GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:957
ANSWERED ON:30.07.2010
TAXES OUTSTANDING AGAINST MNCS
Maadam Shri Vikrambhai Arjanbhai

Will the Minister of FINANCE be pleased to state:

(a) the details of income tax outstanding against each Multi-National Company (MNCs) during each of the last three years;

(b) the reasons for not recovering the taxes from the companies by the Government; and

(c) the steps taken or proposed to be taken to recover the outstanding taxes from the MNCs?

Answer

MINISTR OF THE STATE IN THE MINISTRY OF FINANCE (SH. S.S.PALANIMANICKAM)

(a)&(b) No separate database regarding the outstanding demand against Multi-National Company (MNCs) as a separate category or class is maintained. However, the total outstanding demand against companies as on 1-4-2009 was Rs. 75,509 crore out of which Rs.9748 crore was recovered during F.Y. 2009-10. The balance demand includes demand locked-up in appeals before CITs(Appeal),ITATs, High Courts and Supreme Courts. Further the demand includes that which can not be collected for various reasons like protected demand, stay by courts, companies under liquidation, no adequate assets for recovery, cases notified under special courts, cases before BIFR, Income Tax Settlement Commission etc.

(c) 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 sate 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 t 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 Income Tax (Recovery).