

## **Developer entitled to Claim Depreciation of Public Roads, Treating Same as Building: Madras High Court**

### **FACT OF THE CASE**

- The assessee, M/s. L & T Transportation Infrastructure Ltd. is engaged in the business of the development of infrastructural facilities and developed a bye-pass road bridge in Coimbatore.
- The assessee has claimed depreciation on-road/bridge. In the assessment order, the Assessing Officer has held that the assessee is not entitled to depreciation on-road/bridge, since the assessee itself amortized the cost of the road/bridge over the construction period of 30/20 years and denied the claim of the assessee.
- Challenging the order of assessment, the assessee preferred an appeal before the Commissioner of Income Tax directed the Assessing Officer to allow the claim of the assessee.
- Aggrieved over the same, the Revenue preferred an appeal before the Income Tax Appellate Tribunal, and the Tribunal dismissed the appeal. Challenging the order passed by the Income Tax Appellate Tribunal, the Revenue has filed the appeal.

### **DECISION OF THE CASE**

- The Madras High court held that the developer was entitled to claim depreciation of public roads, treating the same as Building.