Vodafone International Holdings v. Union of India

Taxation · (2012) 6 SCC 613 · 2012

Facts

Cross-border share transfer taxed as capital gains in India.

Issues

Whether offshore transfers attract Indian tax.

Arguments

Look-at vs. look-through approach.

Decision

Transaction not taxable in India.

Legal Principles

Legitimate tax planning is permissible.

Ratio Decidendi

Section 9(1)(i) did not cover indirect transfers pre-amendment.

Obiter Dicta

Certainty is central to taxation.

Exam Notes

Led to retrospective amendment and eventual withdrawal.

Interview Notes

Great for BEPS discussion.

Articles / Sections

- Section 9(1)(i)
- Section 195 IT Act