

## Filing of Online Appeal on IRIS (FBR Portal)

### 1. Introduction

- What is an *Appeal* in tax law?
- Legal reference: *Section 127 of the Income Tax Ordinance, 2001*
- When and why an appeal is filed?
  - Against assessment order or amended order
  - Against penalty or demand notice

### What Is an Assessment Order?

An **Assessment Order** is the **official calculation of a taxpayer's income and tax liability** made by the **Commissioner (FBR)** or an authorized officer.

It is the **basis** on which tax is demanded, refunded, or adjusted — and it is **the order against which an appeal is filed** if the taxpayer disagrees.

### Difference Between Declared Income and Assessed Income

Basis	Declared Income	Assessed Income
Meaning	Income voluntarily declared by the taxpayer in the return of income.	Income determined by the tax authority through an assessment order.
Who Calculates It	Calculated and reported by the taxpayer.	Calculated by the Commissioner (Inland Revenue) or authorized officer.
Legal Provision	Filed under <b>Section 114</b> and accepted under <b>Section 120</b> of the Income Tax Ordinance, 2001.	Determined under <b>Section 121, 122, or 122(5A)</b> after scrutiny or amendment.
Basis of Calculation	Based on taxpayer's own books of accounts and records.	Based on examination, audit findings, or discrepancies noticed by FBR.
Nature	It reflects self-assessment (voluntary compliance).	It reflects departmental assessment (official determination).

Basis	Declared Income	Assessed Income
Example	A taxpayer declares Rs. 1,000,000 as total income in his return.	The tax officer later assesses Rs. 1,500,000 as total income after adding unexplained deposits.
Tax Liability	Computed by taxpayer on self-declared income.	Computed by tax authority on assessed income.
Appeal Possibility	Usually not disputed because it's self-declared.	Can be challenged before Commissioner (Appeals) under <b>Section 127</b> .
Effect	Accepted automatically unless selected for audit or amendment.	Creates enforceable tax demand or relief depending on the order.

## Grounds

“Grounds” mean *reasons* or *points of objection* against the assessment or order.

They tell the Commissioner (Appeals) **what is wrong** in the order and **what relief** you want.

They should be written **clearly, legally, and respectfully** — not emotionally or aggressively.

### Structure of Good Grounds of Appeal

Each ground should:

1. Be **short and specific**, one issue per point.
2. Avoid long explanations or evidence.
3. Start with polite wording like:
  - *“That the learned assessing officer has erred in law and facts...”*
  - *“That the addition made is unjustified and without lawful basis...”*
4. End with a **general ground** like:
  - *“That the appellant reserves the right to add, amend, or delete any ground at the time of hearing.”*

#### 4. Examples of Common Grounds of Appeal

##### (a) General Grounds

- That the order passed u/s 122(5A) is bad in law and void ab initio.
- That the assessment has been framed without providing a fair opportunity of hearing.
- That the learned officer has not applied the principles of natural justice.

##### (b) Specific Grounds

- That the addition of Rs. 500,000 on account of unexplained bank deposits is unjustified.
- That disallowance of salary expense amounting to Rs. 200,000 is arbitrary and without supporting evidence.
- That withholding tax adjustment has not been properly given credit in tax computation.
- That the declared income has been wrongly assessed under section 122 instead of accepting original return u/s 120.

##### (c) Relief Ground

- That the appellant prays for deletion of entire addition and acceptance of declared income.

