

Assessee eligible for sec. 54F relief if second house occupied by him is situated in foreign country: ITAT

INCOME TAX : Proviso to section 54F(1) which contains condition that deduction is not available if assessee owns more than one residential house, other than new asset, should be interpreted to mean ownership of residential houses in India and, therefore, deduction under section 54F could not be denied solely on ground that assessee jointly owned two residential houses in USA

Section [54F](#) of the Income-tax Act, 1961 - Capital gains - Exemption of, in case of investment in residential house (Residential house) - Assessment year 2015-16 - Assessee, a non-resident, had sold land in India and had claimed exemption under section 54F by reinvesting in residential house in India - Benefit of section 54F was denied by Commissioner (Appeals) solely on ground that assessee jointly owned two residential houses in USA - Whether proviso to section 54F(1) which contains condition that deduction is not available if assessee owns more than one residential house, other than new asset, should be interpreted to mean ownership of residential houses in India - Held, yes - Whether therefore, ground on which deduction under section 54F was denied that assessee owned two residential houses in USA was not tenable - Held, yes - Whether, assessee was entitled for claiming deduction under section 54F for investments made in India in one residential house within stipulated time limit - Held, yes [Para 12] [In favour of assessee]

Click below link for the judgment:

<https://www.taxmann.com/research/direct-tax-laws/top-story/10101000000330172/assessee-eligible-for-sec-54f-relief-if-second-house-occupied-by-him-is-situated-in-foreign-country-itat-caselaws>

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