IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.02.2021

CORAM

THE HON'BLE MR. JUSTICE M.DURAISWAMY
AND
THE HON'BLE MRS.JUSTICE T.V.THAMILSELVI

T.C.A.No.800 of 2013

Commissioner of Income Tax,
Coimbatore. ... Appellant

Vs.

Shri T.S.R.Khannaiyann,
67, Avarampalayam Road,
K R Puram, Coimbatore. ... Respondent

Tax Case Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Chennai, "C" Bench, dated 25.06.2013 in I.TA.No.1144/Mds/2009, Assessment Year 2006-07 against the order of the Commissioner of Income Tax(Appeals) in ITA.No.309/08-09 dated 18.05.2009 for the assessment year 2006-07 against the Assessment order of the Assistant Commissioner of Income Tax Circle-II, Coimbatore dated 22.12.2008.

For Appellant : Mr.T.R.Senthil Kumar
Senior Standing Counsel
and
Mrs.K.G.Usha Rani
Standing Counsel

For Respondent : Mr.R.Sivaraman

JUDGMENT
(Judgment was delivered by M.DURAISWAMY, J.)

We have heard Mr.T.R.Senthil Kumar, learned Senior Standing Counsel and Mrs.K.G.Usha Rani, learned Standing Counsel for the appellant/Revenue and Mr.R.Sivaraman, learned counsel for the respondent/assessee.

2.The appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 (for short, the Act) is directed against the order dated 25.06.2013 made in I.TA.No.1144/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai, "C"

Bench (for brevity, the Tribunal) for the Assessment Year 2006-07.

3.The appeal was admitted on 10.02.2014 on the following substantial question of law:

> "Whether under the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in holding that addition to the long term capital gains is to be made to the extent of additional stamp duty paid by the purchaser under the Samadhan Scheme introduced by the Government of Tamil Nadu ?
>
> 2.Whether under the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in holding that the remission of stamp duty under the Samadhan Scheme of the Government of Tamil Nadu should be considered in applying Section 50 C of the Income Tax Act, 1961?"

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 as withdrawn on account of the Low Tax Effect. The substantial question of law framed is left open. In the event the tax effect in this case 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/-
Asst.Registrar

/true copy/
Sub Asst. Registrar

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To

1.The Registrar
Income Tax Appellate Tribunal, Chennai, "C" Bench

2.The Commissioner of Income Tax,
Coimbatore.

3.The Assistant Commissioner of Income Tax,
Circle-II, Coimbatore.

+1 cc to M/s.T.R.Senthilkumar Advocate sr11609

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