

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2450

ANSWERED ON:07.12.2012

TAXES FROM CORPORATE SECTOR

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

(a) whether a huge amount of direct/indirect tax is outstanding on corporate sector (public/privat

(e);

(b) if so, the name of such companies which have not yet paid the tax outstanding against them during the last three years till date; and

(c) the details of the action taken/proposed to be taken by the Government to recover the same?

**Answer**

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

(a) & (b): The Corporate Direct Tax outstanding as on 30.09.2012 was Rs.1,80,512 crores (Arrear and current) as compared to Rs. 1,93,844 crores during the beginning of the current financial year, i.e. as on 01.04.2012. Database of outstanding taxes of individual corporates is not maintained centrally.

(c): Apart from the statutory measures taken for recovery of outstanding tax dues as prescribed under the Income Tax Act (including attachment of bank account, attachment and sale of immovable property etc.), the Income Tax Department has adopted a comprehensive strategy to improve collection/recovery of outstanding taxes. These are enumerated below:

# Statistics has been revisited to improve reliability and identify cases requiring concerted attention by properly classifying those into actionable and non-actionable cases. P.T.O.

# Actionable cases are to be taken up for expeditious recovery and are to be constantly monitored. If the taxpayer applies for stay of demand/ instalments, AOs have been advised proper application of mind before accepting such requests and to keep quantum of instalments granted (if any) commensurate to the total arrears and take immediate coercive action in case of any default. Carte - blanche stays by A.O.s are deterred.

# Standing Counsels are advised to take up the matter before High Court/ Supreme Court for vacation of stay in old cases.

# Departmental Representative were advised to plead for payment of taxes in the cases of stay before the ITAT and not to seek adjournment in high demand cases,

# In the category of Non-actionable cases are companies under liquidation, cases before BIFR, demand created on protective basis, cases before Income Tax Settlement Commission (ITSC), cases of untraceable taxpayers or taxpayers with no/inadequate assets for recovery, assessee being Notified persons and demand pending write-off. Special focus has been accorded to the cases where assessee are not traceable or assets do not appear sufficient to effect recovery.

# AOs have been advised to make basic verification from Departmental data base like ITDMS data and Individual Transactions Statement (ITS), records with Registrar of Companies, other agencies like FIU-IND, information available on Internet, other material in public domain, etc.

# Watch to be kept on BIFR cases to enforce recovery when bar against recovery gets lifted because the rehabilitation period expires or cases abate.

# All possible steps to be taken to press tax claims with the court/ custodian in security scam cases.

The information with regard to reply to part (a) to (c) of the Question in respect of indirect taxes is being collected and will be laid on the Table of the House.