

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:292

ANSWERED ON:12.12.2014

TAX COLLECTION

Biju Shri Parayamparanbil Kuttappan;Roy Prof. Saugata

Will the Minister of FINANCE be pleased to state:

- (a) the target set by the Government to mobilise resources through direct and indirect taxes during the last three years and the current year;
- (b) the break-up of taxes collected during the said period;
- (c) whether there is any shortfall in the collection of direct/indirect taxes during the current year, if so, the details thereof and the reasons therefor; and
- (d) the steps taken by the Government to improve tax collection and achieve the target during the remaining period of the current year?

Answer

FINANCE MINISTER (ARUN JAITLEY)

(a) to (d): A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of the Lok Sabha Starred Question No. 292 for answer on 12th December, 2014 The details of the target set by the Government to mobilise resources through direct and indirect taxes during the last three years and the current year and the break-up of taxes collected during the said period and in the current year (upto October, 2014) are as under:

Direct Taxes:

(Rs. in crore)

Financial Year	Budget Estimates	Revised Estimates	Net Collection of Direct Taxes
2011-12	5,32,651	5,00,651	4,93,947
2012-13	5,70,257	5,65,835	5,58,658
2013-14	6,68,109	6,36,321	6,38,591
2014-15	7,36,221	3,00,626	(upto October, 2014)

Indirect Taxes:

(Rs. In crore)

Financial Year	Budget Estimates	Revised Estimates	Net Collection of Indirect Taxes
2011-12	3,97,816	3,98,696	3,92,444
2012-13	5,05,044	4,69,546	4,74,482
2013-14	5,65,003	5,19,520	4,96,238
2014-15	6,24,902	-	2,85,126 (upto October, 2014)

At this stage, it may not be feasible to estimate the actual revenue for the current financial year. The actual realization of direct and indirect taxes in current financial year would depend on factors such as growth in Gross Domestic Product (GDP) and performance of the economy in the remaining part of the current fiscal. Further, the scheme of direct taxes payment makes it difficult to predict any shortfall in direct taxes collections for the financial year before the end of the third quarter of the said year.

In order to achieve the collection target of direct taxes, the Government has taken various steps which inter alia include; monitoring of Advance Tax payment especially by top taxpayers; laying emphasis on collection/recovery of outstanding demands; monitoring payment of tax deducted at source by top deductors; organizing awareness programme regarding TDS/TCS provisions for proper compliance; utilizing information available through Annual Information Report (AIR), Central Information Branch (CIB) and other agencies for detection of cases of tax evasion; enforcement/deterrent action by way of searches and surveys; early disposal of high demand appeal cases for recovery of demand, if any; multi-media campaign to encourage voluntary compliance of tax laws; etc. So far as indirect taxes are concerned, besides the multi-media campaign to encourage voluntary compliance of tax laws, a number of steps are being taken to achieve the targets for collection in respect of indirect taxes which inter alia include special monitoring of sectors contributing significantly to revenue, emphasis on compliance verification and compliance enforcement measures, special audit, speedy disposal of confiscated/seized goods and additional deterrent measures which have been brought into effect to discourage non-compliance.

