THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

COMPLAINT NO.06527/ISB/IT/2026

Dated:13.04.2026* HQ Islamabad

Ms. Sarah Aziz Munir, ...Complainant
(Registration No:3520036747930)
House No. 388, Street No. 72, F-11/1,
Islamabad.

Versus

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

Dealing Officer	:	Mr. Muhammad Naseer Butt, Advisor
Appraised by	:	Mr. Khalid Javed, Advisor
Authorized Representative	:	Mr. Muhammad Nisar Bhatti, ITP
Departmental Representative	:	Mr. Inayat ullah Khattak, AD (Audit), RTO, Islamabad
Hearing Date	:	12.05.2026

FINDINGS/RECOMMENDATIONS

The complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance 2000 (FTO Ordinance) and the case was fixed for submitting comments on 24.04.2026. However, parawise comments were not received from the department on due date. The case was fixed for hearing on 12.05.2026 and the department was directed to attend hearing along with parawise comments. The AR and DR attended. During hearing, the DR filed parawise comments, which were examined and placed on file. Arguments were heard and record perused and complaint is disposed of on the basis of available record as under.

2. The complainant is a **non-resident** who is aggrieved by delay in processing of refund for tax year 2025 amounting to Rs.1,223,193/. The online refund application was filed u/s 170 of the Income Tax Ordinance, 2001 (the Ordinance) on 05.11.2025, which was not

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* Date of registration with FTO Secretariat

processed by the department. The complainant prayed that the department may be directed to process pending refund application and issue refund.

3. Perusal of complaint and record shows that the complainant came up before this forum to seek directions to the department to process his pending refund application for tax year 2025 amounting to Rs.1,223,193/-. The complainant, inter alia, claimed credit for the tax deducted u/s 236C on account of sale of property. The RTO, Islamabad filed written comments wherein, they answered the queries as under;

Sr. No.	QUERIES	REMARKS
1	When was the proper refund application, as prescribed under the relevant rules has been filed by the Complainant?	05.11.2025
2	Had the limitation of 60 days from the filing of refund application expired?	Yes
3	Whether there is any outstanding current/arrear tax demand (Income Tax/Sales Tax/FED/Custom Duty), recoverable in the case of Complainant?	No
4	Whether any tax demand created has been stayed by apex Tribunals/Courts in the case of Complainant?	No
5	Whether for any tax year wherein refund is being claimed, by the Complainant, any audit, rectification or revision proceedings are pending with the department?	No
6	What is the nature of tax deductions which constitute the basis for refund claims, ***fully adjustable, final discharge, minimum tax or adjustable subject to certain preconditions***?	Adjustable and Final tax
7	Tax Deductions/CPRs claimed against refund are verifiable from FBR's internal portal or external verification is required?	Internal Portal

8	Whether refund claim involves any contentious legal issue which is pending at apex courts, involving multiple taxpayers?	Nil
9	Whether refund claims with identical facts and pattern of deductions have already been accepted & processed by the department for the previous years of Complainant or some other Tax year(s)?	Nil
10	Whether claimed refund or portion of it has already been adjusted by the department?	Nil
11	Whether the refund claim is based on an appeal effect or rectification order and whether the same has already been given within legal timelines or not?	Not
12	Whether refund claim has already been adjudicated or it is pending?	Pending
13	Whether the taxpayer has been given proper hearing in terms of section 170(4) before adjudication?	Yes

4. During hearing on 12.05.2026, the DR confirmed that refund application is under process. The information provided above shows that the tax office admitted that the refund application was filed by the complainant on 05.11.2025 for tax year 2025, which is still pending with the department despite a lapse of statutory period of 60 days. It is further admitted that the pending refund claim does not involve any contentious legal issue pending before any court and that the claimed refund has not been adjusted against any other demand and that no tax demand is outstanding against the complainant nor is any audit, rectification or appeal effect pending. However, deduction is statedly adjustable as well as final. The department can ascertain which deduction is final or adjustable while processing refund application. Hence, there appears no justification for delaying processing of pending refund claim.

5. It may be mentioned that the refund application has to be decided within 60 days in terms of section 170(4) of the Ordinance. However, the application is still pending despite passage of prescribed time limit. This delay is manifestation of departmental neglect and inattention in discharge of its duties and the same is tantamount to maladministration in terms of section 2(3)(ii) of the FTO, Ordinance, 2000.

Federal Tax Ombudsman Secretariat HQs FTO Islamabad

RECOMMENDATIONS:

6. FBR to:-

(i) direct the CIR (Refund Zone), RTO, Islamabad to dispose of pending refund application of the taxpayer for tax year 2025 on merits and in accordance with law and facts and issue due refund; and

(ii) report compliance within 45 days.

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

Dated: 18 MAY 2026