

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3011
ANSWERED ON:15.03.2013
IT OVERSEAS
Owaisi Shri Asaduddin;Sugavanam Shri E.G.

Will the Minister of FINANCE be pleased to state:

- (a) the country-wise details of overseas income tax units established by the Government as on date;
- (b) the manner in which those units help the Government to increase overseas trade;
- (c) whether the Government proposes to set up more such units in other countries; and
- (d) if so, the details thereof, country-wise and the time by which these units are likely to be set up?

Answer

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

- (a) Madam, Income-tax Overseas Units (ITOU) manned by tax officers at the level of First Secretary have been established in Mauritius and Singapore in May/June, 2010. Further, posting orders in respect of officers to be posted to newly created ITOUs in Indian missions at Cyprus, France, Germany, Japan, Netherlands, UAE, UK and USA have been issued. The relieving of these 8 officers to join their respective ITOU is pending for finalisation of terms & conditions of their posting by Ministry of External Affairs.
- (b) The Officers posted in ITOUs are mainly assigned functions relating to Double Taxation Avoidance Agreement (DTAA) including Exchange of Information on tax matters. The DTAA's stimulate the flow of capital, goods and services and technology, and facilitate trade and investment between India and treaty partner country.
- (c) & (d). Inter-departmental consultations are going on to examine such a need.