

**BEFORE  
THE FEDERAL TAX OMBUDSMAN  
ISLAMABAD**

**0079/OM/2022**

Dated: 01.08.2022\* HQs Islamabad

**The Secretary,**  
Revenue Division,  
Islamabad

... Respondent

Dealing Officer	:	Dr. Arslan Subuctageen, Advisor
Appraising Officer	:	Dr. Sarfraz Ahmad Warraich, Advisor

**FINDINGS/RECOMMENDATIONS**

This own motion investigation was initiated through exercise of jurisdiction conferred under Section 9(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance), regarding an incident, which took place at Islamabad International Airport (IIAP), Islamabad, with a passenger, who uploaded his video clip at social media.

2. Briefly, the issue has been raised in a video message, uploaded on social media by a passenger, who has introduced himself as Maj. (Retd) Shoukat Marwat, on 27.07.2022 at 01:48 AM, wherein, he has alleged an incident which took place at IIAP, Islamabad. According to video message, said passenger purchased a Play Station 5 (PS-5) from Qatar International Airport for personal use and was unaware about the leviability of customs duty and taxes on PS-5. On his arrival at IIAP, at about 08:30 AM from Doha, Qatar, a Customs official, namely Sepoy Zeeshan, informed him about leviable customs duty and taxes on PS-5. On query, Sepoy Zeeshan, while having been stationed at Customs desk, told him that amount of duty and taxes on PS-5, is US\$305/- (equal to Pak Rs.69,540/- according to prevailing exchange rate). Passenger, as per video clip, argued with Sepoy Zeeshan that amount of tax is too high, even more than its price in Pakistan.

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Sepoy Zeeshan offered to provide a 25% discount on duty/taxes, as per his powers under law. Remaining amount of Rs.52,157/- was agreed by passenger to be paid as duty/taxes on PS-5. According to the above referred video clip, at this point, another Customs official, Havaladar Imam, who was listening all the conversation, came forward and asked him to come to his office. Passenger assumed that Havaladar Imam may guide him about the law or reduce some more tax, under the law, as he asked some questions from passenger about his income. On reaching his office, Havaladar Imam directly asked him to pay an amount of Rs.25,000/- and said that 'sir, enjoy as I am a good person in comparison to a political figure, he named. I have not looted too much'. Passenger further stated that, at that time, it became obvious to him that Havaladar Imam was asking for a bribe, causing a loss of Rs.52,157/- to Govt. exchequer. Passenger told Havaladar Imam that he will take legal action against him. Passenger, according to video clip, noticed that CCTV cameras were installed at every place at the airport, which can be used to get evidence for investigating his allegations and his meeting with above referred customs officials, confirming facts narrated by him.

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3. Reply/comments were sought from 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, Collector, Collectorate of Customs, Islamabad, submitted reply on 04.08.2022, stating therein that, after having cleared immigration and having collected his baggage, passenger reached Customs Counter by 08:55 AM, where unfortunate incident unfolded. Eight-minute CCTV footage, from the time passenger reached Customs Counter, reflects that, for some minutes, Sepoy Zeeshan engaged him in conversation and then both of them leave towards money changer, a few meters away from



Customs Counter, came back and Sepoy Zeeshan, as per preliminary inquiries, called for duty & taxes challan form. At 9:00 AM, Havaladar Imam Ali approached Customs Counter, shakes hands with passenger and after a minute or so, both, him and passenger, left for nearby Customs Staff Cabin. After about thirty-five seconds, passenger came out of Customs Staff Cabin, collected his baggage trolley and departed from the Arrival hall of the Airport. During all this time, shopping bag, containing Play Station 5 (PS 5), was visible, first on baggage trolley of passenger and subsequently at side of Customs Counter. Record, at the airport, revealed that no duty and taxes were collected against a PS 5, on 26.07.2022. Customs operates at accompanied baggage side of the Airport on 24/7 basis in three shifts with weekly duty rosters being issued. The shift of Sepoy Zeeshan ended at 9:00 AM and Havaladar Imam Ali, being in next shift started his duty at that time. Duty Shift Incharge of shift ending at 9:00 AM, Superintendent Waheed Zaman, left Airport earlier than 9:00 AM. This allowed Sepoy and Havaladar to indulge in the misdemeanor. Travel history of passenger revealed that this was his first international travel of the year, however, since his stay abroad was of less than seven days, he was not entitled to five hundred US\$ allowance on the value of goods that can be brought as personal baggage, available under para 3(B) of the SRO 666(1)/2006. Furthermore, under SRO 682(1)/2006, powers to allow abatement on account of usage or damage, rest only with Assistant/Deputy Collectors and Additional Collectors to the extent, specified in the SRO, hence, any incentive, given by Sepoy or Havaladar for a discount in duty and taxes, on PS 5, was an attempt at entrapment. Collectorate became aware of the incident on Friday, 29.07.2022. As a first step and after securing CCTV footage, Superintendent Waheed Zaman, Havaladar Imam Ali and Sepoy Zeeshan were transferred from Airport and placed at the strength of Collectorate's Headquarters on 01.08.2022. Preliminary inquiries

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have already been held and a clear picture of what transpired, is available with Collectorate, however, since a Fact-Finding Inquiry has been initiated, a reasonable course of action would be awaited. Collectorate intends to initiate formal disciplinary proceedings under the Civil Servants (Efficiency & Discipline) Rules, 2020, once the Fact-Finding Report is submitted.

4. Repeated calls were made on the available cell phone of the passenger who introduced himself as Maj. (R) Shoukat Marwat in the video clip, however, he preferred not to respond, nor did he joined investigation. During hearing, DR averred to written arguments of Department and stated that Mr. Jalal Haider Zaidi, AC(P), is conducting Fact Finding Inquiry, which is likely to be submitted to Collector during next week. She further stated that, as soon as Fact Finding Inquiry report is received by the Collector, necessary E&D proceedings against delinquent staff members (found guilty), would be initiated.

#### **FINDINGS:**

5. In view of supra, it is evident that, on 26.07.2022, no duty and taxes were collected by Department at IIAP, Islamabad, against a PS 5 meaning thereby that the leviable amount of duty/taxes, which were to be deposited in government exchequer, were evaded by collusion of the above mentioned Customs staff. In addition to Havaladar and Sepoy, Superintendent Mr. Waheed Zaman is equally responsible for this happening being overall shift incharge, who left his duty before time, thus, giving ample opportunity to lower staff to extort poor passengers and to evade leviable duties and taxes. This tantamount to maladministration and falls under the ambit of Section 2(3)(i)(a)&(d) and (ii) of the FTO Ordinance, 2000.



**RECOMMENDATIONS:**

6. FBR to-

- (i) direct Collector, Collectorate of Customs, Islamabad, to initiate necessary disciplinary proceedings under E&D Rules, 2020, against superintendent, Mr. Waheed Zaman, Havaladar Imam Ali and Sepoy Zeeshan, if found guilty in Fact Finding Inquiry report and inter alia other penalties, recover evaded amount of duty and taxes and get it deposited in government treasury, as per law; and
- (ii) report compliance within 30 days.

**(Dr. Asif Mahmood Jah)**  
(Hilal-i-Imtiaz) (Sitara-i-Imtiaz)  
Federal Tax Ombudsman

Dated: 26.8.2022  
MR

*Approved for reporting*