

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5248

ANSWERED ON:26.04.2013

PENAL PROVISIONS ON SERVICE TAX EVASION CASES

Jeyadural Shri S. R.;Kumar Shri P.;Sivasami Shri C.;Sugavanam Shri E.G.

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

- (a) whether the cases of service tax evasion have increased during the recent time;
- (b) if so, the details thereof and reasons therefor;
- (c) whether the Government proposes to dilute the penal provisions in respect of service tax evasion cases;
- (d) if so, the details thereof and the reasons therefor;
- (e) whether stiff opposition has been encountered in this regard from various quarters;
- (f) if so, the details thereof and reaction of the Government thereto; and
- (g) the other steps taken/proposed to be taken by the Government to prevent cases of service tax evasion?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) Yes, Sir.

(b) The details are as under:-

YEAR	NO. OF CASES DETECTED	SERVICE TAX EVASION INVOLVED
	(In Crores)	
2010-11	8399	14291
2011-12	8710	14608
2012-13 (upto Jan.13)	9637	20335

The intensified drive against service tax evaders is the reason for the increase in number of cases.

(c) No, Sir.

(d),(e)&(f) Does not arise in view of reply to part (c) above.

(g) The following steps have been taken by the Government to prevent cases of service tax evasion:

(i) Conducting surveys by the field officers.

(ii) Extensive publicity regarding the liability of service tax on various services.

(iii) Booking cases against unregistered service providers.

(iv) Obtaining information from other Government agencies / departments regarding various service providers / persons liable to pay service tax.