

DIRECT TAX READY RECKONER -ICAI AGRA			
MONTH : SEPTEMBER-2018			
S.NO.	NOTIFICATION/CIRCULAR NO/CASE LAW	DATE/APEAL NUMBER	HIGHLIGHTS
1	Principal Commissioner of Income Tax vs. R.F. Nangrani (HUF) (HIGH COURT OF BOMBAY)	IT Appeal No. 33 of 2016	Amount received by the retiring partner as goodwill cannot be subjected to tax as capital gains in his hands. The fact that the cost of acquisition of goodwill is Nil in the hands of partner will arise only when it is established that the amount received by the partner is taxable as capital gains.
2	Raghavan Nair Vs. Assistant Commissioner of Income Tax & Anr. (HIGH COURT OF KERALA)	Writ Petn. No. 26004 of 2017	In a case where it is apparent on the face of the record that the assessee has included in his return, an income which is exempted from payment of income-tax, on account of ignorance or by mistake, the AO is bound to take into account the said fact in proceedings U/s 143.
3	Principal Commissioner of Income Tax vs. Kulwant Singh Bhatia (HIGH COURT OF MADHYA PRADESH)	IT Appeal Nos. 9 to 14 of 2018	Penalty notices u/s 274 r/w 271(1)(c) were issued in the typed format without striking off either of two charges, i.e., "have concealed the particulars of your income" or "furnished inaccurate particulars of income" - considering the fact that the ground mentioned in show-cause notice would not satisfy the requirement of law, as notice was not specific, the order of penalty imposed was rightly set aside.
4	Sunrise Academy of Medical Specialities (India) (P) Ltd. vs. Income Tax Officer (HIGH COURT OF KERALA)	Writ Appeal No. 1297 of 2018	Any premium received by the company on sale of shares, in excess of its face value, if the company is not one in which the public has substantial interest, would be treated as income from other sources u/s 56(2)(viib)
5	Commissioner of Income Tax (Exemptions) vs. Seth Vinod Kumar Somani Charitable Trust (HIGH COURT OF PUNJAB & HARYANA)	IT Appeal No. 47 of 2018	Assessee society was granted registration u/s 12AA by CIT(Exemption) meaning thereby, the CIT(Exemption) was satisfied that the aims and objects of the assessee were for charitable purposes; purchase of land and building by itself would not be sufficient to conclude that the assessee is involved in non-charitable activities; the approach of CIT(Exemption) declining approval u/s 80G(5)(vi) cannot be said to be reasonable and legally sustainable.
6	Sanmar Speciality Chemicals Ltd. vs Income Tax Officer (HIGH COURT OF MADRAS)	Tax Case (Appeal) No. 885 of 2008	Tribunal has no power under the IT Act to enhance the assessment in an appeal, equally, it cannot be done on an order of remand being passed by the Tribunal to the AO.
7	Principal Commissioner of Income Tax vs. Manzil Dineshkumar Shah (HIGH COURT OF GUJARAT)	Tax Appeal Nos. 451, 457 & 458 of 2018	AO had received information regarding bogus purchases by some persons which included the assessee; according to the AO, this information 'needed deep verification', reporting being for verification i.e., reopening for fishing enquiry was not sustainable.
8	Press Note - Income Tax	PIB Press Release, dt. 31st August, 2018	Draft notification proposing amendments in rule 114 of the Income-tax Rules, 1962 and Permanent Account Number application Forms (Form 49A and Form 49A)
NOTE	<i>Above Updates are compiled from various sources and are subject to changes made by further notifications/circulars. Please Cross Check the same from other relevant resources.</i>		
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