IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 20.8.2019

CORAM :

THE HONOURABLE MR.JUSTICE T.S.SIVAGNANAM
AND
THE HONOURABLE MRS.JUSTICE V.BHAVANI SUBBAROYAN

TAX CASE APPEAL NO.552 OF 2011

The Director of Income Tax,
Exemptions-III, Chennai ...Appellant

Vs

M/s.Sri.S.Kuppusamy Memorial
Education Trust, Tiruvannamalai. ...Respondent

Prayer:-
APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 24.6.2011 made in ITA.No.76/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2007-08. and against the Order of the Commissioner of Income Tax (Appeals)-XII, Chennai-34, dated 15.10.2010 made in ITA.No.248/09-10 against the Order of the Income Tax Officer (OSD), Exemption -II, Chennai dated 24.12.2009 for PAN/GIR.NO.AALFS7502G, for the Assessment year 2006-2007.

For Appellant : Mr.J.Narayanasamy, SSC
For Respondent : Mr.A.S.Sriraman

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.J.Narayanasamy, learned Senior Standing Counsel appearing for the appellant-Revenue and Mr.A.S.Sriraman, 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 24.6.2011 made in ITA.No. 76/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2007-08.

3. The appeal was admitted on 12.12.2011 on the following substantial questions of law :

"i. Whether, on the facts and circumstances of the case, the Tribunal was right in holding that once the application is more than the total receipts, the assessee would be entitled to the benefit of exemption under Section 11 of the Act ? and

ii. Whether, on the facts and circumstances of the case, the Tribunal was right in deciding that the investment of the trust was not in violation of Section 13 of the Act?"

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 questions of law framed are 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

RS

To

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

2. The Commissioner of Income Tax(Appeals)-XII,
Chennai-34.

3. The Income Tax Officer(OSD),
Exemption - II, Chennai.

4. The Director of Income Tax,
Exemption-III, Chennai.

+1cc to Mr.S.Sridhar, Advocate, S.R.No.70607
+1cc to Mr.J.Narayanasamy, Advocate, S.R.No.72223

TCA.No.552 of 2011

MR(CO)
CS/23/10/2019