THE HON'BLE SRI JUSTICE C.V. NAGARJUNA REDDY
AND
THE HON'BLE SRI JUSTICE M.S.K. JAISWAL

I.T.T.A. No.132 OF 2006

DATED:27-12-2017

Between:

Commissioner of Income Tax
Rajahmundry … Appellant

And

P. Venkata Nancharaiah … Respondent

COUNSEL FOR THE APPELLANT: Mr. B. Narasimha Sarma, Senior Standing Counsel for Income Tax

COUNSEL FOR THE RESPONDENT: Smt. Nimmagadda Rani, for Mr. Nimmagadda Satyanarayana

THE COURT MADE THE FOLLOWING:

<u>JUDGMENT:</u> *(per the Hon'ble Sri Justice C.V. Nagarjuna Reddy)*

In this appeal filed against order dt.01.10.2004 in ITA No.286/Vizag/2003, on the file of the Income Tax Appellate Tribunal, Visakhapatnam, the Revenue has raised the following substantial questions of law.

(A) "Whether on the facts and in the circumstances of the case, the Appellate Tribunal is justified in holding that the assessee is entitled to the relief u/s.89(1) of the Income Tax Act in respect of the compensation amount received on the eve of voluntary retirement from service, over and above the ceiling limit of Rs.5 lakhs stipulated in Section 10(10C) of the Income Tax Act, in spite of proviso thereto?

(B) Whether the Appellate Tribunal is justified in holding that relief u/s.89(1) of the Income Tax Act also is liable to be extended to compensation received on the eve of voluntary retirement, in spite of section 10(10C) of the Income Tax Act framing a self-contained and integral scheme to cover such receipts?"

At the hearing, Mr. B. Narasimha Sarma, learned Senior Standing Counsel for the Income Tax Department, submitted that as the tax effect in this appeal is below the monetary limit prescribed by the Central Board of Direct Taxes Circular No.21/2015, dt.10.12.2015, the appeal is liable to be dismissed.

The appeal is accordingly dismissed.

C.V. NAGARJUNA REDDY, J

M.S.K. JAISWAL, J

27-12-2017
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