

(b) the details of the approved plan of action and what have been the recommendations of various committees set-up in this area; and

(c) whether the Indian Tax machinery is geared to combat economic crimes of modern day keeping in view that collection of revenues and taxes falls under the sovereign functions of the State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The National Academy of Direct Taxes and the National Academy of Customs, Excise and Narcotics and its regional centres impart training on a continuous basis to the senior level officials and functionaries including induction course for Group 'A' officers at the entry level. Training includes lectures, workshops, group discussions, field visits, upgradation of investigative skills and exploring new techniques of investigation.

The Empowered Committee on computerization of the Department has approved Change Management and Training Initiative in the Income Tax Department. As part of the programme, the officials of the Department are being trained to work on a fully networked environment.

(c) Yes, Sir.

Spending out of GDP in social welfare

2612. SHRI KALRAJ MISHRA:

SHRI SANTOSH BAGRODIA:

Will the Minister of FINANCE be pleased to state:

(a) what is the percentage of Gross Domestic Product (GDP) being spent on social welfare;

(b) how does this compare with developed countries like the United States of America (USA) and European countries; and

(c) how does this compare with developing countries like China, Bangladesh and Latin American countries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Total combined expenditure of Central and State Governments on social services in 2008-09 (BE) was 6.72 per cent of GDP at current market prices. Social services include, education; sports; art and culture; medical and public health; family welfare; water supply and sanitation; housing; urban development; welfare of SCs, STs and OBCs; labour and labour welfare; social security and welfare; nutrition, relief on account of natural calamities etc.

(b) and (c) The available international comparison of expenditures as a percentage of GDP on social benefits by General Government and Central Government in 2007 as per Government Finance Statistics Yearbook, 2008 of IMF is given below.

(as percent of GDP)

Sl. No.	Country	Social Benefits General Government	Social Benefits Central Government
1.	Bangladesh	–	0.99
2.	Chile	4.20	4.19
3.	China	–	–
4.	Argentina	6.14*	6.14*
5.	France	23.09	22.16
6.	Germany	24.63	20.67
7.	U.K.	12.68	11.23
8.	U.S.A.	12.20	9.08

* for 2004 Source: Government Finance Statistics Yearbook, 2008, IMF

New pension scheme

2613. SHRI MAHMOOD A. MADANI:

SHRI SANJAY RAUT:

Will the Minister of FINANCE be pleased to state:

(a) the number of subscribers of New Pension Scheme (NPS) till the end of June 2009;

(b) whether it is a fact that there has been discrepancy regarding the tax relief offered to subscribers prior to a certain date;

(c) if so, what is the rationale for not extending similar relief to the remaining subscribers of NPS; and

(d) whether Government considers removing this discrepancy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) The total number of subscribers in the New Pension System (NPS) as on 30.6.2009 was 5,40,244.

(b) to (d) There were two main tax related issues pertaining to NPS contributions. First, the benefit under Section 80 CCD of the Income-tax Act, 1961 was restricted to the employees of the Central Government and other employers and was not available to other individuals. Secondly, the accumulated pension wealth was subject to tax at the time of withdrawal. The Finance Bill, 2009 has proposed to extend the benefit of Section 80 CCD of the Income-tax Act, 1961 to all individuals. Further, it is also proposed to exempt from tax all withdrawals if such amount is used for purchasing an annuity.

Circulation of fake currency

2614. DR. E.M. SUDARSANA NATCHIAPPAN: Will the Minister of FINANCE be pleased to state: