



# NEWSLETTER FEDERAL TAX OMBUDSMAN



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Dr. Asif Mahmood Jah (FTO)  
(Hilal-i-Imtiaz)(Sitara-i-Imtiaz)**

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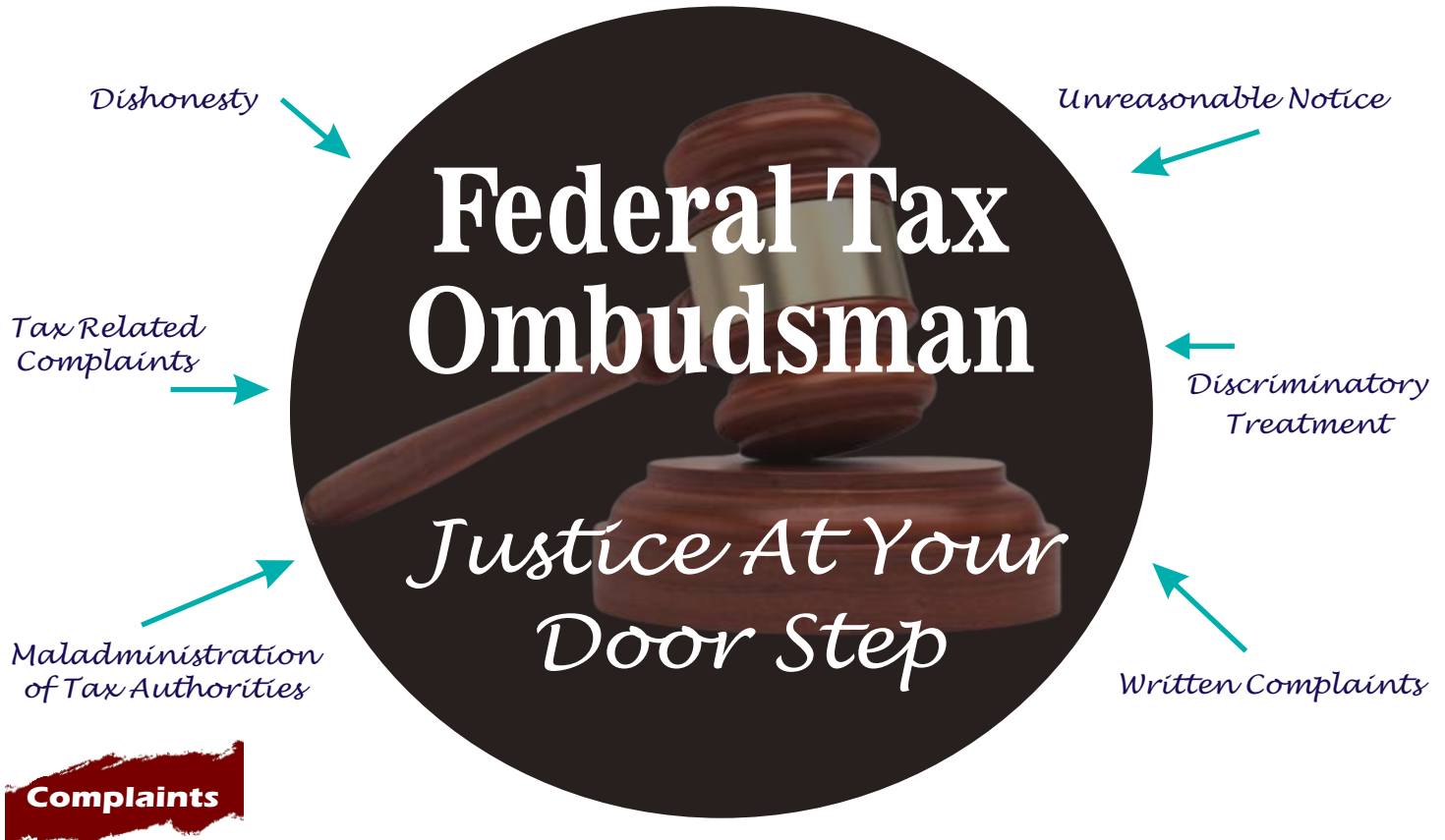


**FTO**

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## QUICK REDRESSAL OF COMPLAINTS AGAINST FEDERAL TAX AUTHORITIES



Written Complaints



FTO Portal



Mobile App



WhatsApp

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Telephone: 0992-920200

#### Regional Office Hub

Lasbela Chamber of Commerce Building, 26-DC Hight Hub,  
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## MESSAGE OF THE FTO

### Establishment of Special Cell for Overseas Pakistanis

#### Dear Taxpayers!

السلام عليكم ورحمة الله وبركاته!

Praise be to Almighty Allah, the newsletter of the Federal Tax Ombudsman for the month of November, 2022 is in your hand. During the current year, the number of complaints have registered a marked increase. We are also resolving these complaints in time. This time, we have surpassed the magic figure of five thousand. The registration of complaints has also exceeded five thousand and disposal of complaints is also the same. As close of the year is two months away, further increase in number of complaints and their disposal is expected. Praise be to Almighty Allah, Federal Tax Ombudsman, Advisors and Staff are striving hard day and night for alleviating the hardships of the common masses and the taxpayers. This sense of responsibility is the moving spirit of the entire institution of the Tax Ombudsman. With diligence and interest, no effort is being spared for addressing the problems of the common masses and the taxpayers.

This year, a new step has been taken which is of far reaching consequences. The Pakistanis residing abroad far away from their families and relatives are serving the nation and the country. They are ambassadors of Pakistan. Their total number is approximately 88 lacs. I am receiving the information that they are facing difficulties regarding uploading refund applications upon portal of FBR. In such complaints, they have been provided relief. The institution of the Federal Tax Ombudsman is working on modern lines in order to resolve their problems. Now a new cell has been established to address the problems and complaints of the Pakistanis living abroad. The head of this cell is Almas Ali Javinda, Advisor (Legal). In order to resolve their problems, this cell will also coordinate with Pakistanis residing abroad as well as Ministry of Overseas Pakistanis and our embassies. The need to establish this cell arose because our brothers residing abroad do not know how to have recourse to this institution. The complaints of double deduction of tax on their assets are being received. Such acts are sheer highhandedness. The overseas Pakistanis apprised that due to their preoccupations and engagements, they could not contact other institutions.



Pakistanis residing abroad are our asset. Their remittances are touching \$ 31 billion and these come to 140 dollar per capita for 22 crore Pakistanis. Our economy is making progress by virtue of these remittances. These people should contact the FTO office for solution of all their tax related matters. In order to address the tax related complaints, the proposals of the overseas Pakistanis alongwith our recommendations will be sent to the FBR. It is hoped that the overseas Pakistanis would not only contact us for the solution of their problems, but would also give their proposals in this regard. Here they would be provided immediate and cost free justice. Like past months, even during the current month, we have made landmark decisions. You may recall that a few months back, we protected the low paid employees of radio Pakistan from excessive taxes. In October, the low paid employees of Pakistan Television Corporation were provided relief. 38 employees of Pakistan Television corporation approached us. Their salaries ranged from Rs. 36000/- to Rs. 45000/- per month. Upto 20% tax was being deducted on their salaries, while PTV manager who appeared in FTO, only Rs. 6000/- was deducted on his salary of two lac rupees. Another matter of KPK teachers who became Principals, came up before us. Here rebate on tax was not available to the teachers after they become Principals, while this concession was being availed by Federal Employees in Islamabad. In this way, we made several relief decisions for the low paid employees.

Inshallah, contact with you would continue. Please give suggestions to improve newsletter. Inshallah, we shall take you along with us. May Allah Almighty be our guardian.



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



## OVERSEAS PAKISTANIS GRIEVANCES REDRESSAL CELL

The Federal Tax Ombudsman (FTO) has established the Overseas Pakistanis Grievances Redressal Cell (OPGRC) in the FTO Secretariat to deal with the complaints of overseas Pakistanis pertaining to Federal Taxes.

The Cell has been established with immediate effect. The OPGRC shall be headed by Almas Ali Jovindah, Advisor Legal, FTO Secretariat.

The OPGRC's work shall be regulated by the provisions of Section 2 of the Establishment of the Office of Federal Tax Ombudsman Ordinance 2000 defining maladministration and Section 9 ibid stipulating jurisdiction of the FTO Office.

The complaints relating to Income Tax/ Customs/ Sales Tax/Federal Excise lodged by any overseas Pakistani shall be taken up with FBR/relevant tax-authority for a report/redressal within 15 days of its receipt and complainants will be kept informed about the progress/redressal of their cases through E-mail,

WhatsApp, voice messages and Phone.

In case the relevant tax authority fails to redress the grievance, lodged with it, within 30 days, it shall be automatically transferred to the Complaint Management Information System (CMIS) of FTO Secretariat for further investigation and allocation to the relevant Advisor/Investigation Officer in terms of Federal Tax Ombudsman Investigation and Disposal of Complaints Regulations, 2001.

A close liaison shall be maintained with the Ministries of Foreign Affairs, Overseas Pakistanis & Human Resource Development, Labour and Manpower, Pakistan Missions Abroad, Community Welfare Attaches and Labour Attaches abroad to facilitate early redressal of taxpayers' grievances and follow up.

The systemic issues, brought up in overseas Pakistanis' complaints, will be taken-up with FBR on regular basis.

### For Further Information

Web: <https://fto.gov.pk/opgrc>, Email: [overseas@fto.gov.pk](mailto:overseas@fto.gov.pk)



## HON'BLE FTO DR. ASIF MAHMOOD JAH ATTENDS GENERAL ASSEMBLY MEETING OF OICOA



Organization of Islamic Countries Ombudsmen Association (OICOA): General Assembly Meeting at Baku Azerbaijan vows to strengthen coordination and sharing working experience.

The General Assembly meeting of OICOA was held on 18<sup>th</sup> of October, 2022 in Baku Azerbaijan which was attended by Dr. Asif Mahmood Jah, Federal Tax Ombudsman of Pakistan and Secretary General of OICOA.

The President of OICOA Mr. Seref Malkoc welcomed the members and showed his confidence that their presence will enormously contribute to the

cause of Ombudsmanship in the Muslim World.

The Secretary General of OICOA, Dr. Asif Mahmood Jah felicitated the organisers for providing a wonderful opportunity of interaction to the participants from Islamic countries. He emphasized the importance of training and sharing from the experience of all ombudsman institutions in the Islamic countries. He further proposed development of a comprehensive training program for the participating countries to benefit from the experience and best practices of each other. Hon'ble FTO also extended invitation to host the next session of OICOA in Pakistan in 2023.





## HON'BLE FTO DR. ASIF MAHMOOD JAH VISITS DADU & SWAT'S FLOOD HIT AREAS



The Federal Tax Ombudsman Dr. Asif Mahmood Jah paid a visit to the flood hit areas of Dadu district and met with the leaders of Chamber of Commerce and Industries, including Patron in Chief Ghulam Qadir Solangi, District President Pardeep Kumar, Nazir Ahmed Shaikh, Abid Ali Khuharo, Imtiaz Ali Qureshi, Advocate Sabhago Chand and others.

The Patron in Chief of Customs Health Care Society (CHCS) established two grand tent villages in Dadu & Sehwan Sharif in which the inhabitants of



the tent villages were provided with relief goods and other necessary daily use items. Thousands of patients were treated in medical camps conducted by CHCS. Relief goods worth million of rupees were distributed among the flood affectees in Dadu, Khairpur, Nathan Shah, Matiari and Khairpur Meerus. Dr. Asif Mahmood Jah also inaugurated the building of new houses for the flood affectees in Dadu. At present, CHCS is involved in building houses for the flood affectees in Rajanpur, Dadu, Khairpur in Sindh and Khuzdar in Balochistan.





## KCCI CHIEF APPOINTED AS HONORARY ADVISOR TO FTO

Federal Tax Ombudsman Asif Mahmood Jah has announced appointment of Karachi Chamber of Commerce & Industry (KCCI) President Mohammad Tariq Yousuf as honorary advisor FTO to gain the business community's confidence and for timely resolution of the problems

Speaking at a ceremony held at KCCI to distribute cheques to refund the excess amount of sales tax paid against the purchase of Suzuki vehicles to the complainants, Asif Mahmood Jah said that as FTO was a public and business-friendly institution, it has appointed Advisors from various Chambers of Commerce as well with a view to bridge gap between FTO and the business community.

"All Advisors and FTO staff have been strictly instructed that they are the advocates of taxpayers who deserve to be fully facilitated and appreciated as it is these taxpayers who play the role of the country's backbone and it is because of their contribution that the wheels of the economy keep on spinning," he further said that the number of complaints being received at FTO has risen sharply and the majority of the cases have been settled immediately after FTO's intervention without going into further legal proceedings.



The FTO was Pakistan's vibrant legal forum wherein cases are decided within 60 days as it takes years and decades at other legal forums to get justice but at the FTO, cases are decided within 60 days, six days and even within six hours and also within an hour.

Referring to refund of excess Sales Tax to buyers of Suzuki vehicles, he informed that a total of 9,500 taxpayers were approached by FTO who purchased Suzuki Vehicles and paid excess Sales Tax but the move was disliked by FBR and they approached the President of Pakistan for assistance but FTO's decision was fully supported by President's Office and the FBR was directed to issue refunds.

Source: Business Recorder

## REHABILITATION OF FLOOD AFFECTEES IN DISTRICT "DASHT" BALOCHISTAN

**By: Muhammad Farhan Khan**



On behalf of Dr. Asif Mahmood Jah, (Hilal-i-imtiaz) (Sitara-i-imtiaz), Hon'ble FTO/Chairman Customs Healthcare Society, Mr. Khaldun Ul Haq, Acting Secretary FTO Secretariat visited the flood affected district i.e "Dasht", Balochistan on 05<sup>th</sup> October, 2022 which is about 40 KM away from Quetta. First visit was paid to a village "Killi Bagar Khan" in the Dasht district by Acting Secretary FTO Secretariat where houses of about 35 families have been totally demolished due to devastating flood. Families of this village were compelled to live under the open sky. Second visit was paid to a village named "Gowindayn" where 150 houses. were destroyed due to heavy rains and flood. In this village different Tribals were living. Third visit was paid to the village "Kili Kalandarani" in the "Dasht" District where 30

families were living. It was found that flood has washed out almost all houses as well as damaged a primary school in the village. Villagers were compelled to live nearby under the open sky.

Number of families complained that they were living under the open sky. Villagers told that their houses were completely destroyed due to which all of their belongings including food items, blankets, clothes and other goods of daily use were buried under the wreckage.

A few days earlier, food items were also provided to each affected families in the above mentioned villages from Customs Healthcare Society as an immediate relief.

Further, a proposal to rehabilitate the affected villagers has been prepared by Customs Healthcare Society in consultation with a local representative of District "Dasht" which will be materialized shortly.

## FTO UNEARTHS HUNDREDS OF CASES WHERE LTOs/RTOs HAVE FAILED TO GIVE APPEAL EFFECTS



The Federal Tax Ombudsman (FTO) has unearthed hundreds of cases involving Large Tax Offices (LTOs) and Regional Tax Offices (RTOs) which failed to issue fresh orders in favour of taxpayers after their illegal assessment orders were cancelled/deleted or annulled by the Commissioners Appeal.

In this connection, the FTO Office has completed own motion investigation against the Federal Board of Revenue (FBR) exposing the biggest hurdle in providing tax relief to hundreds of genuine cases of taxpayers.

According to the order of the FTO, section 124 of the Income Tax Ordinance, 2001 (the Ordinance) deals with giving appeal effect to the various appellate orders by field formations of FBR. Different timelines have been prescribed for giving appeal effect under various situations. In cases covered under subsection (1) appeal effect is to be given within two years from the end of financial year in which the appellate orders of CIR (Appeal), Tribunal, High Court or Supreme Court, as the case may be, was served on the Commissioner. As per sub-section (2) where a case is set aside by various appellate authorities appeal effect is to be given within one year from the end of the financial year in which the CIR/CIR (Appeals), as the case may be, was served with the appellate orders. Sub-section (4) provides that where direct relief is provided in an order passed u/s 129 & 132 of the Ordinance, Commissioner shall issue appeal effect order within two months of the

date the Commissioner is served with the order.

While investigating various individual complaints it is commonly observed that the said timelines are not adhered to by the Department/authorities and in this connection disciplinary proceedings have also been initiated in some cases against Commissioners on the recommendations of the FTO Secretariat. Neglect and inattention in implementation of provisions of section 124 is observed repeatedly therefore, Own Motion investigation was initiated by the FTO.

The CIR LTO Islamabad requested for extension in time for submission of the required information which was allowed till 15.12.2021. It was then stated that the instant own motion investigation was not backed by any specific complaint. Since stay was granted by Islamabad High Court (IHC), the proceedings on this Own Motion investigation may be adjourned. However since there was no specific stay order in this matter therefore the investigations were completed.

The findings of the FTO order revealed that the negligence, inattention, delay, incompetence and inaptitude in discharge of duties and responsibilities on the part of the LTO, Islamabad for non-giving appeal effect to appellate orders u/s 124(1) and 124(4) of the Ordinance, within the prescribed period and concealing this aspect during FTO's investigation is tantamount to maladministration.

Source: Business Recorder



## 5494 COMPLAINTS REGISTERED AND 5117 DISPOSED OF IN TEN MONTHS (JANUARY-OCTOBER 2022)

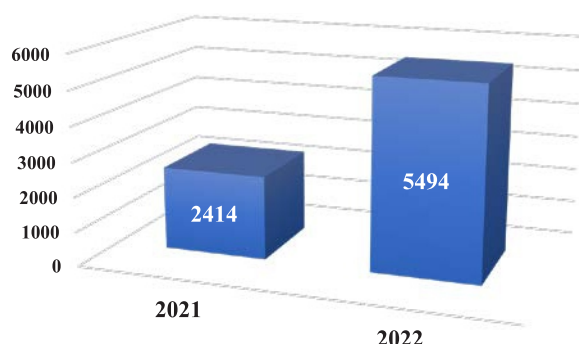
### COMPLAINTS REGISTERED

2021	2022
2414	5494

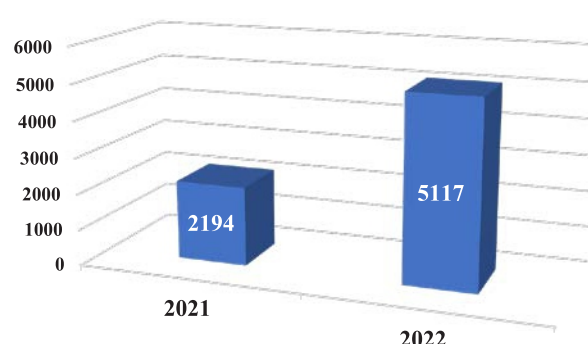
### COMPLAINTS DISPOSAL

2021	2022
2194	5117

Comparison of Registration 2021 & 2022 (Jan-Oct)



Comparison of Disposal 2021 & 2022 (Jan-Oct)



### INCREASE

INCREASE IN FILING	INCREASE IN DISPOSAL
3080	2923

## ISLAMABAD HIGH COURT ENDORSES FTO JURISDICTION & ORDER

Hon'ble Islamabad High Court dismissed Writ Petition No. 1900/2022 by Commissioner-IR South Zone, Islamabad holding that any case pending before High Court in which no interim relief or injunction has been granted, then the ATIR's orders will remain in field and liable to be implemented. Not complying with the ATIR's orders in this lieu tantamount to Maladministration, which falls under the Jurisdiction of Federal Tax Ombudsman.

Hon'ble Islamabad High Court has been very gracious in dismissing the Writ Petition No. 1900/2022 Titled **Commissioner IR, RTO South Zone, Isb. versus. President of Pakistan & Others**, in favour of Learned Federal Tax Ombudsman (Resp. 2), fixed before it for hearing on 19.09.2022.

Hon'ble High Court elaborated in its Judgement

that, **"Mere Pendency of ITRs against the impugned orders would not be sufficient to suspend the obligation of Refund"**.

Hon'ble High Court also elaborated in its Judgement that, **"In the absence of any Injunctive order against the order of Learned Appellate Tribunal Inland Revenue (ATIR), the order of Learned ATIR would still be considered in field and liable to be implemented"**. [2005 PTD 1825 Lahore]

Hon'ble High Court has been gracious in dismissing the Petition in favour of Learned FTO in these words; **"Since the Petitioner has not been able to point out any defect in the order passed by the FTO or that of Appellate Authority, therefore, the instant Writ Petition stands DISMISSED"**.

## FBR ASKED TO ENSURE LOW-PAID PTV EMPLOYEES ARE NOT BURDENED WITH EXCESSIVE TAX DEDUCTION



Federal Tax Ombudsman (FTO) has directed the Federal Board of Revenue (FBR) to ensure that the low-paid employees of Pakistan Television Corporation (PTV) are not burdened with excessive tax deductions at the withholding stage.

FTO further directed FBR to implement these recommendations and findings in liaison with PTV's management on the lines already done by the management of Pakistan Broadcasting Corporations (PBC) and report compliance within 45 days.

The FTO order stated that an identical issue has already been dealt with by the FTO in a complaint filed by an employee of the PBC, PTV's sister organization. In the said case during investigation and review proceedings, the FBR conceding the wrong being done has not only implemented the recommendations but rather widely circulated the findings of this office among all concerned.

Secretary FBR Tariq Iqbal stated that in pursuance of FTO Recommendations dated Feb 24, 2022, the IR Policy Wing of FBR has already issued instructions. It was now up to the IR Operations Wing and the relevant

field offices to examine the status of the master-servant relationship on a case-by-case basis.

In view of the facts, it has been established that the complainants, who have been hired by PTV as supervisors and translators over the last few decades as low-paid employees are entitled to the similar relief which has been allowed to the employees of PBC and other similar cases. Excessive and harsh deduction of tax from their meagre salaries, under u/s 153(1)(b) of the Income Tax Ordinance, is against the dictates of the law and the nature of the treatment being discriminatory, tantamount to maladministration.

The petitions were filed in terms of section 10 of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against excessive and unjust practice of deducting income tax at 10 to 20 percent under section 153(1)(b) of Income Tax Ordinance, from the salaries/wages of low paid temporary/contractual employees of PTV, Headquarters Islamabad, treating them as service providers. The complainants demanded tax treatment under the head salary, warranting tax deduction u/s 149.

Source: Business Recorder



## FTO AWARENESS SEMINAR IN SARGODHA



Sargodha Chamber of Small Traders and Industries organized an awareness seminar regarding 'Federal Tax Ombudsman'.

The seminar was chaired by President Sargodha Chamber of Small Traders and Industry Dr. Imtiaz Dogar in which Advisor Incharge Federal Tax Ombudsman Pakistan Dr. Muhammad Akram Khan participated. While briefing, Adviser-in-charge said that tax collection was fundamental to run the state. He added that the federal tax ombudsman institution was playing its role to resolve all the tax complaints of the traders and

to make the tax system transparent and easier.

Dr. Akram praised the performance of Sargodha Chamber of Small Traders and Industries and said that the Chamber was providing facilities to the SME sector, cottage industries, women entrepreneurs and IT sector. President Sargodha Chamber highlighted the priorities and efforts of the Chamber to the participants. He said that the business community had the right to be treated fairly and the grievances of the businessmen should be redressed immediately.

Source: Urdu Point



**Special Assistants to the Prime Minister, Industries & Production Tasneem Ahmed Qureshi and Khawaja Zafar Iqbal With Hon'ble FTO Dr. Asif Mahmood Jah**



## ACKNOWLEDGMENTS / APPRECIATION OF FTO BY TAX PAYERS

registrar@fto.gov.pk

From: Shahzad Khan < >  
Sent: Wednesday, October 12, 2022 2:48 PM  
To: info@fto.gov.pk; ftokhi@fto.gov.pk  
Subject: LETTER OF THANKS (FTO).

Janab Dr Asif Mahmood Jah Saheb  
Federal Tax Ombudsman of Pakistan  
Federal Tax Ombudsman Secretariat Headquarter  
5-A Constitution Avenue  
Islamabad

Your Excellency

Refer your letter of congratulations Ref No. 31/INFORMAL/2022 DT 03.10.2022 and meeting on 05.10.2022 (Wednesday) at Chamber of Commerce and Industry Karachi office for refund of additional sales tax imposed and levied by Government of Pakistan.

I have no words to express my sincerest thanks to you and your companions who have helped all the sufferers in getting refund of extra sales tax recovered.

First of all, I would like to thank you for the efforts you made in obtaining additional sales tax refunds for me and other sufferers.

I pray for your long life to continue justifications for all sufferers and provide support and justification to all the sufferers of any nature of grievances they may face.

Yours sincerely,

KHALID WAHEED  
Karachi

### **Dr. Asif Mahmood Jah**

(Hilal-e-Imtiaz)(Sitara-e-Imtiaz)

Hon'ble Federal Tax Ombudsman

Subject: THANK YOU FOR PROMPT JUSTICE

Dear Sir,

I had filed a complaint bearing No. 4355/ISB/CUST/2022 on 07.10.2022 regarding late delivery of vehicle by a local car assembler. Dr. Arsalan Subuctageen, Advisor (Customs) took prompt action and issued notice to the concerned quarters on the same date, fixing the case for hearing on 31.10.2022.

2. I was pleasantly surprised to have received the cheques for late delivery charges and over paid withholding tax even before the date of hearing of case.

3. I therefore thank you for the prompt action in redressal of my grievance and pray for more success to your honour.

(Jamshed Iftikhar)  
Complainant

Dated: 31.10.2022





**Mr. Ijaz A. Khokhar Appointed Honourary Business Co-ordinator For SME Sector, Sialkot**



**Dr. M. Akram Khan, Khawaja Umer Farooq, Prof. Masood ul Rasool and Sheikh Asif Iqbal With Hon'ble FTO Dr. Asif Mahmood Jah**



**Advisor Abdur Rehman Dogar Held An Outreach Session With President & Executive Body Of Sialkot Tax Bar Association Sialkot**