THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

Complaint No.03593/SGD/IT/2026

Dated: 20.02.2026* R.O, Sargodha

Mr. Sajid Ali,
Chak No.364, Tehsil Choubara,
District Layyah. ...Complainant

Versus

The Secretary
Revenue Division
Islamabad. ... Respondent

Dealing Officer	: Mr. Shaukat Mahmood, Advisor
Appraised by	: Mr. Khalid Javed, Advisor
Authorized Representative	: None
Departmental Representative	: Mr. Ali Noor, DCIR, RTO, Sargodha

FINDINGS

The complaint has been filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against non-issuance of approval by Regional Tax Office (RTO), Sargodha, Federal Board of Revenue (FBR) for payment of income tax u/s 236K of the Ordinance to purchase property read with clause (111AC), Part IV of the Second Schedule to the Ordinance, 2001.

2. Main facts of the case are that the complainant is a non-resident Pakistani in Saudi Arabia. He applied for approval under clause (111AC), Part IV of the Second Schedule of the Income Tax Ordinance (ITO) 2001.

3. The complaint was sent for comments to the Secretary, Revenue Division, Islamabad in terms of Section 10(4) of the FTO Ordinance read with Section 9(1) of Federal Ombudsmen Institutional Reforms Act 2013. In response thereto, the Chief Commissioner-IR, Regional

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* Date of registration in FTO Sectt.

Tax Office, Sargodha forwarded comments of Commissioner-IR, Zone-II, RTO, Sargodha dated 27.02.2026 stating that:-

> ***"The online PSID submitted by the complainant was examined in the light of clause 111AC, Part IV of the Second Schedule to the Income Tax Ordinance, 2001 and disposed of on 20.02.2026 under the law".***

4. The case was fixed for hearing on 08.04.2026. The Complainant did not attend nor any application for adjournment received. Mr. Ali Noor, DCIR, RTO, Sargodha represented the department and contended as per stance taken in parawise comments dated 27.02.2026.

Federal Tax Ombudsman Secretariat HQs
FTO
Islamabad

FINDINGS

5. The order of the department dated 20.02.2026 holds merit since the taxpayer could not prove his non-residential status as per law. Hence there is no maladministration involved on the part of the department.

6. The provisions of clause (111AC) of the Second Schedule of the Ordinance states as under;

> ***"(111AC) the provisions of section 100BA and rule 1 of the Tenth Schedule shall not apply to nonresident individual holding Pakistan Origin Card (POC) or National ID Card for overseas Pakistanis (NICOP) in respect of transactions on which tax is collectable under section 236C and 236K of the Ordinance."***

7. The complainant did not provide the requisite complete evidence of his non-resident status to qualify under clause (111AC). Therefore, the refusal of the department through its order dated 20.02.2026 is based on merit.

8. In view thereof, no further investigation is required. Proceedings are closed. File be consigned to record.

(M. Zafar Ul Haq Hijazi)
Federal Tax Ombudsman

Dated: 04 JUN 2026