

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2674

ANSWERED ON:04.12.2009

IT REFUND CASES

Agarwal Shri Rajendra;Dhotre Shri Sanjay Shamrao

Will the Minister of FINANCE be pleased to state:

- (a) the Chief Commissionerate-wise details of Income Tax (IT) refund vouchers pending in respect of the Assessment Years 2007-08 and 2008-09 alongwith reasons for the delay;
- (b) the reasons for the increasing trend of income tax refunds pending for disposal;
- (c) the details of the interest paid on refunds released during the same period; and
- (d) the steps being taken by the Government to expedite the refund cases in future?

Answer

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

- (a) Assessment year wise data in respect of returns claiming refund is not maintained. The total number of returns claiming refund pending as on 01.04.2009 was 38.17 lakhs. The Chief Commissionerate-wise (Cadre Controlling) details are enclosed as Annexure 'A'. Department has already processed 27.93 lakhs returns claiming refund till 31st October, 2009. The statutory time limit to process the returns of income is with reference to their receipt in the Financial Year and accordingly the returns received in Financial Year 2008-09, can be processed upto 31st March, 2010.
- (b) Processing of returns and issuance of refund is a continuous process in the Income Tax Department. No specific reason can be attributed to the increase in the work load for processing of returns claiming refund because the refund claim is dependent upon several factors such as excess payment of taxes, claim of deductions/exemptions under various sections of the Income Tax Act, 1961.
- (c) The amount of interest paid on refunds during the Financial Year 2007-08 was Rs.4443 crores and Financial Year 2008-09 was Rs.5785 crores.
- (d) The Government is taking following steps to expedite the refund cases:
 - (i) Computerized processing of returns.
 - (ii) Guidelines have been issued by the CBDT to process all returns and issue refunds within four months of filing of return.
 - (iii) Introduction of e-filing of TDS returns.
 - (iv) Introduction of e-filing of return for speedy processing.
- (v) The Department has set up a Centralized Processing Centre at Bangaluru. It will provide speedy processing of returns and issuance of refunds for all the tax payers of Karnataka region and for all the e-filed returns.