

**Continuing with LTUs in the country**

2458. SHRI RAMA CHANDRA KHUNTIA: Will the Minister of FINANCE be pleased to state:

- (a) whether Government is considering continuing with the Large Taxpayers Units (LTUs) in the country after introduction of Direct Tax Code (DTC) and Goods and Services Tax (GST);
- (b) if so, the details of the LTUs functioning at present; and
- (c) the details of steps being taken by Government to strengthen the enforcement machinery to detect tax evasion in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

(a) Since the design and structure of Goods and Services Tax (GST) is yet to be finalized, no decision has been taken about the continuation of LTUs after the introduction of GST. There is no proposal before the Government for their abolition, at this stage. Further, setting up of Large Taxpayers Units (LTUs) is an administrative measures to promote specialized service to large taxpayers and is not related to legislative provisions whether under the present income-tax Act or under the draft Direct Tax Code (DTC).

(b) Presently four LTUs are functioning at New Delhi, Mumbai, Chennai and Bangalore.

(c) The Government has taken a number of steps to strengthen the enforcement machinery to detect tax evasion in the country. So far as indirect taxes are concerned, these include further strengthening of the two dedicated organizations for checking evasion of duties, namely, the Directorate of Central Excise Intelligence and the Directorate of Revenue Intelligence. Besides, working of the preventive outfits in the field formations is also reviewed periodically. Specific information based alerts are built into the risk management system to enforce stricter controls. So far as direct taxes are concerned, these include scrutiny of returns, surveys, search and seizure action, imposition of penalty and launching of prosecution in appropriate cases. In addition to above, a Computer Aided Investigation Tool (CAIT) has been developed to scrutinize computerized Books of Accounts. Modern Cyber Forensic Techniques are utilized for handling of digital evidence seized during Search and Survey operations.