THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

COMPLAINT NO.29086/ISB/IT/2025

Dated:02.12.2025* HQ Islamabad

Mr. Muhammad Nadeem, ...Complainant
(Registration No:3830301497765)
House No. 1743-E, Street No. 59, Bahria Town,
Phase-III, 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 Nadeem (the complainant) Through Video Link Hearing
Departmental Representative	:	None

FINDINGS/RECOMMENDATIONS

The complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance 2000 (FTO Ordinance). The comments were obtained from RTO, Sargodha, which were examined and placed on file. The complainant attended. However, the DR did not join proceedings. Arguments were heard and record perused and complaint is disposed of on the basis of available record as under.

2. The complainant stated that he is an Overseas Pakistani who has been working in Saudi Arabia since December 14, 2014. The complainant stated that before moving to Saudi Arabia, he did not have any assets in Pakistan and so was not a filer. However, after moving to KSA he registered himself as filer with FBR Sargodha in 2019 and voluntarily made his first yearly return declaration for tax year 2018.

3. The complainant further stated that the RTO, Sargodha passed orders u/s 122(5A) of the Income Tax Ordinance, 2001 (the

* **Date of registration with FTO Secretariat**

Ordinance) for tax years 2018, 2019 and 2020 by imposing tax amounting to Rs.7,074,725/-, Rs.1,714,615/- and Rs.1,451,805/- respectively. Furthermore, the order u/s 122(5A) was passed on 15.01.2024 for tax year 2018 and on 12.01.2024 for tax years 2019 and 2020. Being an overseas he is unable to visit Pakistan to follow up any such proceedings in FBR offices and/or courts in Pakistan.

4. The complainant further added that after his expatriation, he has made many properties in Pakistan but none of them are generating any income as all of those are either residential plots or plot files. Due tax on sale or purchase of all of these properties was also paid on time. Furthermore, in each and every return, he is mentioning that he is a non-resident Pakistani and has provided the records for stay in Saudi Arabia as per passport stamps to FBR as well as his NICOP showing the country of his residence.

5. The complainant further stated that all of the information had been provided to FBR again and again but he was yet receiving lot of notices and tax payment orders issued against him. Therefore, requested to provide him relief from FBR. Furthermore, requested to direct RTO Sargodha to drop these notices and tax recovery orders.

6. The RTO, Sargodha filed written comments wherein, they stated that the complainant filed a complaint against amendment of deemed assessments u/s 122(5A) of the Income Tax Ordinance, 2001 for tax years 2018, 2019, 2020 having tax demand of Rs.7,074,725/-, Rs.1,714,615/- and Rs.1,451,805/- respectively. The RTO, Sargodha further stated that the online record of the complainant reveals that the complainant has already filed appeals before the Commissioner-IR (Appeals) against the amended orders passed u/s 122(5A) of the Ordinance for tax years, 2018, 2019 & 2020, which are still pending for adjudication.

7. The RTO, Sargodha further stated that the complainant has already approached proper appellate forum and availed the alternate remedy. As the matter is subjudice before the CIR (Appeals), Sargodha therefore the instant complaint falls under the ambit of Section 9(2)(a) & 9(2)(b) of the Federal Tax Ombudsman Ordinance, 2000. Therefore, the complainant may kindly be directed to approach forum of the Commissioner Inland Revenue (Appeals) for redressal of his grievances where his appeals are pending.

8. It is further observed that the DR did not attend the proceedings from RTO, Sargodha on the date fixed despite the fact that hearing notice was issued for compliance by 19.01.2025. The Chief Commissioner-IR, RTO, Sargodha is directed to look into this lapse on his own and take appropriate action against the delinquent officer and ensure that no such lapse occurs in future.

9. Perusal of record shows that the department passed order u/s 122(5A) of the Ordinance for tax year 2018 on 15.01.2024 in which tax was imposed amounting to Rs.7,074,725/. Similarly, the department also passed orders u/s 122(5A) for tax years 2019 and 2020 on 12.01.2024 in which tax was imposed amounting to Rs.1,714,615/- and Rs.1,451,805/- respectively. Being aggrieved the complainant filed appeal before the CIR(Appeals) on 09.02.2024 for tax years 2018, 2019 and 2020, which are currently pending for adjudication. It is further observed that the orders for the above years have been passed by the department, recording detailed reasons including reasons for additions made u/s 111(1)(b). As the order relates to determination of income and computation of liability which is hit by mischief of section 9(2)(b) of the FTO Ordinance, 2000. Therefore, facts of the case do not warrant interference of this Forum.

10. It is further noted that the complainant has also filed appeal u/s 127(4) of the Ordinance before CIR(Appeals) against the impugned orders, which are still pending for decision. The grounds of appeal have been obtained and placed on file.

11. It is noted that appeals are lying pending with CIR(Appeals) for tax years 2018, 2019 and 2020 since 09.02.2024 whereas, the CIR(Appeals) was required to decide appeal's within maximum 180 days. However, the same are lying pending for about close to two years. The delay in deciding appeals is causing hardship to the complainant which constitute's maladministration in terms of section 2(3)(ii) of the FTO, Ordinance, 2000. Therefore, the following recommendations are made;

RECOMMENDATIONS:

12. FBR to:

(i) direct the concerned Commissioner-IR (Appeals) to dispose of the pending appeals of the complainant for tax years 2018, 2019 and 2020 after providing proper opportunity of hearing, within 45 days; and

(ii) report compliance within 60 days.

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

Dated: 23 JAN 2026