

Collection of Income-Tax Arrears

*835. SHRI S. G. SARDESAI :

SHRI BHUPESH GUPTA :

SHRI P. K. KUNJACHEN :

SHRI K. P. SUBRAMANIA
MENON :

Will the Minister of FINANCE be pleased to state :

(a) what steps have been taken so far to improve the collection of income tax arrears;

(b) whether as a result of these steps, there has been any improvement in the collection of tax arrears in the last two years;

(c) if so, to what extent; and

(d) what is the total amount of outstanding income tax arrears at present?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH) : (a) The various steps taken so far to improve the collection of income-tax arrears, are given in Statement-I laid on the Table of the House.

(b) Yes, Sir.

(c) The reduction in the amount of arrears of income-tax by way of cash collection and on account of appeal effects, adjustments, etc., during the last two financial years is as follows :

<i>(In crores of Rupees)</i>	
Financial year	Amount of reduction in arrears
1971-72	303.64
1972-73	324.18

(d) The gross demand outstanding and the net arrears of income-tax as on 31-3-1973 were as under :

<i>(In crores of Rupees)</i>	
Gross demand outstanding	790.02
Net arrears	483.10

The break-up of gross demand outstanding and net arrears is given in Statement-II laid on the Table of the House.

Statement-I

During the recent years, the Government has taken the following specific measures to speed up collections of outstanding income-tax arrears : —

(i) Prior to 1961, recovery of tax arrears was done by State authorities who could not evince sufficient interest in the collection of revenue. The 19(1) Act, therefore, incorporated a self-contained Recover Code and made provision for Tax Recovery Officers who could be Departmental Officers. Tax recovery work has been taken over in all the charges by the Commissioners of Income-tax except for three districts of West Bengal and the Andaman and Nicobar Islands.

(ii) Introduction of the scheme of functional distribution of work i.e., the collection of taxes has been made the specific function of one or more Income-tax Officers in the Range, 253 Income-tax Officers all over India are now attending to this work.

(iii) Acceptance of crossed cheques by the Department and opening of special receipt counters for this purpose in the Income-tax Offices.

(iv) Publication of names of asses-sees who are defaulters in the payment of taxes over certain prescribed limits.

(v) Arrear Clearance Fortnights are being observed all over the country. During this period, special emphasis is laid on carrying out (lending adjustments/ rectifications, giving effect to appellate orders and collecting the net demand due from the assesses.

(vi) 173 officers of the Income-tax Department have been appointed as Tax Recovery Officers all over India. 50 more posts of Tax Recovery Officers have been sanctioned recently. 5 officers of the status of Commissioner of Income-tax and a number of Additional Commissioners of Income-tax are working as Tax Recovery Commissioners.

(vii) The time limit for completing the assessments has been reduced to two years after the end of the assessment year.

A Special Cell has been formed in the Office of the Central Board of Direct Taxes,

to scrutinise and review individual cases where arrears of more than Rs. 10 lakhs are outstanding to give proper guidance to field officers to take effective follow-up action.

With a view to tackling the problem of lax arrears and evolve a firm policy, the Minister of State in the Ministry of Finance had discussions with Chairman and Members of the Central Board of Direct Taxes, Commissioners of Income-tax in the charges of Delhi, West Bengal, Madras, Kanpur and Lucknow and the representatives of the Officers Federation and Associations. As a result of these discussions, the following steps are being taken on priority basis : —

(1) Strengthening the cadre of Income-tax Officers and Tax Recovery Officers.

(2) Augmenting the number of Assistant Commissioners of Income-tax for speedy disposal and clearance of arrears of appeals.

(">) New procedure has been evolved for

the speedy write off of irrecoverable demands.

(4) Expediting adjustment of taxes already paid, disposal of applications for rectifications and orders to give effect to appellate orders.

(5) Requesting the appellate authorities to take up all appeals and references where large demands are involved on a priority basis.

(G) Enlisting of the co-operation of Officers through their respective Associations and Federation.

Member (Budget), Central Board of Direct Taxes has been holding discussions with the Commissioners of Income-tax to guide them in tackling this problem with particular reference to cases involving large demands.

The Wanchoo Committee have made a number of recommendations, some of which have been incorporated in the Taxation Laws (Amendment) Bill, 1971, now before the Select Committee.

Statement—II

Break-up of Gross demand outstanding and net arrears as on 31.3.1973

	(Figures in crores of Rupees)
I. Gross Arrears:	790.02
II. Particulars of Arrears:	
1. Amounts not fallen due before the end of the Quarter	159.88
2. Amounts claimed to have been paid as advance tax or as deduction at source which is awaiting adjustments/verification	5.97
3. Amounts for which stay has been granted:	
(a) by courts	18.40
(b) by I.T. authorities:	
(i) Pending disposal of appeals	75.78
(ii) Pending disposal of settlement petitions	4.72
(iii) For other reasons	7.44
4. Amounts not covered by item 3 above for which instalments have been granted:	
(i) Pending disposal of appeals	13.58
(ii) Pending disposal of settlement petitions	2.05
(iii) For other reasons	19.10
Net Arrears (I minus Item 1, 2, 3 and 4 of Item II)	483.10
5. Amounts pending settlement of D.I.T. or other relief claims	7.47

(Figures in crores of Rupees)

6. Amounts pending consideration of write-off/scaling down petition	27.73
7. Amounts due from companies under liquidation	14.76
8. Amounts due from persons who have left India and/or not traceable and/or who have no known assets and/or whose assets vest with the Custodian of Evacuee Property Pakistan and/or who are involved in insolvency proceedings (excluding amounts covered by Item 6 above).	30.05
9. Arrears of E.P.T.	10.53
10. Arrears of B.P.T.	0.97
11. Amounts disputed in appeals/references but not stayed or covered by instalments	92.17
12. All other amounts in arrears	299.42
TOTAL	790.02

Construction of an Airport at Calicut

*334. SHRI K. CHANDRASEKHARAN : Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether the work on the construction of Calicut airport has been started; and

(b) whether it is a fact that the Director General of Civil Aviation recently made a statement to the effect that the runway at Calicut airport would be only 6,000 feet long?

THE MINISTER OF TOURISM AND CIVIL AVIATION (DR. KARAN SINGH):

(a) Plans and estimates have been prepared. The Planning Commission have advised that the project may be considered during the Fifth Plan.

(b) For the present it is intended to have a runway length suitable for HS-748 operations.

Subsidy for Replantation of Tea Bushes

*335. SHRI P. K. KUNJACHEN : Will the Minister of COMMERCE be pleased to state :

(a) the amount of subsidy being given at present for replantation of tea bushes; and

(b) whether there is any proposal to increase the subsidy and if so, to what extent?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI A. C. GEORGE) : (a) With effect from 1st January, 1972, the replantation subsidy for tea plantations was increased from Rs. 3,500 per hectare for gardens in plains to Rs. 1,000 per hectare and from Rs. 4,500 per hectare for gardens in the hills to Rs. 1,000 per hectare.

(b) No, Sir.

भारतीय पर्यटन विकास अधिकारियों का जेनेवा में हुआ सम्मेलन

*336. श्री ओडमप्रकाश त्यागी : क्या पर्यटन और नागर विमानन मंत्री यह बताने की कृपा करेंगे कि :

(क) जेनेवा में हाल ही में हुए भारतीय पर्यटन विकास अधिकारियों के सम्मेलन में किन किन देशों के प्रतिनिधियों ने भाग लिया था ;

(ख) उक्त सम्मेलन में हुए विचार विनिमय के फलस्वरूप भारतीय पर्यटन उद्योग की कौन कौन सी कमियाँ भारत सरकार के ध्यान में आई हैं ; और

(ग) पर्यटन को बढ़ावा देने के लिए सरकार द्वारा क्या कदम उठाये जाने का विचार है ?