IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 29.08.2019

CORAM

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

Tax Case Appeal No.644 of 2017

Commissioner of Income Tax,
Chennai-600 034. ..Appellant/ Respondent

-vs-

M/s.Raj Video Vision,
703, Anna Salai,
Thousand Lights, Chennai.
PAN: AAEFR 5226 M ..Respondent/ Appellant

Appeal under Section 260A of the Income-tax Act, 1961, against the order dated 21.09.2016, made in I.T.A.No.1581/Mds/2015 on the file of the Income Tax Appellate Tribunal 'D' Bench, Chennai for the assessment year 2007-08against the Order of the Commissioner of Income Tax (Appeals)-4, Chennai -34, made in ITA No.145/2013-14,dated 30.03.2015 against the Order of the Income Tax Officer, Business Ward XV (2),Chennai -34, made in PAN/GIR No.AAAFR5226M, dated 19.03.2013 for the Assessment Year 2007-08

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

For Respondent : No Appearance

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 21.09.2016, made in I.T.A.No.1581/Mds/2015 on the file of the Income Tax Appellate Tribunal 'D' Bench, Chennai for the assessment year 2007-08.

2.The appeal has been admitted on 12.12.2017, on the following substantial question of law:-

"Whether on the facts and circumstances of the case and in law, the Income Tax Appellate Tribunal was right and justified in holding that the disallowance under Section 40(a)(ia) is applicable only to payments towards expenses payable as on 31st March of the previous year when the Section does not provide for any such condition?"

3.Heard Mr.M.Swaminathan, learned Senior Standing Counsel assisted by Ms.V.Pushpa, learned Standing Counsel for the appellant.

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 VIII)

//True Copy//

Sub Assistant Registrar

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

2. The Commissioner of Income Tax
(Appeals)-4, Chennai -34,

T.C.A.No.644 of 2017

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