

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO-140
ANSWERED ON – 22/07/2024

DECRIMINALIZING MINOR OFFENCES IN DIRECT TAX MATTERS

140 Shri Lumba Ram:

Shri Brijmohan Agrawal:

Shri Bhartruhari Mahtab:

Shri Balya Mama Suresh Gopinath Mhatre:

Shri Vijay Kumar Dubey:

Shri P P Chaudhary:

Shri Tatkare Sunil Dattatrey:

Shri Vishnu Dayal Ram:

Shri Naba Charan Majhi:

Will the Minister of Finance be pleased to state:

- (a) whether the Government has taken any measures for decriminalizing minor offences in direct tax matters, if so, the details thereof;
- (b) the initiatives taken in tax administration in this regard;
- (c) whether the Government is considering decriminalization of more laws covered by the finance Ministry; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) Yes, Sir.

(b) The Income-tax Act, 1961 ('the Act') has been amended so as to decriminalise Section 276A (entailing imprisonment of minimum six months extending up to two years) relating to failure of liquidator to give notice of his appointment to the Jurisdictional Assessing Officer within 30 days or failure to set aside notified amount from, or parts with any of the assets of company under liquidation. The Finance Act, 2023, with effect from 01.04.2023, has introduced a sunset clause in section 276A of the Income-tax Act, 1961 which prescribes that no fresh proceedings shall be initiated under section 276A on or after 01.04.2023.

Further, CBDT has issued revised guidelines for compounding of offences under section 279(2) of the Act on 16.09.2022 with reference to various offences covered under the prosecution provisions of the Act.

(c) & (d) Any modification related to decriminalization in tax laws are reflected in the Annual Finance Bill placed before the parliament.
