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.777 of 2010

The Commissioner of Income Tax,
Central II, Chennai ...Appellant/Respondent

Vs

Sri.R.S.Suriya ...Respondent/Appellant

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 19.1.2010 made in ITA.No.1329/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 2006-07,

ITA No.1329/Mds/2009 Assessment Year 2006-2007 order against the order dated 02/06/2009 of the I.d.CTT(A)-VI, Chennai and relates to the Assessment Year 2006-2007 (PAN No.ALRPs 0353G)

ITA 596 & 597/mds/2009 against the Composite orders dated 17th December, 2008 of the Commissioner of Income Tax (Appeals)-VI, Chennai for the Assessment Years 2004-2005 & 2005-2006 Respectively (PAN ALRPS0353G)

ITA 258/08-09 dated 02/06/2009 GIR No.ALRPS0353G, Assessment Year 2006-07.

For Appellant: Mr.M.Swaminathan, SSC

For Respondent: Mr.Rajnish Pathiyil

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.M.Swaminathan, learned Senior Standing Counsel appearing for the appellant - Revenue and Mr.Rajnish Pathiyil, 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 19.1.2010 made in ITA.No. 1329/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 2006-07.

3. The appeal was admitted on 17.8.2010 on the following substantial question of law :

> "Whether, on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the amounts received in advance as per the agreements entered into by the assessee with different entities, promising to render professional services were not taxable as income, even though the assessee was following the cash system of accounting ?"

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(CCC)

//True Copy//

Sub Assistant Registrar

To

1.The Income Tax Appellate Tribunal, Chennai 'D' Bench.

2.The Commissioner of Income Tax,
Central II, Chennai.

3.The Deputy Commissioner of Income Tax,
Media Circle -II, Nungambakkam, Chennai-600 034.

4.The Income Tax Appellate Tribunal,
Bench 'B' Chennai.

5.The Commissioner of Income Tax (Appeals)-VI,
121, Mahatma Gandhi Road, Chennai-34.

+1cc to Mr.Rajanish Pathiyil, Advocate Sr.70021
+1cc to Mr.M.Swaminathan, Advocate Sr.70425

TCA.No.777 of 2010

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srg 01/10/2019