BEFORE
THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

COMPLAINT NO.0491/MLN/IT/2022

Dated: 15.02.2022* R.O. Multan

M/s. Sheikh Bashir Cold Storage
& Ice Factory,near Sabzi Mandi,
Bypass Road, Layyah. ... Complainant

Versus

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

Dealing Officer	:	Dr. Khalil Ahmad, Advisor
Appraisal by	:	Mr. Muhammad Tanvir Akhtar, Advisor
Authorized Representative	:	Mr. Riaz Ahmad Raja, ITP
Departmental Representative	:	Syed Nadeem Akhtar, IRAO RTO, Multan

FINDINGS

The complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) against un-due delay in issuance of refund for Tax Year 2021.

2. Precisely, the Complainant, an individual, deriving income from Cold Storage, e-filed return of income for Tax Year 2021under Section 114(1) of the Income Tax Ordinance, 2001 (the Ordinance), claiming refund amounting to Rs.0.229million. The refund arose on account of tax deducted on electricity bills under Section 235 of the Ordinance. According to the Complainant, refund application for Tax Year 2021 was e-filed on 18.09.2021. However, despite repeated efforts of the Complainant, the Deptt failed to pass order under Section 170(4) of the Ordinance, within the stipulated time.

3. The Complainant has also prayed for additional payment for delayed refund in terms of Section 171(1) of the Ordinance.

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* Date of registration in FTO Sectt.

4. The complaint was referred to the Secretary Revenue Division, for comments, 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 Chief Commissioner-IR, RTO, Multan forwarded Para-wise comments of the Commissioner-IR, Multan Zone dated 28.02.2022 vide letter dated 28.02.2022. It was contended that refund application of the Complainant for Tax Year 2021 is already under process and sent to the Addl CIR for administrative approval. Since, the refund is already under process the issue of compensation under Section 171 of the Ordinance does not arise.

5. During hearing, the DR produced a copy of the order dated 10.03.2022 passed under 170(4) of the Ordinance for Tax Year 2021. Further stated that the refund will be credited into Complainant's bank account directly. The AR acknowledged its receipt.

6. Arguments heard and record perused.

7. The Complainant's request for additional payment for delayed refund for Tax Year 2021 is, however, premature at this stage in terms of Explanation to Section 171(2)(c) of the Ordinance.

8. As the grievance of the Complainant for Tax Year 2021 stand addressed consequent upon intervention of this forum, the investigation is closed. File be consigned to record.

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

Certified to be True Copy
Deputy Registrar
FTO Secretariat
Islamabad

Dated: 06/04/2022
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