

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:263

ANSWERED ON:19.08.2011

DTAA AND TIEA

Ajmal Shri Badruddin;Pradhan Shri Nityananda

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

- (a) whether India has signed Double Taxation Avoidance Agreements (DTAA) and Tax Information Exchange Agreements (TIEAs) with a number of countries;
- (b) if so, the details thereof including the salient features, date of enforcement of agreements and their present status;
- (c) whether it is proposed to have such agreements with some more countries, particularly with Bahamas, Republic of Colombia, Monaco and Taiwan;
- (d) if so, the details thereof including its basic features; and
- (e) the manner and the extent to which signing of such agreements help in the flow of investment and technology and also in countering the menace of tax evasion and bring back black money stashed in foreign countries to India?

**Answer**

MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE)

(a) to (e): A statement is laid on the table of the House.

Statement referred to in reply to parts (a) to (e) of the Lok Sabha Starred Question No. 263 regarding 'DTAA and TIEA', raised by Shri Nityananda Pradhan and Shri Badruddin Ajmal, Hon'ble M.P.s, for answer on 19th August, 2011.

Part(a) Yes, Sir.

Part(b) Details of Double Taxation Avoidance Agreements (DTAAs) and Tax Information Exchange Agreements (TIEAs) which have been signed by India and which have entered into force are annexed with this statement. India has also signed following agreements, which have not yet entered into force.

New DTAAs: Columbia, Ethiopia, Lithuania, Taiwan and Tanzania.

Renegotiated DTAAs: Italy, Norway, Singapore and Switzerland.

TIEAs: Cayman Islands.

The DTAAs contain provisions for allocation of taxing rights between source country and resident country; for avoidance of double taxation and for prevention of fiscal evasion. DTAAs also contain provisions for exchange of information for tax purpose. TIEAs are agreements for exchange of information for tax purpose.

Part (c) & (d) Yes Sir. India has negotiated a number of DTAAs and TIEAs. In last two years, India has negotiated 16 TIEAs, 18 new DTAAs and has also renegotiated 21 existing DTAAs. TIEA with Bahamas has been signed and has also entered into force. TIEA with Monaco has been negotiated. DTAAs with Republic of Columbia and Taiwan have been signed and are waiting to be entered into force. The basic features of these DTAAs and TIEAs are same as stated in part (b) above.

Part (e) The DTAAs help in the flow of investment and technology as it seeks to avoid double taxation. DTAAs & TIEAs help in countering the menace of tax evasion and black money stashed in foreign banks by helping in collection of information regarding tax evasion and foreign bank accounts. DTAAs also sometimes help in collection of taxes from assets located abroad. 27 out of 80 DTAAs contain such a provision for assistance in collection of taxes.