ORDER SHEET

THE HIGH COURT OF SINDH KARACHI

C.P. No. D – 3696 of 2026

DATE	ORDER WITH SIGNATURE OF JUDGE(S)

1. For orders on CMA No. 15400 of 2026.
2. For orders on CMA No. 14573 of 2026.
3. For hearing of main case.

02-07-2026

Mr. M. Usman Alam, Advocate for the Petitioners.
Mr. Irfan Mir Halepoto, Advocate for Inland Revenue.
Ms. Mehreen Ibrahim, D.A.G.

****

Aggrieved of the order dated 27.04.2026 passed by the Assistant/Deputy Commissioner under section 161(1) of the Income Tax Ordinance, 2001 [Ordinance] for tax year 2020, the petitioner has preferred an appeal to the Commissioner (Appeal) along with application to stay recovery pending appeal. The grievance of the petitioner is that while the Commissioner (Appeals) has yet to provide a hearing on the stay application, the petitioner is exposed to coercive process for recovery of tax. Learned counsel for the Inland Revenue does not dispute these facts. Learned counsel for the petitioner submits that till such time the Commissioner (Appeals) provides a hearing on the stay application, no coercive action should be taken against the petitioner for recovery.

Under sub-section (1A) of section 128 of the Ordinance, the Commissioner (Appeals) is vested with discretionary powers to stay recovery of tax for a certain period should it deem fit. Apparently, the Commissioner (Appeals) has yet to consider the stay application in the appeal filed by the petitioner. Therefore, we are inclined to allow this petition in the following terms. The Commissioner (Appeals) 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 shall not take coercive action to recover tax on the basis of aforesaid order dated 27.04.2026 passed by the Deputy Commissioner.

JUDGE

JUDGE

*PS/SADAM