

आयकर अपीलीय अधिकरण, चण्डीगढ़ न्यायपीठ, चण्डीगढ़  
IN THE INCOME TAX APPELLATE TRIBUNAL  
'SMC' BENCH, CHANDIGARH

BEFORE SHRI SANJAY GARG, JUDICIAL MEMBER

आयकरअपीलसं./I.T.A. Nos.583& 584/CHD/2024  
निर्धारणवर्ष / Assessment Years: 2019-20& 2021-22

Gurdwara Sri Guru Hargobind Sahib, Sector 30B, Chandigarh 160030	बनाम	Income Tax Officer, Ward 5(5), Chandigarh
स्थायीलेखासं./PAN NO: AABTG7932L		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

(PHYSICAL HEARING)

निर्धारितीकीओरसे/Assessee by : Shri. B.M. Monga, Adv. &  
Shri.Rohit Kohra, Adv.

राजस्वकीओरसे/ Revenue by : Shri. Vivek Vardhan, J.C.I.T

सुनवाईकीतारीख/Date of Hearing : 13.11.2024

उदघोषणाकीतारीख/Date of Pronouncement : 04.12.2024

**आदेश/Order**

The captioned appeals have been preferred by the assessee against the separate orders passed by the Id. Commissioner of Income Tax, Appeal Addl./JCIT (A)-1, Hyderabad [hereinafter referred to as the "Ld. CIT(A)"] of even date 22.03.2024 for the Assessment Years: 2019-20 & 2021-22. Since the facts involved in both the appeals are the identical, hence, the same are being disposed of with this common order.

2. ITA No. 584/CHD/2024 is taken as a lead case for the purpose of narration of facts.

**ITA No. 584/CHD/2024**

3. The brief facts of the case are that during the year under consideration, the assessee was not registered as charitable trust u/s 12A of the Income Tax Act. The assessee claimed deduction u/s 11 of the Income Tax Act, however, the same was denied by the Assessing Officer. However, while the computing the taxable income of the assessee, the Assessing Officer added the entire receipts without deduction of the claim of expenditure.

4. Being aggrieved, the assessee preferred the appeal before the 1d. CIT(A) which was delayed by 105 days. It was pleaded before the 1d. CIT(A) that the delay had occurred due to change of the management of the assessee trust. The 1d. CIT(A) admitted the said appeal and condoned the delay. However, on merits, he declined the plea of the assessee that assessee is entitled to the deduction of expenditure for the purpose of computation/assessment of its income.

5. I have heard the rival contention and gone through the record. It is the basic principle for the levy of income tax that the taxes are to be levied on the net income after deduction of expenditure from

the total receipts. Therefore, the denial of deduction of expenditure on the part of the lower authorities is wrong and illegal. I, therefore, set aside the impugned order of the Id. CIT(A) and direct the Assessing Officer to duly consider the contention of the assessee to examine the records and ensure that only the net total income of the assessee is taxed after deduction of the admissible expenditure.

The appeal of the assessee stands allowed.

**ITA No. 583/CHD/2024:**

6. The facts and issue involved in this appeal are identical to that have been discussed above in ITA No. 584/CHD/2024. The only distinction is that the Ld. CIT(A), in this case, has not condoned the delay in filing the appeal. Considering the facts and circumstances of the case, the delay in filing the appeal before the Id. CIT(A) is condoned. In view of my findings given above, the impugned order of the Id. CIT(A) is set aside and the matter is restored to the file of the Assessing Officer with a direction to pass a fresh assessment order in terms as indicated above while adjudicating ITA No. 584/CHD/2024.

7. In the result, both the appeals filed by the assesseees are treated as allowed for statistical purposes.

Order pronounced on 04.12.2024.

**Sd/-**  
**(SANJAY GARG)**  
**Judicial Member**

**Dated :04.12.2024**

“GP/Sr.PS.”

आदेशकीप्रतिलिपिअग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकरआयुक्त/ CIT
4. विभागीयप्रतिनिधि, आयकरअपीलीयआधिकरण, चण्डीगढ़/ DR, ITAT,  
CHANDIGARH
5. गार्डफाईल/ Guard File

आदेशानुसार/ By order,  
सहायकपंजीकार/ Assistant Registrar