



AOA Fact Sheet *TAX Ombudsman*

NOVEMBER 8, 2017

INSTITUTIONAL OVERVIEW NUMBER 1

Legal Framework

The office of the Federal tax ombudsman was established by establishment of the office of federal Tax ombudsman ordinance 2000 promulgated by the president on 11.8.2000.

Its main object is "to diagnose, investigate, redress and rectify any injustice done to a person through mal- administration by functionaries administering tax laws.

Jurisdiction

The jurisdiction of the federal tax ombudsman (FTO) extends to all federal taxes and the revenue division being the administrative unit responsible for the conduct of the business of the federal government, offices and agencies.

Exercise of jurisdiction:

The jurisdiction can be exercised by the FTO:

- 1) On a complaint by an aggrieved party
- 2) On a reference by the president
- 3) On a reference by the senate
- 4) On a reference by the national assembly
- 5) On a motion of the supreme court in a proceeding pending before it
- 6) On a motion of the high court in a proceeding before it
- 7) On his own motion

The jurisdiction can not be exercised in to matters , which are

- 1) subjudice or
- 2) Relate to assessment of income,wealth,duty tax, liability classification or valuation of interpretation of law rules and regulation in respect of which remedies of appeal reviews or revision are available under the law and
- 3) Service matter of the employee or revenue division. It has however been observed in various decisions by FTO that where allegations of maladministration are made independent of the subjudice issues or matters specified in Para (ii), the FTO will have jurisdiction to 9investigate alleged maladministration.

Legal Powers

- 1) To Summon witness and examination on oath.
- 2) Compel the production of documents
- 3) Require evidence on affidavit
- 4) Issue commission
- 5) Enter and search premises and inspect documents
- 6) Impound or seal article, documents or book of account.

Implementation Arrangements

Unlike similar statutes, this ordinance provide:

"It shall be the duty of the revenue division and tax employees to implement the findings made under section 11 and 12 within 30 days of such decision being communicated to the concerned employees.

If the CBR fails to comply with the recommendation/findings within the specified time or does not give reason to the satisfaction of the federal tax ombudsman it is treated as defiance of recommendation.

If there is a defiance of recommendation by a tax employee

The federal tax ombudsman may refer the matter to the president who may in his discretion direct the revenue division to implement.

(ii) A report by the federal tax ombudsman shall become part of personal file or character roll of the tax employee primarily responsible for defiance.

(iii) Such tax employee shall be liable for contempt.

The federal tax ombudsman has the same powers as the supreme court has to punish any person for its contempt.

Research & Analysis Wing

*Investigative
Techniques*

Any aggrieved person can send his application /letter duly attested on solemn affirmation written on a plain paper. Anonymous or pseudonymous complaints are not entertained.

Complainant should be filed not later than six months from the date complainant had notice of matter. In special circumstances time can be extended by FTO.

PROCEDURE:

After scrutiny of complaint notice is issued to central board of revenue (CBR) for reply. On receipt of reply hearing is fixed and mostly cases are disposed on in 60 days except those, which require recording of evidence or involve deeper investigation. Federal tax ombudsman makes recommendations /findings.

*Code of
Conducts and
Standards*

FOI Standards

*Use of
Technology*

*Public
Awareness &
Outreach*

*Linkages with
Civil Society*

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