

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1056
ANSWERED ON:30.07.2010
TAX EVASION BY PRIVATE INSTITUTES
Abdulrahman Shri

Will the Minister of FINANCE be pleased to state:

- (a) Whether during the course of enquiries carried out by the Income Tax Department, instances of rampant tax evasion by certain private educational institutes running various courses, some of which are even not recognized by the University Grants Commission (UGC)/AH India Council for Technical Education (AICTE), have come to notice of the Central Government;
- (b) If so, the details of such cases detected during the last three years and up to the current year, year-wise and institution-wise;
- (c) Whether the Union Government has imposed any penalties on these institutes during the aforesaid period;
- (d) If so, the details thereof, year-wise and institution-wise; and
- (e) The total amount of income-tax including penalties collected from each of these institutes during the said period?

Answer

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

- (a) Income Tax Department carries out appropriate enquiries in cases of tax evasion including the cases of Private Educational Institutions. Such enquiries are carried out by the Investigation directorate as well as Assessment Charges spread all over the country.
- (b) to (e) The information relating to tax evasion detected and penalties imposed by the Income Tax Department in the cases of Private Educational Institutions during the last three years is not maintained centrally in CBDT. Collection of the requisite details would require examination of individual case records, involving considerable time and effort, which may not be commensurate with the objective sought to be achieved- However, necessary actions in accordance with the provisions of the Direct Tax Laws are taken by the officers having jurisdiction over such cases, to bring to tax the undisclosed income detected in each case.