not refundable. It is further noted that while rejecting

the refund claim of the complainant the Departmental officer did not mention the relevant section of the Income Tax Ordinance, 2001. In addition, no opportunity of hearing was provided to the complainant while passing order u/s 170(4). Such a conduct of the officer is found contrary to law, against facts of the case, perverse, arbitrary which constitutes maladministration in terms of section 2(3)(i)(a) and (b) of the FTO Ordinance.

Federal Tax Ombudsman Secretariat HQs Islamabad FTO

RECOMMENDATIONS:

7. FBR to:

(i) direct CIR concerned to take corrective action u/s 122A or 221 as deemed fit, in the light of above facts and pass a fresh order in the light of law and above observations and issue due refund if any for tax year 2025; and

(ii) report compliance within 45 days.

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

Dated: 17 MAR 2026