

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:422
ANSWERED ON:20.11.2009
PEOPLE UNDER TAX NET
Dhotre Shri Sanjay Shamrao

Will the Minister of FINANCE be pleased to state:

- (a) the category-wise break-up of number of Income Tax assessees during each of the last three years;
- (b) whether the rate of increase has declined during the same period;
- (c) if so, the details thereof and reasons therefor; and
- (d) the steps taken to widen the tax net in future?

Answer

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

- (a) The category wise break up of number of effective Income Tax assessees during the last three years is as under: (Figures in lakhs)

Year	Financial Company	Non- Company	Total
------	-------------------	--------------	-------

2006-07	3.98	315.05	319.03
---------	------	--------	--------

2007-08	4.98	331.64	336.62
---------	------	--------	--------

2008-09	3.35	320.63	323.98
---------	------	--------	--------

(b) & (c) No Sir, Rate of increase/decrease of income tax assessees is fluctuating. There is reduction in the number of effective assessees during F.Y. 2008-09 vis-à-vis F.Y. 2007-08. The above data is derived from identification of assessees during processing of returns, which suffered a set back in Financial Year 2008-09 (vis-a-vis F.Y. 2007-08) due to manpower constraints, technical reasons like problems in software application & system integration. This is expected to improve now with speedy processing of returns consequent to stabilization of system in the current financial year.

(d) It is the constant endeavor of the government to widen the tax base. Following steps have been taken for widening of the tax base:-

- (i) Utilisation of AIR (Annual Information Return) data.
- (ii) Utilisation of CIB (Central Information Branch) data.
- (iii) Mandatory quoting of PAN in various high value transactions.
- (iv) TDS surveys/inspections are being conducted to identify deductees and also to widen the tax base.
- (v) Comprehensive Computerization of Income Tax Department.
- (vi) Proposed Changes in the manner of taxation in the draft tax code, which has been put for public debate.