

**BEFORE
THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

0062/OM/2022

Dated: 04.06.2022* RO Lahore

The Secretary,
Revenue Division,
Islamabad

...Respondent

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

FINDINGS/RECOMMENDATIONS

This Own Motion investigation, initiated while exercising powers conferred under Section 9(1) of the Federal Tax Ombudsman Ordinance, 2000, is based on Director, Excise and Taxation, Region-C, Lahore's letter dated 26.05.2022 and MRA Lahore's letter dated 14.05.2022 which question capacity of FBR's WeBOC System, for efficient/expeditious verification of particulars of Customs cleared vehicles as undue delay occurs in the process of verification/ correction of particulars through manual correspondence.

2. Director, Excise and Taxation, Region-C, Lahore/MRA, Lahore, vide above correspondence, pointed out that everyday hundreds of new vehicles are being registered at Excise and Taxation Offices, majority of them being cleared from Custom House, Karachi. Motor Registration Authorities rely on WeBOC System for verification of particulars of imported vehicles. In many cases, particulars of vehicles, entered in WeBOC System, were not correct as there was mismatch of chassis number, make and manufacturers of the vehicles. Due to this reason, registration process could not be completed till correction from Customs Authorities. While Customs Department had adopted paperless mechanism (WeBOC System) to

* Registration in FTO Secretariat

verify particulars of Customs cleared vehicles, there was no online facility available with Provincial/District Excise and Taxation Authorities to report any such issue of mismatched particulars on import documents vis-à-vis WeBOC. Resultantly, undue delay occurs in the process of verification/correction of particulars through manual correspondence. It had also been stated that, in respect of One Customs and vehicles, cleared in Amnesty Schemes, reliance was on manual verification and not on online WeBOC System. It had been requested that Customs authorities may be directed to accommodate necessary facility in the WeBOC System for Motor Registration Offices for reporting any such issue through online method which will be beneficial for smooth working as well as expeditious facilitation of public grievance.

3. The Own Motion Complaint was referred to Secretary, Revenue Division and Collectorates, 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, Collectors of Customs (A), Lahore, Faisalabad, Sialkot, East/West (A) Karachi, Exports Karachi, Quetta/Multan and Gwadar, submitted parawise comments.

4. Crux of comments, by Collectors (A) East/West, Karachi and other Collectorates, reflects that, FBR's WeBOC System, in order to expedite verification process of imported vehicles, provides an online vehicle verification facility to all Provincial Motor Registering Authorities through WeBOC Excise Verification Portal to verify particulars of Customs cleared vehicles which helped Motor Registering Authorities to register majority of vehicles online without requirement of manual verification from concerned clearance Collectorate. However, in certain cases, particulars of vehicles did not match with details, provided in documents, owing to clerical or typographical errors, fed by clearing agent in Goods Declarations. If errors are regarding specifications of

vehicles, the same are corrected during assessment of the GD but if error is realized after vehicle has been allowed Gate Out, the same is corrected through a Change Request Form (CRF). Contrarily, if error is of passport or CNIC number, the same can only be corrected through CRF. Authorization for correction of these clerical or typographical errors, occurring in Gate Out cleared GD, is available with Directorate of Reforms and Automation. Directorate rectifies clerical or typographical errors, in Online WeBOC Excise Verification Portal, against a formal Change Request Form, proposed by clearance Collectorate, which usually takes time in correction due to workload and technical issues. Thereafter, said rectification is reflected in the above referred portal for registration of vehicles.

5. For expeditious/online resolution of problem, Collectorate of Customs (A) East, Karachi, vide letter No.SI/MISC/KAPE/105/2022-VII dated 16.06.2022 and Collectorate of Customs (A) West, Karachi, vide letter No.SI/MISC/02/2022-VII dated 16.06.2022, requested Directorate of Reforms and Automation, Karachi to develop an Online Reporting Tab for reporting mismatched Chassis Number, Make and Manufacturers, description in WeBOC Excise Verification Portal/upgrade module in view of above observations, for prompt resolution of the issue.

6. Collectorate of Customs (A) West, Customs House Karachi, further, reported that, in respect of vehicles, not cleared through WeBOC System, especially Amnesty Scheme and through One Customs, if certain discrepancies were found in documents, utmost care was exercised during verification process. Moreover, if certain vehicles are registered after lapse of considerably long period, in such cases, all MRA's are approached to ensure that there is no duplication of registration. Verification request is responded after confirmation from all MRA's. Regarding verification of vehicles, cleared through One Customs, copy of GD, bearing signatures of

Customs Officials and bank stamp, showing cash number, is traced to verify its genuineness. If such verification is one or two decades old, then same modus operandi is adopted, as in cases of vehicles, processed under Amnesty Scheme.

7. Accordingly, Collectorate of Customs (A) East/West, Customs House Karachi took up the matter with Director, Directorate General of Reforms and Automation Customs House Karachi, conveying request of Provincial Motor Registration Authorities to enable requisite facility in WeBOC System, allowing provincial MRA's, to report such issues online in WeBOC System, so as to avoid delay, due to manual correspondence, in such matters.

8. Available record perused.

FINDINGS:

9. Evidently, Directorate of Reforms and Automation, Karachi needs to develop an Online Reporting Tab for reporting mismatched Chassis Number, Make and Manufacturers, Description in WeBOC Excise Verification Portal/upgrade module, in view of pointations, made by provincial MRA's, for effective/prompt resolution of raised issue.

RECOMMENDATIONS:

10. FBR to-

- (i) direct the Director, Directorate of Reforms and Automation, Karachi to develop an Online Reporting Tab, in WeBOC Excise Verification Portal/upgrade Module, for Provincial MRA's, so as to report mismatched chassis number, make and manufacturers description etc., online, for effective/prompt resolution of raised issue; and
- (ii) report compliance within 60 days.

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

Dated: 5.8.2022

K.A

Approved for reporting