(2001) 12 MAD CK 0073

In the Madras High Court

Case No : Tax Case No. 805 of 1990 13 December 2001

Agasthiyar Trust APPELLANT

Vs

CWT RESPONDENT

Date of Decision : 13-12-2001

Acts Referred:
Wealth Tax Act, 1957 — Section 5(1)(i)

Citation : (2003) 130 TAXMAN 497

Hon'ble Judges : R. Jayasimha Babu, J;A.K. Rajan, J

Bench : Full Bench

Advocate : P.P.S. Janardhanaraja, for the Assessee J. Nareshkumar, for the Revenue, for the Appellant;

Judgement

R. Jayasimha Babu, J.

The question that is referred for our consideration is,

"Whether, on the facts and the circumstances of the case in the absence of definition of charitable purpose (in Wealth Tax Act), the Tribunal was right in holding that the assessee is not entitled to exemption u/s 5(1)(i) of the Wealth Tax Act ?"

The assessment year is 1973-74.

2. The Tribunal declined to accept the contention that the assessee-Trust is entitled to exemption u/s 5(1)(i) of the Wealth Tax Act on the ground that the assessee''s claim for such exemption u/s 11 of the Income Tax Act on identical facts had been negatived by this court earlier. The decision of this court on which the Tribunal relied was subsequently reversed by the Supreme Court in the decision rendered in Civil Appeal Nos. 1846-63 of 1988 decided on 5-2-1998.

3. Having regard to the decision of the Supreme Court holding that the assessee-Trust is entitled to exemption u/s 11 of the Income Tax Act, its claim for exemption u/s 5(1)(i) of the Wealth Tax Act also is required to be upheld as the

facts are identical. The question referred to us is answered in favour of the assessee and against the revenue.

