

Moti B. Totlani

That deduction u/s.80P in respect of interest earned by a Co-operative Housing Society from Co-operative Bank was denied by CPC while processing the return u/s.143(1), even application u/s.154 was rejected by CPC and CIT(A) dismissed the first appeal. Hon'ble Tribunal allowed the assessee's appeal and directed the department to allow deduction u/s.80P. (The Mota Mahal Co-Op. Hsg. Society Ltd. v. ITO.WD.19(3)(1) Mumbai. ITA. No.56/ MUM/2023 dt.31-03-2023). That section 2(22)(e) (Deemed dividend - Loans and advances) would not be applicable where assessee availed unsecured loan from its group company which was paid back with interest in same year. (Principal Commissioner of Income-tax v. GovindPromoters (P.....