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GRENADA
Wednesday 22nd June 2011

APPLICATIONS AND APPEALS

Case Name:		**Celia Edwards v The Comptroller of Inland Revenue [High Court Claim No. 83 of 2011]**
Before:		**The Hon. Mr. Hugh A. Rawlins, Chief Justice**
Appearances:		
	Appellant:	**Ms. Karina Johnson**
	Respondent:	**Mrs. Kinna Marrast-Victor**
Issues:		**Application for an extension of time to allow the respondent to file and serve submissions – Application to deem submissions as having been properly filed – Application for relief from sanctions for the late filing of submissions – Whether the Income Tax Commissioners erred in law by upholding the decision of the Comptroller of Inland Revenue – Whether the Comptroller of Inland Revenue's decision to reassess the appellant's income tax liability was arbitrary – Whether the Comptroller of Inland Revenue was obliged to provide clear reasons for the purpose of reassessing the appellant's income tax liability for the years 2003 and 2004 – Whether, in readjusting the appellant's income tax, the Comptroller of Inland Revenue used his best judgment**
Result / Order:		**Application:** **[Oral delivery]** **1. The application for an extension of time to file and serve submissions is granted so that the submissions which the respondents filed herein, on 3rd June 2011, are deemed to have been properly**

filed.

2. The respondent shall pay $1,500.00 agreed costs to the appellant on this application.

Substantive Appeal:
[Oral delivery]

1. The appeal is allowed and the matter is remitted to the Comptroller of Inland Revenue for him to exercise his discretion in making the assessment or reassessment in accordance with legal principles.
2. Costs awarded to the appellant in the sum of $2,100.00.

Reason:

Application:
The Court was of the view that while the reasons stated in the respondent’s affidavit were not sufficient to support their application for an extension of time, submissions of counsel do benefit the Court. In particular, they allow counsel to draw to the judge’s attention important points on the matter. It is for this reason that the respondent’s application was granted.

Substantive Appeal:
There was no evidence before the Court to indicate that the Comptroller of Inland Revenue used his best judgment in exercising his powers of assessment, on a basis or bases that could be discerned. The Court could not automatically assume without supporting evidence that the Comptroller used his best judgment in the readjustment of the appellant’s income tax liability.