

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:451  
ANSWERED ON:20.11.2009  
CORPORATE AND INCOME TAX COLLECTION  
Reddy Shri Anantha Venkatarami

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

- (a) what is the total gross arrear demand of corporate tax and income-tax as on September 30, 2009;
- (b) whether there are any cases of evasion of corporate and income-tax by some industries and individuals;
- (c) if so, the details thereof as on September 30, 2009;
- (d) whether the Government propose to take any steps to ensure prompt collection of taxes from all sources for the all-round development of the country ; and
- (e) if so, the details thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a) The total gross arrear demand as on September 30, 2009 is Rs. 1,98,506 crore. This includes arrear from Corporate Income tax of Rs. 1,33,232 crore and arrear from Personal Income Tax of Rs. 65,274 crore.
- (b) & (c) The exact quantification of arrear demand arising out of evasion of taxes is not centrally maintained. However, the total Arrear demand difficult to recover in Corporate Income Tax and Personal Income Tax as on September 30, 2009 is Rs. 1,85,437 crore. In these cases demand cannot be collected because of various reasons like demand notified under Special Courts, Companies under liquidation, no assets or inadequate assets for recovery, stays given by various courts etc. Hence, then net collectible demand out of arrears is only Rs. 13,069 crore.
- (d) & (e) Apart from the statutory measures taken for recovery of outstanding tax dues as prescribed under the Income Tax Act (including attachment of bank account, attachment and sale of immovable property, etc), the following special measures are also being taken to expedite recovery of direct tax arrears.
  - (i) Monitoring of recovery of amount in large cases by a Task Force.
  - (ii) Identification of cases involving substantial amount pending before Commissioners (Appeals) and ITAT and requesting these authorities to dispose off such appeals early so that the amount can be collected during current financial year itself.
  - (iii) Monitoring of all outstanding arrear above Rs.10 crore by CBDT along with the Directorate of (Recovery).