

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1518

ANSWERED ON:04.03.2011

ASSESSMENT SURVEY ON BLACK MONEY IN REAL ESTATE

Bais Shri Ramesh;Pratapsinh Shri Chauhan Prabhatsinh

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

- (a) whether a nation-wide assessment/survey of the size of black money transactions has been conducted by the Government in the recent times particularly in the real estate, share markets and jewellery business;
- (b) if so, the details thereof and actual figures found particularly in real estates sector in Mumbai, Vadodara, Rajkot, Surat and other major cities;
- (c) the actions so far taken by the Government to control the situation;
- (d) whether the Government proposes to withdraw 1000/- and 500/- currency notes to check and control black money in the national economy; and
- (e) if not, the reasons therefor?

**Answer**

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

(a)&(b): No, Sir. The Government has not made any estimation of unaccounted money in various sectors of economy, in recent times. However, the Government has decided to get a fresh study conducted on unaccounted income/wealth both inside and outside the country bringing out the nature of activities engendering money laundering and its ramifications on national security. The proposal was approved by the Government in January 2011. The study is likely to be completed within a time frame of eighteen months.

Sector-wise and area-wise details of undisclosed income detected by the Income Tax Department are not centrally maintained in the Ministry. The Information will have to be collected from field formations of the Income Tax Department spread in various parts of the country. The time and effort required for collection of the information may not be commensurate to the objective sought to be achieved.

(c) The Income Tax Department takes several deterrent and punitive steps to unearth unaccounted money and curb tax evasion. These include scrutiny of returns, surveys, search and seizure action, imposition of penalty and launching of prosecution in appropriate cases. Information Technology has also been used in a big way in collection, collation and dissemination of taxpayer information. Tax Information Network (TIN) has been set up as a depository of important tax related information which can be accessed by the Department. The basic components of TIN are information relating to Tax Deduction at Source (TDS), payment of taxes and high value transactions reported in Annual Information Returns (AIR). The Department has set up an Integrated Taxpayer Data Management System (ITDMS) to electronically collate information collected from various sources i.e. Tax Deduction at Source, Electronic Filing of Return, Annual Information Returns, Central Information Branches (CIB) etc, to create 360 degrees profile of High net-worth assesses. Information received from Financial Intelligence Unit under the Department of Revenue regarding suspicious transactions from various banks, insurance companies etc, are also investigated by the Income Tax Department. Further, the Department has implemented Computer Assisted Selection of Scrutiny (CASS) wherein returns are selected for scrutiny on the basis of comparison of the information gathered from various sources with the information available and declarations made by the assesses in the return of income.

(d) No, Sir.

(e) It is not considered practical to stop printing of the notes of the denomination of Rs 500/- and Rs 1000/- as more notes of smaller denominations will have to be printed to meet the demands of new currency notes, which is not possible considering the printing capacity and availability of bank note paper.