

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:367  
ANSWERED ON:23.11.2012  
CAPITAL GAINS  
Alagiri Shri S. ;Sinh Dr. Sanjay

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

- (a) whether reformative steps are taken/ being taken by the Government on the basis of deficiency in provision of Capital Gains being pointed out;
- (b) if so, the details thereof for the last three years; and
- (c) the results obtained therefrom?

**Answer**

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

(a)& (b) There is no deficiency in the provisions of Capital Gains. However, legislative amendment of taxation laws is an ongoing process. Certain significant changes made in the provisions relating to Capital Gains in the last three years are enumerated below:

- (i) roll-over relief for long term capital gains arising from sale of agricultural land earlier available to individuals, has been extended to a Hindu undivided family ( HUF) .
  - (ii) roll-over relief has been provided for individuals and Hindu undivided family for long term capital gains arising from sale of a residential property if sale consideration is invested in the equity capital of a new Small and Medium Enterprise (SME) company subject to certain conditions.
  - (iii) the long term capital gains arising from transfer of unlisted securities to be taxed at the rate of 10 percent.
- (c) These amendments have been carried out through the Finance Act, 2012 and are applicable with effect from assessment year 2013-14.