THE FEDERAL TAX OMBUDSMAN
ISLAMABAD

COMPLAINT NO.11575/ISB/IT/2026
Dated:22.06.2026* HQ Islamabad

Mr. Uzair Hanif Awan, ...Complainant
(Registration No:3720368558203)
Ummar Street Dudial Road, Mohallah Hussain Abad, Talagang.

Versus

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

Dealing Officer	:	Mr. Muhammad Naseer Butt, Advisor
Appraised by	:	Mr. Muhammad Tanvir Akhtar, Advisor
Authorized Representative	:	Complainant in Person (Video link Hearing)
Departmental Representative	:	Mr. Naeem Hassan, ADCIR, RTO, Rawalpindi (Video Link Hearing)
Date of hearing	:	28.07.2026

FINDINGS/RECOMMENDATIONS

The complaint was filed under Section 10(1) of the Federal Tax Ombudsman Ordinance 2000 (FTO Ordinance) and the case was fixed for comments on 13.07.2026. The department filed comments, which were examined and placed on file. The complainant and DR attended. Arguments were heard and record perused and complaint is disposed of on the basis of available record as under.

2. The complainant stated that he is an employee of WAPDA serving in IESCO and a regular taxpayer as salary individual. The complainant further stated that it has come to his notice through FBR portal that income tax u/s 235 of the Income Tax Ordinance 2001 (the Ordinance) has been deducted and deposited against his CNIC

* Date of registration with FTO Secretariat

in respect of certain commercial electricity consumers on as per following details;

Date	Amount of Tax Deducted	Deposited/ CPR. No.
30.09.2025	Rs. 10,421/-	IT20250930010111839086
29.10.2025	Rs. 64,973/-	IT202510901011787588
28.11.2025	Rs. 38,223/-	IT20251128010101806978
30.12.2025	Rs. 39,867/-	IT20251230010111978538
29.01.2026	Rs. 56,025/-	IT20260129010111896456
10.03.2026	Rs. 601,437/-	IT20260310010111207917
29.04.2026	Rs. 369,527/-	IT20260429010111791003
09.06.2026	Rs. 371,334/-	IT20260609010111254655

3. The complainant further stated that he has no ownership, connection or association with any commercial electricity meter or commercial electricity business. No commercial/industrial electricity connection is in his use. The above-mentioned tax deductions have been erroneously recorded against his CNIC and do no pertain to him. The complainant requested this office to investigate the matter and identify the actual commercial electricity consumer/meter holder to whom these taxes payment belong; remove and delete the wrongly reported tax deposit against his CNIC recorded in FBR system; reallocate the said tax amounts to the correct person/entity responsible for relevant commercial electricity connections and issue necessary correction to avoid undue hardship and incorrect tax liability against his name.

4. The RTO, Rawalpindi filed written comments wherein, they stated that the complainant named as Mr. Uzair Hanif, CNIC No. 37203-6855820-3 have filed complaint before the Honorable FTO, Islamabad alleging that tax under Section 235 of the Income Tax Ordinance, 2001 had been deducted and deposited against his CNIC in respect of various commercial electricity connections.

5. The RTO, Rawalpindi further stated that the available record and the facts furnished by the complainant were scrutinized. During verification, it was found that the complainant is a salaried employee of WAPDA/IESCO, and income tax on his salary is regularly deducted under the relevant provisions of the Income Tax Ordinance, 2001.

6. The RTO, Rawalpindi further stated that the tax deducted u/s 235 does not relate to any commercial electricity connection owned or operated by the complainant. The available information indicates that, at the time of generation of the PSID/CPR for payment of tax under Section 235, the CNIC particulars of the complainant, being an employee of IESCO, were inadvertently used instead of the CNIC of the actual commercial electricity consumer. Consequently, the tax was deposited against the complainant's CNIC due to an apparent data entry or system-related error at the end of the withholding agent, IESCO.

7. The RTO, Rawalpindi further stated that their office neither generated the impugned PSIDs nor processed the CPRs in question. The generation of PSIDs and reporting of tax deductions under Section 235 are carried out by the withholding agent IESCO through the relevant electronic system. Therefore, this office has neither administrative control nor technical authority to alter, amend, substitute, or delete the CNIC recorded in an already generated CPR.

8. The RTO, Rawalpindi further stated that the incorrect CNIC appears to have been reported by the withholding agent IESCO at the time of generation of the PSIDs/CPRs, the responsibility for rectification primarily rests with IESCO/WAPDA in coordination with PRAL, which administers the electronic tax payment and reporting

system. Accordingly, IESCO may be advised to: Identify the actual commercial electricity consumer(s) against whom the tax was required to be deposited; Approach PRAL for correction of the erroneous CNIC recorded in the relevant PSIDs/CPRs; Replace the complainant's CNIC with the CNIC of the actual commercial electricity consumer(s); and ensure that the tax credit is transferred and reflected against the correct taxpayer after completion of the prescribed rectification procedure.

FINDINGS:

9.

i. The issue raised by the Complainant is quite an eye opener as it highlights an altogether new phenomenon: Electricity consumed by one consumer/person/unit while tax deduction u/s 235 being channeled through another person/consumer. It appears to be a benami tax payment, might be aiming at concealment of production of actual consumer. **Such a veiled activity is quite alarming because it is not mere misapplication of identity of payer of electricity bills, corresponding production to the electricity units consumed by the real consumer might have also escaped the declared version.**

ii. RTO Rawalpindi holds jurisdiction over the Complainant but when the instant Complainant was shared with RTO it was replied;

> *"The RTO, Rawalpindi stated that their office neither generated the impugned PSIDs nor processed the CPRs in question. The generation of PSIDs and reporting of tax deductions under Section 235 are carried out by the withholding agent IESCO through the relevant electronic system. Therefore, this office has neither administrative control nor technical authority to alter, amend, substitute, or delete the CNIC recorded in an already generated CPR."*

The response was completely evasive, non-committal and indifferent.

iii. Despite RTO Rawalpindi's above submissions worries of the remain unattended & unresolved. The department didn't bother to even check the particulars of actual consumer. The Complainant has explained that the actual commercial electricity consumer in the instant case is **M/S Rawal Poultry Feeds (Pvt) Ltd,** (taxpayer at LTO Islamabad) which operates a major manufacturing plant located at Bikhari Kalan, Balkasar-Talagang Road in District Chakwal. This facility handles large-scale poultry feed production and regional distribution for the surrounding agricultural areas. Similar activity was reported by the Complainant to both IESCO and FBR, earlier during the last year but no corrective measures were taken by either of them.

iv. Though the Complainant had reportedly informed both IESCO and FBR about similar activity in the past but no corrective measures was taken by either of them. <u>This inattention on the part of FBR is manifestation of maladministration on the part of FBR, in terms of section 2(3)(ii) of FTO Ordinance, 2000.</u>

<u>RECOMMENDATIONS:</u>

10. FBR is directed to ensure;

i. that LTO Islamabad examines the record of M/S Rawal Poultry Feeds (pvt) Ltd to ascertain whether corresponding production against electricity bills paid by this unit (but tagged to the Complainant) has been offered for Income Tax/Sales Tax purposes or not;

ii. CIR (Withholding), LTO Islamabad to check IESCO's billing system, governing tax deduction u/s 235 so as to see whether it is a solitary example or entails a chain of similar cases;

iii. IESCO (also assessed at LTO Islamabad) corrects its internal record by recording the payments of Tax u/s 235 against the actual consumer and delinks the Complainant from transactions made by the actual consumer; and

iv. report compliance in 45 days.

(M. Zafar ul Haq Hijazi)
Federal Tax Ombudsman

Approved for [illegible]

Dated: 12 AUG 2026
Azeem