

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2545
ANSWERED ON:11.03.2011
OPERATIONALISING OF INCOME TAX OFFICES ABROAD
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Will the Minister of FINANCE be pleased to state:

- (a) the amount of tax collected and recovered through overseas units of income tax location-wise during each of the last three years;
- (b) whether the Government will soon operationalise income tax office in 8 nations;
- (c) if so, the details thereof, country-wise and time by which the offices will be operationalised;and
- (d) the objectives thereof?

Answer

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

(a) to (d): The Government of India has already operationalised two Income Tax Overseas Units (ITOU) so far in F.Y. 2010-2011 in Singapore & Mauritius. These Units are not engaged in tax collection process directly.

In addition, steps have been taken to operationalise 8 more ITOUs in France, Germany, Netherlands, Cyprus, U.S.A, U.K., U.A.E. and Japan in the next financial year.

The mandate of ITOUs is to assist Indian Competent authorities, under the Double Taxation Avoidance Agreements (DTAAs)/ Tax Information Exchange Agreements (TIEAs), in its various works as well as to provide clarity on Indian taxation law in order to promote investment in India.