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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\# **CNR No. DLHC010433452026**

\+ W.P.(C) 13368/2026

GODADDY.COM LLC

.....Petitioner

Through: Mr. Sachit Jolly, Sr. Adv. with Mr. Sohum Dua, Adv.

versus

ASSISTANT COMMISSIONER OF INCOME TAX CIRCLE 1 3 1 INTERNATIONAL TAXATION NEW DELHI & ANR.

.....Respondents

Through: Mr. Siddhartha Sinha, SSC.

CORAM:
HON'BLE MR. JUSTICE DINESH MEHTA
HON'BLE MR. JUSTICE RAJNEESH KUMAR GUPTA

O R D E R

% 14.09.2026

CM APPL. 62215/2026 (exemption)

1. Allowed, subject to all just exceptions.

2. Application stands disposed of.

W.P.(C) 13368/2026 & CM APPL. 62216/2026 (stay)

3. Apprising the Court about the nature of petitioner’s business, Mr. Sachit Jolly, learned senior counsel submitted, that the petitioner merely act as a Registrar in providing the domain registrations to the Indian customers, it is neither the owner of the domain name nor is the holder of any proprietary or licensing rights of those domain names and in the absence of ownership of the

domain names, it cannot confer the right to use or transfer the right to use such domain names to the customers or another person/entity.

4. He further submitted that the above stand of the petitioner has been upheld by Delhi High Court in petitioner's own case for Assessment Years 2013-14 to 2015-16 and it has been held that the income earned from the customers for getting their domain name registered, cannot be treated as royalty under the provisions of Section 9(1)(vi) of the Income Tax Act, 1961 *(hereinafter referred to as the 'Act of 1961')*. He further submitted that the Income Tax Appellate Tribunal *(hereinafter referred to as the 'Tribunal')* in petitioner's case for Assessment Years 2016-17 to 2019-20 as well as 2021-22 & 2022-23 has held that such receipts are also Fee for Technical Services and against such orders of the Tribunal, no appeal has been preferred by the Revenue and therefore, such finding has attained finality.

5. Learned senior counsel further submitted that in an incidental matter, relating to grant of certificate under Section 197 of the Act of 1961, *vide* its order dated 04.02.2026, this Court had directed the competent authority to issue a certificate at nil rate as per the judgment of this Court, subject of course to a caveat that if Permanent Establishment (PE) is not found.

6. In the backdrop of the aforesaid facts, learned senior counsel argued that though there is not even an iota of evidence indicating the petitioner is having a Permanent Establishment in India, yet, the Assessing Officer, for reasons best known to him, has initiated proceedings under Section 148 of the Act of 1961 by way of notice dated 30.03.2026 under Section 148A(1) of the Act of 1961 issued on 30.03.2026 and in spite of the fact that the petitioner filed a detailed reply bringing the above facts and relevant judgments to the notice of the Assessing Officer, he has brushed aside all those submissions

and has rejected petitioner's objections cursorily by way of passing an order dated 30.06.2026 under Section 148A(3) of the Act of 1961.

7. Learned senior counsel argued that the impugned order dated 30.06.2026 is arbitrary and contrary to facts and law. He added that the same shows the adamancy of the Assessing Officer, who was pre-determined to proceed against the petitioner.

8. Learned senior counsel argued that the proceedings against the petitioner are fundamentally void and without jurisdiction besides being arbitrary. He contended that the petitioner's case has been examined year-after-year and in most of the years, petitioner's case has been subjected to scrutiny assessment under Section 143(3) of the Act of 1961. And, therefore, it is a case of change of opinion, maybe not for this particular Assessment Year. He argued that the petitioner's case cannot be subjected to proceedings under Section 148 of the Act of 1961.

9. Issue notice of the writ petition so also of the stay application.

10. Mr. Siddhartha Sinha, learned senior standing counsel accepts notice on behalf of the respondent-department. Mr.Sinha prays for and is granted eight weeks' time to file reply. Rejoinder, if any, be filed within six weeks thereafter.

11. Having heard learned counsel for the parties and in view of what we have noted above, we are of the view that the Assessing Officer is proceeding in the matter with an over-zealous approach, being guided by revenue considerations. He has ignored objectivity and basic tenet of tax adjudication system, being certainty and finality of the assessment proceedings.

12. The proceedings in furtherance of notice dated 30.06.2026, issued under Section 148 of the Act of 1961 are therefore stayed until the next date of

hearing.

13. List this case on 20.01.2027.

DINESH MEHTA, J.

RAJNEESH KUMAR GUPTA, J.

SEPTEMBER 14, 2026

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