

PRESIDENT'S SECRETARIAT (PUBLIC)
AIWAN-E-SADR, ISLAMABAD

Federal Board of Revenue
Versus
Mr. Mir Akram Khan, Peshawar

REPRESENTATION PREFERRED BY FEDERAL BOARD OF REVENUE AGAINST FINDINGS / RECOMMENDATIONS DATED 15.03.2018 PASSED BY THE FTO IN COMPLAINT NO. 0234/PWR/IT/2018

I am directed to refer to your representation No. 4(234)S(TO-I)/2018, dated 09.04.2018 on the above subject and to say that **the President has been pleased to pass the following order:**

2. This Representation dated 09.04.2018 has been filed by the FBR/Agency, against the findings of the FTO dated 15.03.2018, whereby it has been held that:

Recommendations:

The FBR to direct the Commissioner-IR to-

- i. Ensure that SBP is provided with complete required information and get the Complainant's cheque cleared within 10 days; as per law;
- ii. Allow additional payment for delayed refund from the date first refund voucher was issued to the Complainant i.e on 22.05.2017 under Section 171 of the Ordinance;
- iii. Issue letter of regrets to the Complainant for causing him undue mental distress;
- iv. Conduct investigation and initiate appropriate disciplinary proceedings against the officer(s) found involved in bouncing back the three consecutive refund vouchers; and
- v. Report compliance within 45 days.

3. The brief facts of the case are that this complaint has been filed the Regional Tax Officer (RTO) under Section 10(1) of the Federal Tax Ombudsman Ordinance, 2000 (FTO Ordinance) for failure to submit advice note/specimen signature of Refund Officer (RO) along with refund voucher sent to the State Bank of Pakistan (SBP), which caused inordinate delay in clearance of refund cheque for Tax Year, 2015.

4. The Complainant, a senior citizen aged about 77 years filed return of income for Tax Year 2015 and refund claimed of Rs. 11,322. According to the Complainant refund was created on account of tax deducted under Section 231B(2) and 235A of the Income Tax Ordinance, 2001. After carrying about necessary verification the department sanctioned refund amounting to R. 10,000/- and issued refund voucher dated 22.05.2017. The voucher was deposited in the bank account for clearance but the same was returned by SBP on the ground that required advice note was not sent by the department. On repeated visits of the office, the RO instead of submitting advice note, issued fresh voucher on 03.08.2017. The Complainant again submitted the same to the bank but was also returned un-passed, again with the remarks that the department has failed to submit advice note/specimen signature of the RO. Further contended that thereafter, he repeatedly approached the department, but till filing of the instant complaint, did not get any response.

5. The Complaint was referred to Secretary Revenue Division, Islamabad for comments in terms of Section 10(4) of the FTO Ordinance, 2000 read with Section 9(1) of the Federal Ombudsman Institutional Reforms act, 2013. In response thereto, the Commissioner-IR, RTO, Peshawar submitted parawise comments vide letter No. 929 dated 27.02.2018. It was conceded that the refund amounting to Rs. 10,000/- was sanctioned and voucher issued on 22.05.2017 but due to non-availability of RO's specimen signatures could not be cleared. Subsequently, fresh refund voucher was issued on 03.08.2017 which too could not be en-cashed for the same reason. It was further contended that failure of submitting specimen signatures to the SBP was solely on account of frequent internal changes in the jurisdiction. The Complainant has, however, been delivered fresh refund voucher dated 26.02.2018. The department would now ensure that the same was not bounced back by the SBP and promptly cleared.

6. During hearing on 06.03.2018, the Complainant contended that even the latest refund voucher dated 26.02.2018, issued by the department too has been returned by the SBP on account of not affixing revenue stamps of Rs. 7 and non-registration of signatures of the departmental officer. The SBP also objected that 'mutilation of cheque' was also not authenticated. The DR contended the department has not delayed the matter willfully. Only

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