

Bhagwan Dass Jain v. Union of India and Others

Special Leave Petition (Civil) No. 8720 of 1979

[1981] 2 SCR 808 | 1981-02-11

Income tax: notional annual value of a self-occupied house was within Parliament's Entry 82 power.

Income-tax Act, 1961: sections 4, 14, 22-27 and historical section 23(2) | Constitution of India: Article 136; Lists I Entry 82 and II Entry 49

2-judge bench; reasoned order delivered by E. S. Venkataramiah, J. | A. P. Sen, J. | E. S. Venkataramiah, J.

Assessment years: Historical self-occupied-property assessment

Historical statutory setting

Section 23(2) has been materially amended; the judgment does not state current self-occupied-house computation rules.

Fact and procedural limits

Apply the holding only within the facts, statutory text and procedural posture described in the primary report.

No current-law clearance

Later judicial treatment and current statutory applicability have not been comprehensively checked; no current-law or citator clearance is represented.

01 FACTS OF THE CASE

The assessee occupied his own residence and challenged inclusion of statutory annual value, arguing that no cash receipt arose and that the levy was really a State-field tax on buildings rather than income tax (SCR pp.810-811; PDF pp.3-4).

Source: [Primary judgment: facts](#)

02 DISCUSSION BY THE HON'BLE COURT

Legislative entries include ancillary matters and receive liberal construction. Income is not confined to cash receipts; self-use creates an economic benefit capable of statutory measurement. Legislative history supported treating bona fide annual value as income, so the levy addressed income from property rather than the building itself (SCR pp.811-816; PDF pp.4-9).

Source: [Primary judgment: discussion](#)

03 JUDICIAL DECISION

The Court refused special leave and dismissed the petition (SCR p.816; PDF p.9).

Source: [Primary judgment: decision](#)

04 OUTCOME / IN WHOSE FAVOUR

In favour of the Union/Revenue on the constitutional issue; no disputed numerical annual-value computation was adjudicated (SCR p.816; PDF p.9).

Source: [Primary judgment: outcome](#)

05 AKHB REVIEW POINT

AKHB analysis: distinguish the subject of a levy from its computational measure. A notional measure does not itself turn an income tax into a property tax; verify the statutory version governing the year (based on SCR pp.815-816; PDF pp.8-9).

Source: [Primary judgment: review point](#)

SOURCE & VERIFICATION

[Supreme Court Reports scan - public eSCR mirror](#)

Full 9-page SCR source asset read in page-preserving text and visually inspected; adjacent-report boundaries were checked.

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Exact source bytes, SHA-256 and 9-page count match catalogue asset 1981_2_808_816; every page was read and visually inspected.

The source verifies the stated identity, bench, statutory issue and operative order.

No exact source-hash, asset-ID, SCR-citation, docket or same-judgment match was found in the published corpus or reviewed archive.

STATUTORY SCOPE

Section 23(2) has been materially amended; the judgment does not state current self-occupied-house computation rules.

LATER TREATMENT

Source checked 2026-10-11. Later judicial treatment and current statutory applicability have not been comprehensively checked; no current-law or citator clearance is represented.

AI DISCLOSURE

This AKHB research note was prepared with AI assistance from the identified primary report and has not been represented as independently human-reviewed.

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General legal and tax research only; not legal or tax advice. Verify the original judgment, the governing historical statute and subsequent judicial treatment before reliance. The AKHB REVIEW POINT is editorial analysis, not the Court's holding, and no current-law clearance is claimed.