IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

WTA No.3 of 2010 (O&M)
Date of decision : 20.01.2020

The Commissioner of Wealth-tax, Patiala
...... Appellant

versus

Prince Raninder Singh Trust L/H of
Late Maharaja Yadvindra Singh of Patiala
Patiala
...... Respondent

CORAM : HON'BLE MR.JUSTICE AJAY TEWARI
HON'BLE MR.JUSTICE AVNEESH JHINGAN

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Present : Mr. Jitin Kohli, Junior Standing Counsel for
Mr. Kunal Sharma, Senior Standing Counsel
for the revenue-appellant.

Mr. Akshay Bhan, Senior Advocate with
Mr. Alok Mittal, Advocate
for the respondent.

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AJAY TEWARI, J. (Oral)

1 On 18.05.2016 the following order was passed in WTA No.3 of 2010 and other connected cases :-

> *"This is a bunch of appeals filed by the Department under Section 27-A of the Wealth Tax Act, 1957 (for short, 'the Wealth Act').*
>
> *In the Circular dated 10.12.2015 issued by the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes, directing withdrawal of all appeals filed under the Income Tax Act where the tax effect is upto Rs.20 lacs, there is no mention about cases under the Wealth Tax Act and Gift Tax Act and other direct taxes, where the tax effect is quite meagre. The object for issuance of the circular was to reduce litigation.*

Keeping that in mind, the matter is required to be examined by the Board as there are number of appeals pending in this Court and may be in other Courts under the aforesaid Acts.

Learned counsel for the appellant seeks time to have instructions.

Adjourned to 3.8.2016.

A copy of this order be placed on the file of each connected case."

2 Thereafter on 23.08.2016 the following order was passed in WTA No.3 of 2010 and other connected cases :-

"By an order dated 18.05.2016, the Division Bench has requested the Central Board of Direct Taxes to examine whether the circular dated 10.12.2015 would also apply to the cases especially under the Wealth Tax and Gift Tax Act. There are several cases pending in this Court under the Wealth Tax and Gift Tax Act of very minimal amounts. The Board is, therefore, requested once again to issue clarification preferably by the next date.

The learned counsel appearing on behalf of the appellant is requested to supply the circular dated 10.12.2015 and the order dated 18.05.2016 once again to the authorities concerned.

Adjourned to 21.09.2016.

A copy of this order be supplied to the counsel for the appellant under the signatures of the Bench Secretary.

A photocopy of this order be placed on the files of other connected cases."

3 Today again counsel for the assessee-respondent states that tax effect in this case is below the limit prescribed by circular No.3/2018 dated 11.07.2018 read with circular dated 5/2019 dated 05.02.2019 where it has been clarified as under :-

"2. There is no charge under Wealth Tax Act, 1957

w.e.f. 1st April, 2016. Therefore, as a step towards litigation management, it has been decided by the Board that monetary limits for filing of appeals in Income tax cases as prescribed in Para 3 of the Circular shall also apply to Wealth Tax appeals through extension of the Circular to Wealth tax matters in a mutatis mutandis manner and with modifications as prescribed hereunder.......”

4 However, counsel for the appellant is seeking still more time for this limited purpose.

5 Appeal stands dismissed with liberty to the revenue-appellant to revive the same in case it is not covered by the circular.

6 Since the main case has been dismissed, the pending C.M. Application, if any, also stands disposed of.

(AJAY TEWARI)
JUDGE

(AVNEESH JHINGAN)
JUDGE

20.01.2020
pooja sharma-I

Whether speaking/reasoned Yes/No
Whether Reportable : Yes/No