

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UN-STARRED QUESTION No. 728
TO BE ANSWERED ON FRIDAY, THE 14th December, 2018/
AGRAHAYANA 23, 1940 (Saka)

VIOLATION OF INCOME TAX LAWS

728. SHRI P.K. KUNHALIKUTTY:
SHRI RAMSINH RATHWA:

Will the Minister of FINANCE be pleased to state:

- (a) *whether Director General of Income Tax (Investigation), New Delhi have received complaints from some Public Representatives regarding evasion of Taxes/ TDS and blatant violation of Income Tax Laws by some individuals/NRIs in respect of stashing of unaccounted money in HDFC bank, Malviya Nagar, non-deposit of 20 percent TDS in sale of property in South Delhi including Malviya Nagar and transfer of money to New Zealand during the last five years through Hawala transactions;*
- (b) *if so, the details thereof and the action taken by the Government on these complaints by initiating appropriate proceedings in the matter; and*
- (c) *if not, the reasons therefor?*

ANSWER

MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

- (a) Complaints of tax evasion, including complaints from Public Representatives, containing allegations of evasion of Taxes/ TDS by some individuals/NRIs in respect of stashing of unaccounted money, non-deposit of TDS in sale of property and transfer of money to foreign countries through Hawala transactions are received by the Central Board of Direct Taxes (CBDT) and its field offices, including Director Generals of Income Tax (Investigation). However, there is no centralised database maintaining allegation-wise details of such complaints received by field offices of the CBDT.
- (b) The complaints received in CBDT and its field offices are forwarded to the respective jurisdictional authorities for appropriate action, including investigation. Investigation on complaints of tax evasion is an ongoing process and each complaint containing allegations of violations of provisions of the Income-tax Act, 1961 as well as the Black Money (Undisclosed Foreign Income And Assets) and Imposition of Tax Act, 2015 is examined and necessary action as per the provisions of the applicable Act is taken by the jurisdictional Income-tax authorities depending upon the nature of allegations, evidences supplied, quantum of tax evasion alleged and other relevant facts and circumstances of the case. Based upon the outcome of investigation and evidence gathered on the relevant issues, including the issues emanating from complaints, determination of income (including undisclosed income, if any) and tax liability is done at the time of assessment of income, following the quasi-judicial process under the applicable Act. Applicable penalties are levied and prosecutions instituted in appropriate cases. Disclosure of information regarding specific taxpayers is prohibited except as provided under section 138 of the Income Tax Act, 1961.
- (c) Does not arise in view of (b) above.

