2023:PHHC:119055-DB

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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WTA-2-2013 (O&M)
Date of Decision:-11.09.2023

Davinder Singh

……Appellant

Versus

Assistant Commissioner of Wealth Tax Circle IV, Amritsar

……Respondent

CORAM: HON'BLE MS JUSTICE RITU BAHRI
HON'BLE MR. JUSTICE ALOK JAIN

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Present: Mr. Munish Kapila, Advocate for the appellant.

Mr. Vaibhav Gupta, Junior Standing Counsel for the respondent.

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RITU BAHRI, J. (Oral)

1. The present appeal has been filed under Section 27-A of the Wealth Tax Act, 1957 against the order of Income Tax Appellate Tribunal Amritsar Bench, Amritsar passed in WTA No. 01(Asr)/2011 dated 07.09.2012 for the assessment year 2006-07 received by the appellant on 12.10.2012 and the last date of limitation is 08.02.2013.

2. On 02.09.2023, the following order was passed:

> "*Learned counsel for the appellant has handed over a copy of the order dated 08.03.2019 pasesd by the Commissioner of Income Tax (Appeals)-2, Amritsar under*

Section 250(6) of the Income Tax Act, 1961 wherein it has been observed that lands were under cultivation for the assessment years 2003-04 to 2006-07 as per the Khasra Girdawari and the lands sold by the appellant were under cultivation of crops to 2006. Finally, the Commissioner of Income Tax, Amritsar deleted the penalty levied under Section 18(1)(c) of the Act for the assessment years 2003-04 to 2007-08.

The ratio of the above said order is directly applicable to the facts of the present case.

The appellant has come up in the appeal under Section 27A of the Wealth Tax Act, 1957 against the order of the Income Tax Appellate Tribunal, Amritsar Bench, Amritsar passed in WEA No. 01/(Asr)/2011 dated 07.09.2012 for the assessment year 2006-07.

Learned counsel of the respondent seeks time to address arguments and to get instructions.

List on 11.09.2023".

3. Learned counsel for the parties are not disputing the fact that after the amendment made by the Finance Act 2013 retrospective effect from 01.04.1993, the Urban Agricultural Land was excluded from the Wealth Tax. The fact of the scenario is in the case of the appellant itself from the assessment year 2003-04 to the assessment year 2006-07, the appeals were allowed and the penalty imposed was set aside.

4. Order dated 08.03.2019 has been placed on record by the counsel for the appellant and the same is taken on record as Annexure X and the ratio of this order directly applies to the facts of the present case, as the present case is for the assessment year 2006-07 and the appeal is against the assessment order dated 07.09.2012 (Annexure A3) passed by the

Income Tax Appellate Tribunal, Amritsar, whereby appeal filed by the Revenue had been allowed and the Wealth tax was imposed on the appellant.

5. In the present case, the appeal filed by the respondent/Revenue was allowed on 07.09.2012 by the Tribunal and the amendment in the Finance Act of 2013 came with retrospective effect from 01.04.1993 after passing of the impugned order dated 07.09.2012 (Annexure A3).

6. Keeping in view that after the amendment of Finance Act, 2013 with effect from 01.04.1993 the urban agricultural land falling in the urban area will not come under the Wealth Tax as the sale consideration will not under the net worth of the assessee as per the amendment of the Finance Act, 2013.

7. Accordingly, the present appeal stands allowed and the impugned order dated 07.09.2012 passed by Tribunal Amritsar is set aside.

8. Pending miscellaneous application(s), if any, shall stand disposed of.

(RITU BAHRI)
JUDGE

(ALOK JAIN)
JUDGE

September 11, 2023
Parul

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