

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:916
ANSWERED ON:27.02.2015
SHOME COMMITTEE
Patole Shri Nanabhau Falgunrao

Will the Minister of FINANCE be pleased to state:

- (a) the salient features of the recommendations made by the Shome Committee /Tax Administration Reforms Commission(TARC);
- (b) whether the Shome Committee/TARC has pitched for taxing large farmers with incomes above Rs.50 lakh a year;
- (c) if so, the details thereof and the reasons therefor; and
- (d) the steps taken by the Government to implement the recommendations in toto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI JAYANT SINHA)

- (a) The TARC has analysed all aspects of tax administration reform in their four reports. The objective is to get all stakeholders-both taxpayers and tax officers -to operate in ways that promote overall goals of efficiency and equity in tax- collection by facilitating taxpayers with a customer focus, while at the same time, segmenting taxpayers to reduce tax evasion. TARC recommendations comprise many immediate needed reform measures as well as long term structural reforms.
- (b) Yes, Madam.
- (c) The reason for this recommendation as given by TARC is that this will broaden the tax payer base and help mobilise additional revenue without affecting any but a miniscule proportion of the very large farmers whose annual income exceeds the threshold limit of Rs.50 lakh.
- (d) Currently, the recommendations of the TARC are under examination of the Government.