IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 26.08.2019

CORAM

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

Tax Case Appeal No.805 of 2014

Commissioner of Income Tax,
Madurai. .. Appellant

-vs-

Shri N.Mahalingam (HUF) .. Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 23.04.2014, made in I.T.A.No.291(Mds)/2014 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2008-09 as against the Order of the Commissioner of Income Tax (Appeals)-1, Madurai, dated 30.12.2013 made in ITA No.57/2012-13 and against the Order of the Income Tax Officer, Ward-1(3), Viridhunagar, Dated 31.12.2010 made in PAN AADHN 3562R/45/2008-09

For Appellant : Mr.M.Swaminathan,
Senior Standing Counsel
assisted by Ms.V.Pushpa,
Standing Counsel

For Respondent : Mr.V.S.Jayakumar

JUDGMENT
(Delivered by T.S.Sivagnanam, J.)

This appeal filed by the Revenue under Section 260A of the Income-tax Act, 1961 is directed against the order dated 23.04.2014, made in I.T.A.No.291(Mds)/2014 on the file of the Income Tax Appellate Tribunal 'B' Bench, Chennai for the assessment year 2008-09.

2.The above appeal was admitted on 29.10.2014, on the following substantial question of law:-

"Whether on the facts and in the circumstances of the case, the Tribunal was right in deleting the penalty under Section 271(1)(c) of the Income

Tax Act when the assessee itself has admitted its omission of income before the Commissioner of Income Tax (Appeals)?"

3.Heard Mr.M.Swaminathan, learned Senior Standing Counsel assisted by Ms.V.Pushpa, learned Standing Counsel for the appellant - and Mr.V.S.Jayakumar, learned counsel for the respondent.

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 08.08.2019 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.

abr

Sd/-
Assistant Registrar(CS VI)

//True Copy//

Sub Assistant Registrar

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

2. The Commissioner of Income Tax (Appeals)-1,
Madurai.

3. The Income Tax Officer, Ward-1(3),
Viridhunagar.

+1cc to Mr.M.Swaminathan, Advocate, SR.No.73022
+1cc to Mr.V.S.J Advocate, SR.No.72922

T.C.A.No.805 of 2014

Kak(30/10/2019)