IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE: 25.03.2021

CORAM:

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

T.C.A.No.571 of 2014

Commissioner of Income Tax,
Central Circle III,
Chennai ... Appellant

v.

Shri Muniraj,
60, Raghavan Colony,
Vadapalani, Chennai - 600 026. ... Respondent

Appeal preferred under Section 260A of the Income Tax Act, 1961, against the order of the Income Tax Appellate Tribunal, Madras, "B" Bench, dated 18.08.2011 in ITA.No.1371/Mds/2011 for the Assessment Year 2007-2008, filed against the order of the Commissioner of Income Tax (Appeals)-II, Chennai-34 dated 26/06/2011 in ITA No.115/09-10 preferred against the Assessment order of the Assistant Commissioner of Income Tax Central Circle III(2), Chennai dated 31.12.2009 in PAN No.AGPPM1877J for the Assessment Year 2007-2008.

For Appellant : Mr. T.R. Senthil Kumar,
Senior Standing Counsel
Asst. by Ms. K.G. Usha Rani, Jr. S.C.

For Respondent : Mr. N. Devanathan

JUDGMENT

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

We have heard Mr. T.R. Senthil Kumar, learned Senior Standing Counsel for the appellant/Revenue and Mr.N. Devanathan 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 18.08.2011 made in ITA.No.1371/Mds/2011 on the file of the Income Tax Appellate Tribunal, Chennai, ''B'' Bench (for brevity, the Tribunal) for the Assessment Year 2007-2008.

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

> "(i) Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in coming to the conclusion that the land sold by the assessee is not a capital asset under section 2(14) and the land is situated more than 8 kms. from the Tambaram Municipality?
>
> (ii) Whether on the facts and circumstances of the case, the Income Tax Appellate Tribunal was right in coming to the conclusion that the land sold by the assessee is an agricultural land, when the assessee has not proved or produced nay evidence of agricultural operation in the said land?"

4.The learned Senior Standing Counsel appearing 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/-
Assistant Registrar(CS IV)

//True Copy//

Sub Assistant Registrar

Rj

To

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

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

3.The Commissioner of Income Tax,
Central Circle-III(2), Chennai.

4.The Commissioner of Income Tax,
Central Circle-III, Chennai.

+1cc to Mr.T.R.Senthilkumar, Advocate Sr.19765

T.C.A.No.571 of 2014

gmi[co]
srg 3/5/2021