

आयकर अपीलीय अधिकरण , ' सी ' न्यायपीठ,चेन्नई
**IN THE INCOME TAX APPELLATE TRIBUNAL
"C" BENCH, CHENNAI**

श्री एन. आर. एस .गणेशन, न्यायिक सदस्य एवं श्री एस जयरामन, लेखा सदस्यके समक्ष

**BEFORE SHRI N.R.S. GANESAN, JUDICIAL MEMBER AND
SHRI S. JAYARAMAN, ACCOUNTANT MEMBER**

आयकरअपीलसं/.I.T.A. No. 409/Chny/2017

निर्धारणवर्ष/Assessment Year : 2007-08

Income Tax Officer,
Non Corporate Ward -1(1),
63, Race Course Road,
Coimbatore.

Shri. K. Ramgopal,
Vs. No. 53-A, III Cross,
Co-operative Colony,
Uppilipalayam,
Coimbatore – 641 015.

[PAN: ABSPR 3207R]

(अपीलार्थी/ Appellant)

(प्रत्यर्थी/ Respondent)

Revenue by
Assessee by

: Shri Clement Ramesh Kumar, Addl. CIT
: S. Sridhar, Advocate

सुनवाईकीतारीख/Date of Hearing

: 17.09.2018

घोषणाकीतारीख/Date of Pronouncement

: 17.09.2018

आदेश/ O R D E R

PER S. JAYARAMAN, ACCOUNTANT MEMBER:

The Revenue filed this appeal against the order of the Commissioner of Income Tax (Appeals)-2, Chennai in ITA No 429/14-15 dated 31.10.2016 for assessment year 2007-08.

2. Shri. K. Ramgopal, the assessee, is a Cotton Dealer. The issue in this appeal is about the computation of long term capital gains, wherein the

deduction claimed by the assessee was not allowed by the AO. However, the Ld. CIT(A) directed the AO to grant deduction on investment made on house construction u/s. 54 and allowed the appeal. Aggrieved, the Revenue filed this appeal pleading that the Ld. CIT(A) erred in directing the AO to allow the claim of deduction u/s. 54, even though, the assessee had not invested entire capital gains within the due date as mentioned u/s. 54 and also not within the due date for filing the return u/s. 139(1). At the time of hearing, the Ld. DR submitted that the tax effect involved in this appeal is less than Rs. 20 lakhs. The CBDT in its latest Circular No. 3/2018 dated 11.07.2018 instructed its officers to withdraw all the appeals pending before the ITAT where the tax effect is less than Rs. 20 lakhs.

3. We heard the above submissions, we are of the considered opinion that the Circular of the CBDT, supra, is binding on the officers of the Department. Therefore, the Revenue cannot proceed further in this appeal. Accordingly, the appeal filed by the Revenue stands dismissed.

4. In the result, the appeal filed by the Revenue is dismissed.

Order pronounced in the Open Court on 17th September, 2018 at Chennai.

Sd/-

(एन.आर.एस .गणेशन)

(N.R.S. GANESAN)

न्यायिकसदस्य/Judicial Member

Sd/-

(एसजयरामन)

(S. JAYARAMAN)

लेखासदस्य/Accountant Member

चेन्नई/Chennai,

दिनांक/Dated: 17th September , 2018

JPV

आदेशकीप्रतिलिपिअग्रेषित/Copy to:

1. अपीलार्थी/Appellant 2. प्रत्यर्थी/Respondent

4. आयकरआयुक्त/CIT 5. विभागीयप्रतिनिधि/DR

3. आयकरआयुक्त) अपील(/CIT(A)

6. गार्डफाईल/GF