THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

Complaint No. 30300/LHR/IT/2025

Dated:23.12.2025*[1]RO Lahore

Mr. Adeel Khalid Bajwa,
House No.26, Street No. 2,
CMA Colony, Lahore. ...Complainant

Versus

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

Dealing Officer	:	Mr. Ahmad Shuja Khan, Advisor
Appraised by	:	Mr. Khalid Javed, Advisor
Authorized Representative	:	Nemo
Departmental Representative	:	Dr. Abhia Rasheed, ACIR, RTO Lahore

FINDINGS/RECOMMENDATIONS

Federal Tax Ombudsman Secretariat HQS Islamabad FTO

The above-mentioned complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (The Ordinance) against delay in issuance of refund for the tax year 2025.

2. Brief facts of the case are that Complainant is a non-resident individual, who filed his return of income for the tax year 2025 under Section 114(1) of the Income Tax Ordinance, 2001 (the Ordinance) which was deemed to be assessed under Section 120(1) of the Ordinance, claiming refund amounting to Rs.18,599,960 for the tax year 2025. The refund arose on account of excess tax deducted at source under Sections 151(1)(c), 236C and 236K of the Ordinance. The Complainant e-filed refund application for the tax year 2025 on 28.10.2025. As per stated position, the Complainant submitted complete supporting documents along with the tax return. However, despite repeated follow up and personal visits of the Complainant, the Department failed to pass order under Section 170(4) of the Ordinance, within the stipulated time period, hence this complaint.

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[1] Date of Registration in FTO Sectt.

3. The complaint was sent for comments to the Secretary, Revenue Division, in terms of Section 10(4) of the FTO Ordinance read with Section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013. In response thereto, the Commissioner-IR (Refunds) RTO, Lahore submitted parawise comments vide letter dated 26.01.2026. At the outset, the Deptt has raised objection regarding the jurisdiction of this Forum on the argument that in case of failure of the Commissioner to pass refund order within the stipulated time period, the taxpayer/Complainant may file appeal u/s 127 against the same. As such, being appealable matter, the jurisdiction of this forum is barred u/s 9(2)(b) of the FTO Ordinance. On merits, the Deptt has contested that the Complainant did not provide sale/purchase documents on the basis of which tax was deducted u/s 236K which became basis of claim of refund by the Complainant.

4. Hearing was conducted and available record perused.

5. The preliminary objection regarding bar of jurisdiction raised under Section 9(2)(b) of the FTO Ordinance is misconceived. The Complainant has agitated this Forum on account of non-issuance of the refund order within the stipulated time period of 60 days as envisaged u/s 170(4) of the Ordinance, 2001 which squarely falls under maladministration. The issue at hand is the maladministration associated in processing of refund claim of the Complainant. Its not of material that some Departmental action is appealable or not but if any element of maladministration is flowing out of the same then it will be case falling within the jurisdiction of this Forum. In view of above, the objection raised by the Deptt is misconceived and the same is overruled.

6. Further, the Complainant has stated in his complaint, that he provided the complete supporting documents along with refund application. The Complainant also filed copy of sale/purchase deed

along with the complaint. The Deptt could have called the documentary evidence required by issuing notices u/s 170(4) and pass the order accordingly on merit. It is an admitted position that the Complainant e-filed refund application for the tax year 2025 on 28.10.2025. In terms of Section 170(4) of the Ordinance, the Department was required to have disposed of refund application, either way within sixty days of filing, after providing opportunity of hearing. It is matter of record that the Department did not take any action on the refund application and no effort was made to resolve the issue and resultantly statutory time period of sixty days got elapsed. Thus, delay in disposing of refund application for Tax Year 2025, within the stipulated time in terms of Section 170(4) of the Ordinance, is quite evident.

FINDINGS:

7. Delay in disposal of Complainant's refund application for the tax year 2025 dated 28.10.2025 within the stipulated time is manifestation of Departmental neglect, inattention and ineptitude in discharge of its duties and the same tantamount to maladministration in terms of Section 2(3)(ii) of the FTO Ordinance, 2000.

RECOMMENDATIONS:

8. FBR to-

(i) direct the Commissioner-IR (Refunds), RTO Lahore to dispose of Complainant's refund application for tax year 2025 after providing opportunity of hearing to him, as per law; and

(ii) report compliance within 60 days.

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

Dated: 09 MAR 2026