IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 28.08.2019

CORAM :

The Honourable Mr.Justice T.S.SIVAGNANAM
and
The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal No.670 of 2018

Commissioner of Income Tax,
Non Corporate Circle 2, Madurai. ...Appellant

Vs

Shri Govindan Chokkappan
PAN: AADPC4278P ...Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 22.02.2018 made in ITA.No.1664/MDS/2017on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment year 2014-2015 Against the order of the Commissioner of Income Tax Appeals II,Madurai dated 25.04.2017 and made in ITA.NO.170/2016-2017.

Against the Assessment order of the Income Tax officer, Non Corporate ward -2(1),Madurai dated 29.12.2016 and made in PAN NO AADPC4278P/1/2014-2015 for the Assessment Year 2014-2015.

For Appellant : Mr.M.Swaminathan, SSC
and Ms.V.Pushpa, SC
For Respondent : Ms.G.Vardhini Karthik

JUDGMENT
(Judgment was delivered by T.S.Sivagnanam,J.)

We have heard Mr.M.Swaminathan, learned Senior Standing Counsel, and Ms.V.Pushpa, learned Standing Counsel appearing for the appellant/revenue and Ms.G.Vardhini Karthik, 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 22.02.2018 made in ITA.No.1664/MDS/2017on the file of the Income Tax Appellate Tribunal, Chennai 'C' Bench for the assessment year 2014-2015.

3.The appeal was admitted on 28.08.2018 on the following substantial question of law :

> "Whether the Tribunal was right in holding that gift from son's HUF to the assessee tantamount to gift from a lineal descendant, thereby, holding that the gift is exempt, the same being from a relative as defined in sub-clause (E) of clause (e) of Sec. 56(2)(vii) 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 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

cse
To

THE INCOME TAX APPELLATE TRIBUNAL, CHENNAI 'C' BENCH.
2.THE COMMISSIONER OF INCOME TAX APPEALS II,MADURAI
3. THE INCOME TAX OFFICER, NON CORPORATE WARD -2(1),MADURAI
4. THE COMMISIONER OF INCOME TAX OFFICER,
NON CORPORATE WARD -2,MADURAI
+1cc to Mr.M.Swaminathan , Advocate SR.No. 74843
+1cc to M/s.G.Vardhini , Advocate SR.No. 74230

TCA.No.670 of 2018

A.SK(14/11/2019)