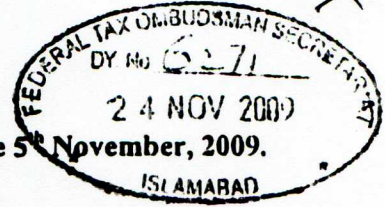


No.66/2008-Law(FTO)
Government of Pakistan
Law and Justice Division



Islamabad, the 5th November, 2009.

From: Azhar Amin Choudhary,
Section Officer.

To :- The Second Secretary (TO),
Federal Board of Revenue,
Islamabad.

Subject: **REPRESENTATION UNDER SECTION 32 OF THE
ESTABLISHMENT OF THE OFFICE OF THE FEDERAL TAX
OMBUDSMAN ORDINANCE (XXXV OF 2000) IN COMPLAINT
NO. 258/08 (FBR VS M/S MODERN FURNITURE)**

I am directed to refer to your representation C.No. 4(258)S(TO-I/08/74960, dated 06.5.08, on the above subject and to say that the President has been pleased to pass the following orders: -

2. The complainant complained to the Federal Tax Ombudsman (FTO) that the Commissioner of Income Tax was guilty of maladministration in not refunding excess amount of tax for the tax years 2005 and 2007. The Commissioner informed the FTO that the refund has been paid on 04.03.2008. The FTO recommended that the Commissioner shall ensure payment of lawful amount of compensation for delayed payment under section 171 of the Income Tax Ordinance 2001.

3. The Commissioner has made representation against the FTO's recommendation.

4. The Commissioner contends that no compensation is payable to the complainant because the refund was paid on the same date on which refund order was passed. The FTO is of the view that compensation is payable where refund order is not passed within the prescribed time. He has supported his view by the President's precedent decision. In his representation the Commissioner does not explain how the President's precedent decision does not apply to this case. The FTO's recommendation must be upheld.

5. Accordingly, the President has been pleased to reject the representation of the FBR.

(Azhar Amin Choudhary)
Section Officer

Copy to: -

1. The Registrar, FTO, Islamabad.
2. Director (Legal), President Secretariat (Public), Islamabad with reference to their No.33/FTO/2009, dated 7-10-2009.
3. M/s Modern Furniture, Aziz Park, Gojra, C/o Zafar Law Associates, 23 Grain Market, Gojra, District Toba Tek Singh.

(Azhar Amin Choudhary)
Section Officer