

**APPELLATE TRIBUNAL INLAND REVENUE, LAHORE BENCH,
LAHORE.**

ITA No.947/LB/2014
(Tax Year 2007)

M/s. Rawal Textile Ltd., Lahore.

...Appellant

Versus

The CIR, Zone-III, RTO, Lahore.

...Respondent

Appellant by: Mr. Faisal Iqbal Khawaja, Advocate
Respondent by: Mr. Rehan Safdar, DR

Date of Hearing: 03.03.2015
Date of Order: 03.03.2015

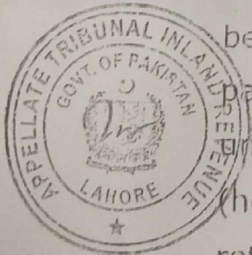
ORDER

Nazir Ahmad, (Judicial Member): The titled further appeal at the instance of the taxpayer has been directed against the appellate order dated 31.01.2014 recorded by CIR(Appeals-II), Lahore.

2. The sole issue raised by the learned counsel appearing on behalf of the taxpayer is that the amended assessment order passed by the revenue is beyond time limitation as provided under section 122(2) of the Income Tax Ordinance, 2001 (hereinafter called "the Ordinance"). He further submits that return in the instant case was filed on 14.01.2008 whereas amended assessment has been passed by the taxation officer on 29.06.2013, which is beyond the statutory time limitation of 5 years provided u/s 122(2) of the Ordinance before its amendment vide Finance Act, 2009.

3. The issue of time limitation as provided under section 122(2) and (4) of the Ordinance whether retrospective in its effect or not has been laid to rest by the apex court of Pakistan vide its judgment delivered in Civil Petition No.1306 of 2014 in the case of CIT, Rawalpindi Zone, RTO, Rawalpindi Versus Maj. Gen. (R) Dr. C.M. Anwar etc. dated 03.09.2014 by dismissing the departmental appeal with the following observation:-

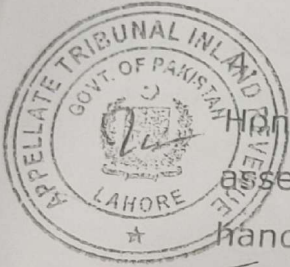
"The conclusion drawn by the learned High Court that Section 122(2) as amended by the Finance



R

13/03/2015

Act, 2009 shall have no retrospective effect and would not annul the past and closed transaction, when the assessment in favour of the respondent as per deeming clause under Section 120 had become conclusive and the period for the purpose of invoking earlier Section 122(2) had expired on 23.09.2009, does not call for interference in light of the clause. This petition has no merits which is hereby dismissed."



Keeping in view the above said authoritative judgment of Honourable Supreme Court of Pakistan, the amended assessment order passed by the Taxation Officer in the case in hand on 29.06.2013 is obviously time barred. Hence, appeal filed by the taxpayer is accepted and the amended assessment is declared as without lawful jurisdiction being time barred.

(NAZIR AHMAD)
Judicial Member

(FIZA MUZAFFAR)
Accountant Member

Copy of the bench order forwarded to

- *Gulfam* 1. The Appellant *MS. Rawal Textile Ltd LHR*
2. THE CIR, */*

By order

Zahid Ahmad
Assistant Registrar

Appellate Tribunal Inland Revenue
Lahore.