



## Federal Tax Ombudsman Secretariat

No. 1/745-F/15-Impl.

December 10, 2015

### Complaint No.180/FSD/IT(139)745/2015.

To

The Secretary  
Revenue Division  
Islamabad


Subject: **FINDINGS/RECOMMENDATIONS**

A copy of the Findings/Decision/Order of the Federal Tax Ombudsman dated 09-12-2015 in the complaint cited above is sent herewith for information.

(Arshad Mahmood Cheema)  
Registrar  
Federal Tax Ombudsman Secretariat  
Islamabad

A copy of the Findings/Decision/Order is forwarded for information to:

- ✓ 1. Mr. Muhammad Imran Ghazi, Ghazi and Company, charter Accountant, Tawakkal Autos Plaza, Chowk Civil Hospital, Abdali Road, Multan.  
(Mob: 0300-6789992).
2. The Chief Commissioner, Regional Tax Office, Multan.
3. Mr. Muhammad Daud Khan, Advisor, Federal Tax Ombudsman, Regional Tax Office, Multan.
4. Secretary to FTO.
5. Office Copy.

  
(Arshad Mahmood Cheema)  
Registrar  
Federal Tax Ombudsman Secretariat  
Islamabad

#### ISLAMABAD

5-A, Constitution Avenue, F-5/1  
Ph: 9212316, 9212318, 9212321 & 9212328  
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#### LAHORE

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#### KARACHI

4<sup>th</sup> Floor, Shaheen Complex M.  
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**FEDERAL TAX OMBUDSMAN SECRETARIAT**  
Regional Office, Multan

**Complaint No.180/FSD/IT(139)745/2015**

Dated: 05.06.2015

Mr. Muhammad Imran Ghazi,  
Ghazi & Company, Chartered Accountants,  
Tawakkal Autos Plaza, Chowk Civil Hospital, ... Complainant  
Abdali Road, Multan

**V e r s u s**

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

Dealing Officer : Mr. Muhammad Daud Khan, Advisor  
Authorized Representative : Complainant in person  
Departmental Representative : Mr. Imran Zafar, DCIR

**FINDINGS**

This complaint is regarding improper conduct of the deptt in the matter of processing Complainant's case for audit.

2. The Complainant contended that he was a salaried person earning a total salary of Rs.375,000 during the tax year 2013. In addition he taught accountancy to a student who paid him Rs 24,000 during the year and he had no other income. The ceptt, however, erred by issuing notice from a wrong Zone, i.e Special Zone, Multan while his case was assessed in Regional Tax office Multan. He also


Date of registration in FTO Sectt.

assailed the notice issued on the ground that documents, statements pertaining to business account, namely P & L Account, Balance Sheet, Cash Book, Stock Register etc have been required to be provided which were irrelevant in the Complainant's case providing only seven days of compliance. Issuance of such a notice was patently illegal tantamounting to maladministration.

3. The DR claimed that no prejudice has been caused to the Complainant as he could clarify his position to the concerned officer of the Deptt who would examine the same to record correct findings as warranted by facts of the case. He contended that the complainant should have complied the notice for fair findings by the Deptt.

4. Both the parties heard & record perused. The complainant should have approached the supervisory officers of the concerned officer to bring to their notice the act of issuing unlawful notice in the instant case. However, the officer appears to be lacking in professional competence for which he needs to be sensitized. The concerned supervisory officers should have taken notice of this maladministration after the complaint was filed. They are required to redress complainant's problem without further delay.

5. The compliant stands disposed of in above terms.

  
**(Abdur Rauf Chaudhry)**  
Federal Tax Ombudsman

Dated: 09-12-2015  
My/mz





**COMMISSIONER, INLAND REVENUE, SPECIAL ZONE,  
REGIONAL TAX OFFICE, MULTAN.**

No.CIR-SPECIAL ZONE /RTO/2014-2015/0290/5661

Dated: 11.05.2015

To

Mr. Muhammad Imran Ghazi  
Advocate, C/O Ghazi & Company.  
Opp:Civil Hospital, Abdali Road, Multan.  
NTN-1371077

Subject:- **SELECTION OF CASE FOR AUDIT – TAX YEAR 2013 -**

**Dear Sir,**

In exercise of the powers conferred under section 214C of the Income Tax Ordinance, 2001, the Federal Board of Revenue (FBR) has selected your case for the tax year 2013 for audit u/s 177 of the Income Tax Ordinance, 2001 through Computerized Random Ballot.

Jurisdiction in this regard has been assigned to the Deputy Commissioner Inland Revenue, Audit Unit-05, Special Zone, RTO, Multan, to conduct the audit in the light of the relevant provisions of the Income Tax Ordinance, 2001.

This is for your information and record.

  
(AHMAD SHUJA KHAN)  
COMMISSIONER

Copy to:-

1. The Additional Commissioner-IR, Audit Range, Special Zone, RTO, Multan.
2. The DCIR, Audit Unit-05, Special Zone, RTO, Multan.

(AHMAD SHUJA KHAN)  
COMMISSIONER



2013-MUL-20150511-14372



**DEPUTY COMMISSIONER INLAND REVENUE,  
UNIT-05, AUDIT RAGNE, SPECIAL ZONE,  
REGIONAL TAX OFFICE, MULTAN.**

No. Audit Unit-05/Special Zone/RTO-MN/567

Dated: 19.05.2015

To Mr. Muhammad Imran Ghazi,  
C/o Ghazi & Co,  
Opp. Civil Hospital Abdali Road,  
Multan,  
**NTN: 1371077-0**

Subject: **SELECTION OF CASE FOR AUDIT BY THE BOARD U/S 214C OF THE INCOME TAX  
ORDINANCE, 2001 - TAX YEAR 2013- REQUISITION OF RECORD/INFORMATION  
UNDER SECTION 177(1) IBID -**

Please refer to the subject cited above.

The Board in exercise of powers conferred under section 214C of the Income Tax Ordinance, 2001 selected your case for audit of income tax affairs for the tax year 2013 through random computer ballot. Intimation in this regard was sent to you by the Commissioner Inland Revenue, Special Zone, RTO, Multan vide his letter No. CIR-SPECIAL ZONE/RTO/2014-2015/0290/5661 dated 11.05.2015 and a copy of the same was sent to this office with the direction to conduct the audit in your case.

In order to conduct audit as per provision of the Income Tax Ordinance-2001, you are requested to furnish following documents/record as required to be maintained U/S 174 of the Income Tax Ordinance-2001 read with Rule- 29 to Rule-32 of the Income Tax Rules, 2002 and as required to produce in terms of section 177(1) of the Income Tax Ordinance-2001 by **27.05-2015:-**

1. Wealth statement and wealth reconciliation statement as on 30.06.2013 (Statutory notice dated 19.05.2015 u/s 116(1) of the Income Tax Ordinance, 2001 for the Tax Year 2013 has been enclosed for compliance by 27.05.2015)
2. Trading, Profit & Loss account, balance sheet as on 30.06.2013.
3. Books of accounts (General ledger, cash book, stock register and vouchers of expense),
4. Party-wise ledge (sale/purchase/expenses),
5. Utility bills from 01.07.2012 to 30.06.2013,
6. Payment proof as per section 21(I) of the Income Tax Ordinance-2001 w.r.t. Purchases made,
7. Bank Statements of all accounts maintained,
8. Proof of tax payments.

**(YASIR MANSOOR ALAM BUTT)**  
DEPUTY COMMISSIONER IR



2013-MUL-20150519-14811

A.R



Government Of Pakistan  
Deputy Commissioner Inland Revenue,  
Audit/Enforcement & Collection Unit-05, Special Zone, Regional Tax Office,  
LMQ Road, Nawan Shahar, Multan

C No.608

Dated: 30.05.2015

To,

Mr. Muhammad Imran Ghazi,  
Prop. Ghazi & Co.,  
H No.2628/6, St No.1, Al Rahim Colony, Nishtar Road, Multan  
NTN – 1371077-0

Subject: **SHOWCAUSE NOTICE UNDER SECTION 182(2) OF THE INCOME TAX ORDINANCE, 2001 – TAX YEAR 2013 -**

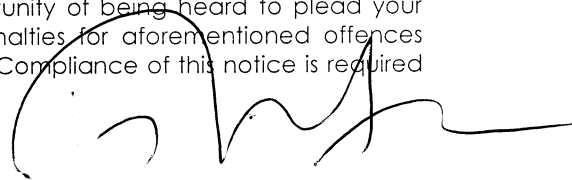
Kindly refer to the subject cited above.

You are well aware of the fact that in exercise of the powers conferred u/s 214C of the Income Tax Ordinance, 2001, Federal Board of Revenue has selected your case for audit u/s 177 of the Income Tax Ordinance, 2001 for Tax year 2013. Worthy Commissioner Inland Revenue, Special Zone, RTO, Multan already informed you in this context vide letter No.2014-15/0290/5661 dated 11.05.2015. This office vide notice No.567 dated 19.05.2015 u/s 177(1) of the Income Tax Ordinance, 2001 requested you to furnish books of accounts/documents/record/reconciled wealth statement [statutory notice u/s 116(1) was enclosed with notice u/s 177(1)] for the tax year 2013 by 27.05.2015. As per online Leopard Courier Tracking Report, consignment No.MX27419918 was delivered Opp. Civil Hospital, Abdali Road, Multan (your business address as per your tax profile) and received by your servant, Mr. Zahoor, on 21.05.2015. Despite proper service of notice, no compliance was made on the due date and till date.

Non-compliance of statutory notices u/s 116(1) and 177(1) of the Income Tax Ordinance, 2001 for the tax year 2013 renders you liable to penalty prescribed at S No.1AA and S No.8(a) of the table under sub-section (1) of section 182 ibid in the manner as under:

TABLE SERIAL NO.	OFFENCE	PENALTY
1AA	WHERE ANY PERSON FAILS TO FURNISH WEALTH STATEMENT OR WEALTH RECONCILIATION STATEMENT, such person shall pay a penalty of Rs.100 for each day of default	Compliance date – 27.05.2015 Days of default – 04 days (from 27.05.2015 to 30.05.2015) Penalty – Rs.100 X 4 = Rs.400
8	WHERE A TAXPAYER WHO, WITHOUT ANY REASONABLE CAUSE, IN NON-COMPLIANCE WITH PROVISIONS OF SECTION 177 – (a) fails to produce the record of documents on receipt of first notice, such person shall pay a penalty of twenty five thousand rupees	Rs.25,000

You are hereby provided an opportunity of being heard to plead your case and explain as to why the prescribed penalties for aforementioned offences pertaining to tax year 2013 may not be imposed. Compliance of this notice is required to be made by **05.06.2015**.

  
(YASIR MANSOOR ALAM BUTT)  
Deputy Commissioner Inland Revenue