

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:127  
ANSWERED ON:03.03.2000  
LAW TO CHECK BLACK MONEY  
MANIKRAO HODLYA GAVIT;PUTTASWAMY GOWDA

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government are contemplating to enact a law to check black money;
- (b) if so, the details thereof and the time by which this law is likely to be enacted; and
- (c) the other steps taken by the Government to check the generation of black money?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(V. DHANANJAYA KUMAR)

(a) No, Sir.

(b) Does not arise.

(c) The Government have been taking necessary legislative, fiscal and administrative measures from time to time to prevent generation of black money. Rates of taxation have been progressively rationalised. Besides, the Income-tax Act, 1961 contains a number of provisions aimed at preventing generation of black money. These include, inter alia, provisions regarding compulsory maintenance and audit of accounts in appropriate cases under section 44AA and 44AB, restrictions on cash transactions under section 40A(3), 269SS and 269T, pre-emptive purchase of properties under Chapter XXC and provisions regarding penalties and prosecutions for punishing tax defaulters.