

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:7115
ANSWERED ON:08.05.2015
RECOVERY OF TAX
Charitra Shri Ram;Verma Shri Rajesh

Will the Minister of FINANCE be pleased to state:

- (a) whether Government has recovered taxes from individuals who had either not filed their tax return or did so incorrectly;
- (b) if so, the details thereof;
- (c) whether the Government has tracked high value transaction made by individuals and entities across the country through its non-filers tracking system, if so, the details thereof;
- (d) whether Government has listed/propose to list the names of wilful tax defaulters owing over Rs.500 crores to the exchequer, if so, the details thereof; and
- (e) the other steps taken/being taken by the Government to widen the tax base?

Answer

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

(a)&(b) Yes Madam. 30,68,662 new returns have been filed and additional tax of ₹4733.61 crore has been collected from persons identified as non-filers by the Income-tax Department through its Non-filer Monitoring System (NMS) in the year 2013, 2014 and upto 31.3.2015 in the year 2015.

(c) Yes Madam. Non-filer Monitoring System (NMS) analyses all databases of in-house and third-party information available with the Department to identify persons who have not filed return even though they have carried out large-value financial transactions. During the year 2013, 2014 and 2015 (up to 31.03.2015), NMS has identified 12.9 lakh, 22.09 lakh and 44.09 lakh cases, respectively, as non-filers having potential tax liabilities.

(d) Tax defaulters owing tax above ₹10 crores are regularly monitored which include cases of arrears above ₹500 crores also. In cases where the taxpayer is not traceable or is having no assets or inadequate assets, the names of such tax defaulters are placed in the public domain as per the prescribed guidelines. The Income-tax Department has recently published a list of 31 defaulters in April, 2015 and 18 defaulters in March, 2015

(e) Besides implementation of NMS, the Government has taken several other steps to widen the tax base including mandatory quoting of PAN for specified transactions, electronic filing of returns and Tax Deduction at Source (TDS) /Tax Collection at Source (TCS) statements, collection of specified transactional data from various agencies in form of Annual Information Return (AIR) and collection of information on high-value expenditure from commercial establishments by Central Information Branch (CIB).

In addition to administrative measures, various legislative measures have also been taken for widening the tax base including expansion of the scope of TDS and TCS by bringing more and more taxable transactions within their ambit, proposed levy of TDS on interest in excess of Rs.10,000 on fixed deposits and recurring deposits across branches of bank, TDS at the rate of 1% on sale of immovable property (other than agricultural land) of 50.00 lakh or more and TCS @ 1% on purchase of bullion exceeding 2.00 lakhs and jewellery exceeding 5.00 lakhs. Moreover, the provisions of Minimum Alternate Tax (MAT) have been extended to firms and Association of Persons and Commodities Transaction Tax has been levied on sale of commodity derivatives (other than agricultural commodities).