(1986) 07 MP CK 0032

In the Madhya Pradesh High Court

Case No : M.C.C. No. 361 of 1984

Commissioner of Income Tax APPELLANT

Vs

S.C. Deora RESPONDENT

Date of Decision : 15-07-1986

Acts Referred:
Income Tax Act, 1961 — Section 16

Citation : (1986) 07 MP CK 0032

Hon'ble Judges : G.G. Sohani, J;B.B.L. Shrivastava, J

Bench : Division Bench

Advocate : R.C. Mukati, for the Appellant; Chitale, for the Respondent

Judgement

1. By this reference u/s 256(1) of the Income Tax Act, 1961 (hereinafter referred to as "the Act") the Income Tax Appellate Tribunal, Indore Bench, has referred the following question of law to this court for its opinion :

"Whether, on the facts and in the circumstances of the case, the Tribunal is justified in holding that standard deduction is allowable in respect of each source of salary ? "

2. The material facts giving rise to this reference, briefly, are as follows:

The assessee is an individual and for the assessment years in question, the assessee received salary from more than one employer. The Income Tax Officer granted standard deduction amounting to Rs. 1,000 only. The contention urged on behalf of the assessee that he was entitled to standard deductions separately in respect of salary received from each employer was not upheld by the Income Tax Officer. The appeal preferred by the assessee before the Appellate Assistant Commissioner was dismissed but the Tribunal in second appeal upheld that contention. Aggrieved by the order passed by the Tribunal, the Revenue sought a reference and it is at the instance of the Revenue that the aforesaid question of law has been referred to this court for its opinion.

3. At the time of hearing, learned counsel for the Department brought to our notice that the question arising in this case arose in Commissioner of Income Tax Vs. P.S. Kalani, (Misc. Civil Case No. 181 of 1984) and in that case, this court held that the Tribunal was not justified in holding that the assessee was entitled to separate deductions u/s 16 of the Act on the amount of salary received from the three employers during the accounting year in question in view of the amendment to Section 16 of the Act, which was brought into force retrospectively with effect from April 1, 1975. Learned counsel for the assessee fairly conceded that in view of the fact that the matter is concluded by the decision of this court in Commissioner of Income Tax Vs. P.S. Kalani, (Misc. Civil Case No. 181 of 1984), the answer to the question referred to this court would be in the negative and against the assessee.

4. Our answer to the question referred to this court is, therefore, in the negative and against the assessee. In the circumstances of the case, parties shall bear their own costs of this reference.

