

128.90 ▼ -0.96 (-0.74%)

HUMNL 13.80 ▼ -0.03 (-0.22%)

KEL 4.50 ▼ -0.03 (-0.66%)

KOSM 6.36 ▼ -0.11 (-1.7%)

BR100 11,881
-149.2 (-1.24%)

BR30 35,276
-536.5 (-1.5%)

KSE100 112,334
-1186 (-1.04%)

KSE30 35,184
-466.9 (-1.31%)

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Tax assessment info access: IHC overturns FTO's stance on taxpayers' right

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ISLAMABAD: The Islamabad High Court (IHC) has overturned the Federal Tax Ombudsman's stance, which declared that minute sheets from tax assessment proceedings are internal records of the Federal Board of Revenue (FBR) and, therefore, inaccessible to taxpayers.

However, the court has directed the FBR to provide the requested information within 7 days.

It is reliably learnt that the matter arose after a taxpayer, Khurram Shahzad Butt, sought access to specific documents (minute/order sheets) from the corporate tax office (CTO), Islamabad.

Minute sheets in tax assessment issue: IHC issues notices to FTO, FBR chief, others

CTO's refusal to provide copies of order sheets raises serious questions about transparency and accountability in the FBR. On refusal from CTO with confirmation by FTO, taxpayer approached IHC, wherein notices were issued to the FTO, chairman FBR and chief CIR, CTO, Islamabad.

When contacted, Khurram Shahzad Butt told Business Recorder that viewpoint in classifying order sheets as confidential documents is not in line with the orders issued by the Supreme/High Court.

The IHC ruling raises concerns about the role of the FTO, which is supposed to ensure fair treatment of taxpayers.

The FTO's primary function is to address complaints of tax maladministration and rectify injustices done to taxpayers by the FBR's actions.

The IHC decision is a step towards transparency and accountability in tax assessment proceedings. Taxpayers have the right to access information related to their tax assessments, and the FBR's obligation to provide this information within 7 days is a positive development.

IHC order states: "The court had directed that the original record be produced before the court.

The learned counsel for the Tax department states that there is a prohibition in Section 216 of the Income Tax Ordinance, 2001, requiring that tax documents be kept confidential.

The argument is misconceived as the requirement of confidentiality is imposed in relation to keeping the information confidential from third parties and not the taxpayer that is subject to adjudication before the tax officer.

In the instant case, it is the petitioners' case that copies of orders passed during assessment proceedings be handed over to them as the question of demand against the taxpayer is still pending adjudication by virtue of remand order.

The learned counsel for the Tax department has failed to point out any legal prohibition against sharing of the assessment orders related to the petitioner with the petitioner itself. Petition is therefore allowed.

Let copies of the orders passed during the previous round of assessment proceedings be handed over to the petitioners within a period of seven days, the IHC order added.