In the High Court of Judicature at Madras

Dated : 19.8.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal No.1176 of 2010

The Commissioner of Income Tax, Ward IV(1), Chennai-34. ...Appellant

Vs

Smt.Nirmala Chandrasekaran ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 14.12.2007 made in ITA.No.654/Mds/2006 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment year 2002-03 as against the order of the Commissioner of Income Tax(Appeals)-I, Chennai-34 dated 15.12.2005 as against the proceedings of the Deputy Commissioner of Income Tax, Central Circle III(4), Chennai-34 dated 31.03.2003 for P.A.No./G.I.NO.34701-N.

For Appellant: Mr.T.R.Senthilkumar, SSC assisted by Ms.K.G.Usharani, SC

For Respondent: Mr.G.Baskar

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.T.R.Senthilkumar, learned Senior Standing Counsel, assisted by Ms.K.G.Usharani, learned Standing Counsel appearing for the appellant - Revenue and Mr.G.Baskar, learned counsel appearing for the respondent - assessee.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 14.12.2007 made in ITA. No.654/Mds/2006 on the file of the Income Tax Appellate Tribunal, Chennai 'B' Bench for the assessment year 2002-03.

3. The appeal was admitted on 11.1.2011 on the following substantial question of law :

> "Whether, on the facts and in the circumstances of the case, the Tribunal was right in holding that long term capital gains that arose as result of pro-closure of investment in specified schemes notified by the Government should be taxed only @ 10% and not 20% as assessed by the Assessing Officer ?"

4. The learned Senior Standing Counsel for the appellant submits that the above appeal is not pursued by the Revenue on account of the low tax effect in terms of Circular No.17/2019 dated 08.8.2019 issued by the Central Board of Direct Taxes. By the said Circular, the monetary limit for filing or pursuing an appeal before the High Court has been increased to Rs.1 Crore. It is further submitted that the tax effect in this case is less than the threshold limit.

5. In the light of the said submissions, the above tax case appeal is dismissed on account of the low tax effect. The substantial question of law framed is left open. In the event the tax effect is above the threshold limit fixed in the said circular, liberty is granted to the Revenue to make a mention to this Court to restore the appeal to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar(CS III)

//True Copy//

Sub Assistant Registrar

To

1.The Registrar,
Income Tax Appellate Tribunal, Chennai 'B' Bench.

2.The Commissioner of Income Tax(A)-I, Chennai.

3.The Deputy Commissioner of Income, Tax,
Central Circle-III(4),
Chennai-34.

+1cc to Mr.T.R.Senthilkumar, Advocate sr.70463

TCA.No.1176 of 2010

ppa(co)
nr 01/11/2019