ORDER SHEET
IN THE HIGH COURT OF SINDH AT KARACHI
C.P.No.D-3840 of 2026

DATE ORDER WITH SIGNATURE(S) OF JUDGE(S)

1.For hearing of CMA No.15109/2026
2.For hearing of main case.

03-11-2026

Mr.M. Usman Alam, Advocate for the Petitioner.
Ms.Mehreen Ibrahim, D.A.G.
Mr,Ghulam M. Dars, Advocate for Department.

Aggrieved of an Order dated 12.05.2026 passed under sections 205/137 of the Income Tax Ordinance, 2001 (the Ordinance) for the tax year 2022, the Petitioner has preferred an Appeal to the Commissioner (Appeals) IR along with an application to stay recovery pending appeal.

The grievance of the Petitioner is that while the appeal is pending, the Commissioner has not passed any Order on the Petitioner's stay application, thus, exposing the Petitioner to coercive action for recovery of tax under the impugned Order. Counsel for the Department does not dispute these facts.

Under sub-section (IA) of section 128 of the Ordinance, the Commissioner is vested with discretional power to stay recovery of tax for a certain period should it deem fit. Apparently, the Commissioner has yet to consider the Petitioner's stay application while the appeal remains pending. Therefore, we are inclined to allow this Petition in the following terms. The Commissioner shall provide a hearing to the Petitioner at the earliest, and until he/she passes an Order on the stay application or appeal of the Petitioner, whichever is earlier, officers of Inland Revenue are restrained from taking coercive action to recover tax in pursuance to Order dated 12.05.2026.

Judge

Judge

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