

Teoh Chai Siok - - - - - - - *Appellant*

v.

Director General of Inland Revenue - - - - *Respondent*

FROM

THE FEDERAL COURT OF MALAYSIA

ORAL JUDGMENT OF THE LORDS OF THE JUDICIAL COMMITTEE
OF THE PRIVY COUNCIL, DELIVERED THE
11TH FEBRUARY 1981

Present at the Hearing :

LORD EDMUND-DAVIES
LORD RUSSELL OF KILLOWEN
LORD KEITH OF KINKEL
LORD BRIDGE OF HARWICH
SIR JOHN MEGAW

[Delivered by LORD EDMUND-DAVIES]

This is an appeal from a judgment of the Federal Court of Malaysia. The matter started with an additional assessment of income tax for the year of assessment, 1974, made against the appellant. He appealed to the Special Commissioners against that assessment and the appeal was dismissed.

The appellant then proceeded by way of case stated to appeal to the High Court in Malaya and the question of law for the opinion of the court was whether, on the evidence before the Commissioners, they were entitled to hold that an isolated transaction, the nature of which need not now be gone into, was an adventure or concern in the nature of trade. Were that so, any profits or gains derived therefrom would admittedly be assessable to income tax. The learned judge in the High Court dismissed the appeal and in due course the appellant appealed to the Federal Court, who on 25th June 1977 again dismissed the appeal.

Having heard learned counsel for the appellant urge all that could properly be said on behalf of his client, their Lordships have not found it necessary to call upon learned counsel for the respondent. So convinced are their Lordships regarding the proper outcome, indeed the inevitable outcome, of this appeal that they propose neither to reserve judgment nor to say more than that they are in respectful agreement with the decision arrived at by the Federal Court and for the reasons which appear in their judgment.

Their Lordships will accordingly advise His Majesty the Yang di-Pertuan Agong that the appeal should be dismissed and that the appellant should pay the respondent's costs of the appeal.

In the Privy Council

TEOH CHAI SIOK

v.

DIRECTOR GENERAL OF INLAND
REVENUE

DELIVERED BY
LORD EDMUND-DAVIES