GOVERNMENT OF INDIA FINANCE LOK SABHA

UNSTARRED QUESTION NO:4567 ANSWERED ON:20.08.2010 RECOVERY DUE TO INFORMERS OF TAX EVASION Alagiri Shri S.

Will the Minister of FINANCE be pleased to state:

(a) the amount of tax evasion recovered due to information supplied by informers during each of the last three years;

(b) whether the Government give incentive on information about evasion of direct taxes and indirect taxes by the informers; and

(c) if so, the details of the rewards fixed in this regard?

Answer

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

(a): The amount of tax evasion recovered due to information supplied by informers is not centrally maintained.

(b): Yes, Sir.

(c): So far as direct taxes are concerned, the Competent Authority may grant reward not exceeding 10% of the extra income-tax and wealth tax levied and actually realized subject to the conditions laid down in the Reward Guidelines.

So far as indirect taxes are concerned, the informers are eligible for reward upto 20% of the net sale-proceeds of the contraband goods seized and or amount of duty evaded plus amount of fine and penalty levied/imposed and recovered or at the specific rates indicated.