

**THE FEDERAL TAX OMBUDSMAN
ISLAMABAD**

Complaint No.6854/KHI/ST/2023

Dated 24.11.2023* R.O. Karachi.

M/s. Muhammadi Box

NTN 7285137-6

Plot No.B-842, Sector -III

Ahsanabad Town, Scheme 33

Karachi .

....Complainant

Versus

The Secretary

Revenue Division

Islamabad.

....Respondent

Dealing Officer

Appraising Officer

Authorized Representatives

Departmental Representatives

: Syed Shakeel Ahmed, Advisor

: Mr. Muhammad Nazim Saleem, Advisor

: Mr. Iftikhar Hussain, Advocate

:

FINDINGS & RECOMMENDATIONS

The complaint has been filed against the Member IR (Operations) FBR and Director I&I (IR) Karachi in terms of Section 10(1) of the Federal Tax Ombudsman Ordinance 2000 (FTO Ordinance), allegedly for not settling the issue of deletion of fake purchases and sales uploaded in the annexures of the Sales Tax Return of the Registered Person (RP) for the month of September 2023 by some unscrupulous persons.

2. Briefly stated, the complainant is engaged in the business of Paper and Paper Board products and is being assessed to tax at RTO-I, Karachi. On 07.11.2023 the complainant noticed that their login password had been changed. They failed to recover the password as their mobile number and e-mail was also changed by the hackers. The very next day i.e. on

*Date of registration with FTO Sectt.

08.11.2023, the complainant contacted the LRO at RTO-II, Karachi and the FBR official helped him updating his mobile and e-mail followed by recovery of the password.

3. After restoration of user ID and password when the complainant logged into their IRIS account they found that their sales tax return for the month of September 2023 had already been submitted wherein huge fake purchases and sales were uploaded in the relevant annexures. The complainant filed the complaint to the Chief Commissioner IR, RTO-II, Karachi as well as to the Director I&I (IR), Karachi on 13.11.2023 informing them all the situation while requesting them for immediate action to delete the fake purchases and sales from their sales tax return. The complainant has also pointed out that due to this issue they have not been able to submit their sales tax return for the subsequent periods which has put his business at a halt creating hardship for them. Allegedly the Department did not take any action on their request hence this complaint.

4. The complaint was referred to the Secretary Revenue Division, Government of Pakistan for comments and hearing by the Departmental Representative (D.R.), in terms of Section 10(4) of the FTO Ordinance read with section 9(1) of the Federal Ombudsmen Institutional Reforms Act, 2013.

FINDINGS:

5. Both the parties were heard and record perused. Senior Manager PRAL was also called for his input. During the hearing the PRAL official informed that the field officers of FBR / PRAL cannot delete these annexures. It was also stated that since these annexures were uploaded for the period of September 2023, in all probability the hackers would have benefitted from

those fake claims, therefore, a detailed investigation is required in this matter by the Member (IT), FBR as well as by DG I&I, (IR). It was pointed out that Member (IT) may facilitate to find out the machine (computer) ID through which the allegedly fake annexures were uploaded while the DG I&I,(IR) would have a detailed investigation in the matter to unearth the entire chain of this alleged fraud and to find out the racket behind it.

RECOMMENDATIONS:

6. FBR to direct-

- i) Member (IT) and DG I&I to investigate the matter thoroughly and unearth the hackers / criminals behind this act and take necessary action under the law immediately;
- ii) Member IR (Operations) to resolve the grievance of the complainant in consultation with Member (IT) and DG I&I, as soon as possible, under the law and rules, so that the business of the complainant is back on track; and
- iii) Report compliance within 45 days.

(Dr. Asif Mahmood Jan)

(Hilal-i-Imtiaz)(Sitara-i-Imtiaz)

Federal Tax Ombudsman

Dated: 27/12/2023

Approved for reporting


Director
FTO Secretariat
Islamabad