THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

COMPLAINT NO.09869/LHR/IT/2026

Dated:23.05.2026* HQ Islamabad

Mr. Abdul Basit Maqsood, ...Complainant
(Registration No: 8210299476577)
House No. 439, Street No. 07, Phase-5, Ghouri Town, 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 Rehan Yousaf, AHC
Departmental Representative	:	Mr. Inayat ullah Khattak, AD (Audit), RTO, Islamabad
Date of hearing(s)	:	**30.06.2026 and 06.07.2026**

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 obtaining comments on 11.06.2026. The comments were obtained from the department, which were examined and placed on file. The case was fixed for hearing on 30.06.2026. However, the complainant's AR vide email dated 30.06.2026 requested for adjournment, which was allowed and the case was re-fixed for hearing on 06.07.2026. 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 is a **non-resident** who is aggrieved by delay in processing of refund for tax year 2025 amounting to Rs.1,016,950/-. The online refund application was filed u/s 170 of the Income Tax Ordinance, 2001 (the Ordinance) on 03.01.2026,

* Date of registration with FTO Secretariat

which was not 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. 1,016,950/-. The complainant, inter alia, claimed credit for the tax deducted u/s 231B(1) on account of motor vehicle registration fee.

4. The RTO, Islamabad filed written comments wherein, they responded the queries and confirmed that refund application was e-filed by the complainant on 03.01.2026, which is still pending with the department despite a lapse of statutory period of 60 days. It is also admitted by the respondent tax office that no outstanding current or arrear demand is recoverable nor is any rectification, audit or revision pending at this stage. No definite finding has been made if the tax deduction made is minimum or final or adjustable beyond mentioning section of deduction.

5. 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. Therefore, there appears no valid justification for delaying processing of pending refund claim.

6. 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.

RECOMMENDATIONS:

7. 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 issue due refund; and

(ii) report compliance within 30 days.

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

Dated: 0 8 JUL 2026

Federal Tax Ombudsman Secretariat HQs Islamabad
FTO