# IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.24574 of 2016 (O&M)
Date of Decision: 22.02.2017.

H.C. Arora, Advocate ....Petitioner.

Versus

Union of India and another ....Respondents.

CORAM: HON'BLE MR. JUSTICE S.S. SARON
HON'BLE MRS. JUSTICE SNEH PRASHAR

Present: Mr. H.C. Arora, Advocate-petitioner in person.

Mr. Arun Gosain, Advocate for respondent No.1-UOI.

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S.S. SARON, J.

The petitioner in the present petition by way of public interest litigation filed under Article 226 of the Constitution of India assails the provisions of proviso (b) to Section 13-A of the Income Tax Act, 1961 ('Act' - for short) to the extent the same excludes the income of political parties in respect of the contributions received by them for an amount of up to Rs.20,000/- and exempts the political parties from maintaining records of such contributions, including the maintaining of records of the names and addresses of persons who had made such contributions.

According to the petitioner, the said contributions to political parties lead to manipulation of funds and creation of black money. Besides, the provision was being grossly misused by the National Political Parties.

The petitioner appearing in person submits that the contributions made to political parties for an amount of up to Rs.20,000/- has now been reduced to Rs.2,000/- by a Parliamentary Enactment; therefore, it is submitted that his grievance stands substantially redressed.

Mr. Arun Gosain, Advocate for Union of India has submitted that the Hon'ble Supreme Court has held that there was no illegality in respect of income tax exemption for the funds collected by the political parties.

The petitioner submits that in view of the aforesaid position and circumstances, he does not press the present petition and he may be allowed to withdraw the same.

Keeping in view the fact that the exemption given to political parties to exclude the income from funds received by contribution has been reduced from Rs.20,000/- to Rs.2,000/- and the fact that Hon'ble the Supreme Court has found that there is no illegality in respect of income tax exemption for the funds collected by the political parties, nothing survives in the present petition.

In view of the above circumstances, the writ petition is dismissed as withdrawn, as prayed for.

[S.S. SARON]
JUDGE

February 22, 2017
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[SNEH PRASHAR]
JUDGE

Whether speaking/reasoned Yes/No
Whether reportable? Yes/No