

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO. 4690
TO BE ANSWERED ON MONDAY, JULY 22, 2019
ASHADHA 31, 1941 (SAKA)**

TAX EVASION

4690. SHRI RAHUL RAMESH SHEWALE:
SHRIMATI SANGEETA KUMARI SINGH DEO:
SHRI BHARTRUHARI MAHTAB:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has initiated data analysis to detect mismatch between Goods and Services Tax (GST) returns and Income Tax Returns to penalise culprits of tax evasions and money laundering across the country;
- (b) if so, the details thereof along with the number of such culprits identified so far across the country, State/UT-wise;
- (c) the details of the overstated claims of GST across the country since inception, company-wise;
- (d) the details of the revenue collected from GST and Income Tax by the Government since implementation of GST in the country; and
- (e) the other steps taken/being taken by the Government for early detection of tax evasion cases along with achievements thereof?

**ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)**

(a) to (e) The Government has taken initiatives to integrate the important financial fields in Income-Tax Returns and GST Returns so that the discrepancies in financial data of entities can be traced at the granular level. In order to facilitate seamless exchange of data between Central Board of Direct Taxes (CBDT) and Goods and Services Network (GSTN), the CBDT has passed an order u/s 138(1)(a) of the Income-tax Act, 1961 dated 30.4.2019, specifying Principal Director General of Income tax (Systems) as the prescribed authority for the purposes of furnishing information in respect of income-tax assesses to the Nodal Officer, GSTN. Subsequently, an MoU was signed between CBDT and GSTN on 14.05.2019 incorporating the modalities of exchange of data, handling of data, maintaining its confidentiality etc. Based on MoU, exchange on information between CBDT and GSTN takes place. Based on data inputs and information received from various sources cases of tax evasion are identified and appropriate actions are taken.

The important measures taken by the Government for detection of tax evasion include- Computer Assisted Scrutiny selection (CASS), Non-filers Monitoring System (NMS), Income Tax Business Application (ITBA). Further the Government also collects information on Specified financial Transactions, above notified thresholds, relating to cash deposits, credit card payment, purchase and sale of properties, purchase of shares and mutual funds etc. Whenever there is any credible information with regard to evasion of direct tax, the Income Tax Department takes action in the form of search, seizure, survey etc., as per law.

A specialized Directorate within the Central Board of Indirect Taxes and Customs (CBIC) engaged in Data Analytics & Risk Management disseminates analytical reports and intelligence inputs to field

formations of CBIC for the purpose of scrutiny, audit and enforcement, to check GST evasion in general and fraudulent credit availment in particular. The GST Council has also approved the use of e-invoicing in B2B transactions.
