

Recovery of tax arrears by attachment of property

1338. SHRI J. K. JAIN: Will the Minister of FINANCE be pleased to state:

(a) the amount recovered out of tax arrears by attachment and sale of assets of defaulters during the last three years;

(b) the number of searches and seizures effected; and

(c) the value of undisclosed assets seized during these searches and seizures?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) The requisite information is being collected and will be laid on the Table of the House as soon as possible.

(b) and (c) During the last three years, the Income-tax Department conducted searches and seized assets as under:

	1977-78	1978-79	1979-80
No. of searches conducted . . .	617	1345	2109
Value of assets seized (in lakhs of rupees) . . .	353	512.31	1214.68

Total collection of Income-tax during last three years

1339. SHRI J. K. JAIN: Will the Minister of FINANCE be pleased to state:

(a) what was the collection of income-tax through (i) voluntary payments i.e. deduction of tax at source, advance tax, self assessment etc.) and (ii) other sources during the last three years;

(b) what was the number of cases selected for intensive scrutiny and what is the result thereof; and

(c) what steps are being taken by Government to check proliferation of black money?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) The requisite information is available for the financial years 1977-78 and 1978-79 and the same is given in annexure A'. Information for the financial year 1979-80 is not readily available. However, the total collection of income-tax (including Corporation Tax) during the year amounted to Rs. 2702.92 crores (Provisional).

(b) 1945,076 assessments were selected for intensive scrutiny during the year 1979-80. Out of these 9,17,776 were disposed off during the said period leaving a balance of 10,27,300 assessments for disposal as on 31-3-80. No separate statistics are maintained regarding the tax demand raised as a result of disposal of these assessment.

(c) The Government propose to check proliferation of black money through a multi-pronged action of more effective implementation of tax laws and launching drive against hoarding and profiteering. Some of the steps recently taken/being taken are given in the annexure 'B'.

ANNEXURE 'A'

Collection of Income-tax (Including Corporation tax)

	(Amt. in crores of Rs.)	
	1977-78	1978-79
(1) Tax deducted at source . . .	441.48	528.48
(2) Advance tax . . .	1398.76	1538.47
(3) Self-assessment tax . . .	248.73	240.73
(4) Regular assessment tax . . .	372.56	317.02
(5) Surcharge under Corporation tax . . .	—	46.12*

*Break-up not available.

(Amt. in crores of Rs.)		
	1977-78	1978-79
(6) Total Gross Col- lection . . .	2461.53	2670.82
(7) Less Refunds . . .	238.76	278.56
(8) Total Net Collec- tion [(6)-(7)] . . .	2222.77	2392.26*

*Excludes Rs. 36.03 crores being the receipt awaiting transfer.

Annexure 'B'

(i) Power of search and seizure under the Income-tax Act, 1961 are being exercised by the Directors of Inspection/Commissioners of Income-tax. Recently the Deputy Directors of Inspection and the Inspecting Assistant Commissioners have also been so empowered.

(ii) For detecting persons having taxable income/wealth but who are not paying tax and for collecting information about existing tax-payers. Survey operations by the Income-tax Department have been intensified and a permanent organisation to undertake survey on continued basis is now being built up.

(iii) It has been decided to set up an organisation for collecting higher intelligence. The organisation will be used, *inter-alia*, to build up dossiers of cases involving tax evasion on a large scale so that the information contained therein can be utilised in making requisite investigation including search and seizure operations.

(iv) It has also recently been decided to give multi-media publicity to cases on which tax evasion has been established immediately after the conviction for tax offence. This has been done with a view that the wide publicity given might become a deterrent to other tax-evaders.

(v) The organisation for handling prosecutions launched by the Income-tax Department is being strengthened.

Assessment of tax evasion cases during last three years

1340. SHRI J. K. JAIN: Will the Minister of FINANCE be pleased to state:

(a) whether the assessment of cases detected during the last three years for tax evasion have been completed; and

(b) if so, what was the amount of extra revenue actually realised?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MANGANBHAI BAROT): (a) and (b) Large number of cases of tax evasion are detected every year by the Income-tax Department through its multifarious activities viz., investigation of accounts, enquiries into specific allegations of tax-evasion, survey, searches, collection and dissemination of information. These cases are dealt with by assessing officers scattered all over the country. Collection of information regarding the cases detected during the last three years for tax-evasion, the stage of assessments in these cases and extra revenue raised in the assessments completed will involve immense time and effort, which will not be commensurate with the desired results.