FEDERAL TAX OMBUDSMAN SECRETARIAT REGIONAL OFFICE

4th Floor, Shaheen Complex, M.R. Kiyani Road, Karachi. Phone (021)99213586-90 Fax # 99213583

Part-1/No.21(3)/Admn/Khi/2010/ 631

Karachi, January 30, 2020

Mr. Amir Ameen Bhatti, Chief- IR (Operations), Federal Board of Revenue, Islamabad.

SUB: GRIEVANCES OF PAKISTAN APPAREL FORUM, KARACHI

Reference your letter No.1(222)/STM/2019/9506 dated 22nd January, 2020 on the subject cited above.

2. In order to address the issues raised by the Pakistan Apparel Forum and the FBR a meeting is scheduled to be held on 11th February, 2020 at 11:00
A.M. in the FTO Secretariat, Regional office, Karachi. You are required to attend the said meeting on the date and time accordingly.

(Shahid Ahmad) Advisor (Customs / Sales Tax)

Copy to:

- 1. Mr. Muhammad Jawed Bilwani, Chairman, Pakistan Apparel Forum, PHMA House, 37-H, Block-6, PECHS, karachi. He is requested to depute his team to attend the said meeting scheduled to be held on 11-02-2020 at 11:00 A.M.
 - 2. The Registrar, FTO Sectt: Islamabad with reference to his letter bearing No.07/DC/Reg/2020 dated 27-01-2020.
 - 3. Office copy



FEDERAL TAX OMBUDSMAN SECRETARIAT 5-A Constitution Avenue,

Islamabad.

C. No. 07/DC/Reg/2020

Dated: 15.01.2020

To,

The Chairman, Federal Board of Revenue, Islamabad.

Sub: GRIEVANCES OF PAKISTAN APPAREL FORUM, KARACHI

WHEREAS, the Chairman and office bearers of the Pakistan Apparel Forum (PAF), Karachi have identified certain impediments in the issuance of sales tax refunds and revision of sales tax returns through Fully Automated Sales Tax E-Refund (FASTER) module;

AND WHEREAS, PAF raised following issues:-

- Despite issuance of RPOs, refunds in most of the cases are not disbursed within 72 hours of claim submission.
- ii) Previous carry forward amount, before July 2019, do not appear in FASTER refund system.
- iii) No acknowledgement receipt/slip is generated after filing of Annexure-H in respect of refund filed under FASTER refund module as well as the date of submission is not generated through the system.
- iv) No reason is communicated to the claimant for rejection of claims filed through FASTER. Nature of objection is not communicated to the registered person; rather a generalized statement that 'no amount is admissible to the claimant' is reflected in the system.
- v) After filing of Annexure-H, refund claims are processed in about 20 days instead of 72 hours as notified in the Rules. FASTER System runs only once a month instead of every week.
- vi) The module lacks efficient feedback and monitoring for timely response to the exporters against their claims.
- vii) Delay in revision of sale tax return under sub-section (3) of section 26 of the Sale Tax Act, 1990 by the concerned Commissioner, Inland Revenue.

NOW THEREFORE, you are required to submit comments by $\underline{23.01.2020}$ positively.

THIS ISSUES WITH THE APPROVAL OF HON'BLE FEDERAL TAX OMBUDSMAN

(Arshad Mahmood Cheema)

Registrar Ph: 051-9214348

Copy to:

i. The Chairman, Pakistan Apparel Forum (PAF), PHMA House, 37-H, Block-6, P.E.C.H.S., Karachi.

ii. Secretary to Hon'ble FTO.

iii. Office Copy.