In the High Court of Judicature at Madras

Dated : 21.8.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM

and

The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal No.311 of 2012

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

Vs

Ms.Lalitha Devi, Chennai-79. ...Respondent/Appellant

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 18.5.2012 made in ITA.No.254/Mds/2012 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 2008-09, against the order dated 26.12.2011 made in ITA.NO.80/10-11/A-IV on the file of the O/o The Commissioner of Income Tax(Appeals)IV, Chennai-34, against the order dated 21/12/2010 for the Assessment year 2008-2009 for the PAN.NO.AAAPL1992N on the file of Assistant Commissioner of Income Tax, Business Circle-XI, Chennai-6.

For Appellant : Mr.Karthik Ranganathan, SSC
For Respondent: Mr.R.Sivaraman

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.Karthik Ranganathan, learned Senior Standing Counsel appearing for the appellant - Revenue and Mr.R.Sivaraman, 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 18.5.2012 made in ITA.No. 254/Mds/2012 on the file of the Income Tax Appellate Tribunal, Chennai 'D' Bench for the assessment year 2008-09.

3. The appeal was admitted on 19.10.2012 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 the assessee is entitled for exemption under Section 54F when the assessee had not put up any construction within the mandatory period of three years citing the grounds of litigation and court order ?"

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 IV)

//True Copy//

Sub Assistant Registrar

To

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

2.The O/o The Commissioner of Income Tax(Appeals)-IV,
121, Mahatma Gandhi Road, Chennai-34.

3.The Assistant Commissioner of Income Tax,
Business Circle XI, Chennai-6.

Copy to:

The Section Officer,
V.R Section,
High Court, Madras

vgi(co)
nr 25/10/2019