

## **Cash expense incurred by Actor in excess of Rs. 20,000 on travelling, costumes and makeup was allowable; High Court**

**Summary – The High Court of Madras in a recent case of R.S. Suriya, (the Assessee) held that where assessee was a film artist and incurred expenditure in cash in excess of Rs. 20,000 on costumes, makeup, wig material, travelling expenses etc., at different places of shooting same was to be allowed**

### **Facts**

- The assessee claimed to be a leading film artist. It claimed professional expenditure. The Assessing Officer disallowed some of the expenses claimed by the assessee in excess of Rs.20,000 in terms of Section 40A(3) and other expenses claimed were disallowed for want of evidence.
- On appeal, the Commissioner (Appeals), held that though there was no supporting evidence, the incurring of expenditure by the assessee, who was an actor, at different places where shooting took place could not be ruled out. He further held that the assessee was required to incur expenses on costumes and make up, wig material, health and gymnasium, dance and fight master, stills and publicity, telephone charges, travelling expenses, etc. The Commissioner (Appeals), considering the nature of expenses incurred by the assessee, partly allowed the appeal and a part of addition was deleted while the balance addition was confirmed.
- On appeal, the Tribunal confirmed the order passed by the Commissioner (Appeals) and dismissed the appeals filed by the department.
- On appeal:

### **Held**

- The assessee pleaded before the Commissioner (Appeals) as well as before the Assessing Officer that he is professional actor and expended amount on account of wigs, makeup and other accessories for the purpose of his profession as a cine artist and also incurred expenditure on account of his professional calling as an actor. While major part of the claim was disallowed by the Assessing Officer under section 40A(3), the Commissioner (Appeals) found that there is reasonableness in the claim of the assessee insofar as the expenses incurred towards travelling, wig, makeup, costumes, etc.. The Commissioner (Appeals) has decided the issue on the basis of the statement made by the assessee and taking into consideration the overall expenditure claimed under various heads, thought it fit to allow the expenditure under these heads. The said finding of fact was confirmed by the Tribunal.
- It is found that this is a pure question of fact and there is no substantial question of law involved to consider the matter as a tax appeal. It is also not the specific case of the revenue that the order of the Commissioner (Appeals) as well as the Tribunal is perverse or in violation of any provision of law.

The grounds of appeal raised are pure questions of fact and, therefore, there is no merits in these appeals.