

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

**BEFORE SHRI RAJPAL YADAV, VICE PRESIDENT AND
SHRI MANOJ KUMAR AGGARWAL, ACCOUNTANT MEMBER**

आयकर अपील सं./ ITA No. 640/CHD/2025

निर्धारण वर्ष / Assessment Year: 2018-19

Shri Rakesh Gupta, House No. 64, New Bank Colony, Khanna.	Vs	The DCIT/ACIT-TDS, Chandigarh.
स्थायी लेखा सं./PAN NO: AGNPK8978Q		
अपीलार्थी/Appellant		प्रत्यर्थी/Respondent

Assessee by : None (Written Submission)

Revenue by : Dr. Ranjit Kaur, Addl. CIT, Sr.DR

Date of Hearing : 06.10.2025

Date of Pronouncement : 12.11.2025

PHYSICAL HEARING

O R D E R

PER RAJPAL YADAV, VP

The assessee is in appeal before the Tribunal against the order of the 1d. Commissioner of Income Tax (Appeals) [in short 'the CIT (A)'] dated 28.02.2025 passed for assessment year 2018-19.

2. The grievance of the assessee is that 1d.CIT (Appeals) has erred in upholding the order of AO passed u/s 201(1A) of the Income Tax Act, 1961.

3. With the assistance of 1d. CIT DR, we have gone through the record carefully. It emerges out from the record that assessee had purchased a flat from M/s Homeland Buildwell Pvt. Ltd. According to the AO, it failed to deduct TDS u/s 194-IA(1) of the Income Tax Act. It is pertinent to note that two persons have jointly purchased a flat for a consideration of Rs.86,50,000/-. The share of the assessee was Rs.43,25,000/-. The AO was of the view that on payment of consideration more than Rs.50 lacs, purchaser is required to deduct TDS @ 1% of the consideration. The stand of the assessee is that his share was only Rs.43,25,000/- which is less than the prescribed limit of Rs.50 lacs and therefore, he was not supposed to deduct the TDS. In support of this contention, reliance was placed on the order of the ITAT, Jaipur in the case of Smt. Sandhya Gugalia, Jaipur Vs DCIT ITA No.77 & 78/JP/2018. This appeal was decided on 08.06.2018. In this order, the Tribunal has held that where property is being purchased under joint ownership and each purchaser's share does not exceed Rs.50 lacs, then Section 194-IA is not attracted.

4. On due consideration of this aspect, we are of the view that assessee was not under obligation to deduct TDS and therefore, he cannot be held in default u/s 201(1)/201(1A) of the Income Tax Act. Both the orders are, accordingly, quashed.

5. In the result, appeal is allowed.

Order pronounced on 12th Nov., 2025.

Sd/-

Sd/-

**(MANOJ KUMAR AGGARWAL)
ACCOUNTANT MEMBER**

**(RAJPAL YADAV)
VICE PRESIDENT**

“Poonam”

आदेश की प्रतिलिपि अग्रेषित/ Copy of the order forwarded to :

1. अपीलार्थी/ The Appellant
2. प्रत्यर्थी/ The Respondent
3. आयकर आयुक्त/ CIT
4. विभागीय प्रतिनिधि, आयकर अपीलीय आधिकरण, चण्डीगढ़/ DR, ITAT, CHANDIGARH
5. गार्ड फाईल/ Guard File

सहायक पंजीकार/ Assistant Registrar