

Account holders in foreign banks

41. SHRI RAM KRIPAL YADAV : Will the Minister of FINANCE be pleased to state:

(a) whether Government has received any list of account holders whose accounts are in foreign banks specially in Swiss Bank and other banks outside India;

(b) if so, whether Government has any plan to find out the amounts deposited in their accounts in foreign banks;

(c) whether Government has any plan to find out all accounts of Indians from last 20 years, which have been closed and money have already been withdrawn; and

(d) if so, the action taken in this matter so far and if not, the reasons for the same?

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

(a) and (b) Yes Sir. The German Tax Authorities have provided to the Indian Government information available with them regarding bank accounts concerning Indian nationals with the LGT bank of Liechtenstein. This information has been provided by the German authorities under the Article concerning exchange of information of the Double Taxation Avoidance Agreement (DTAA) between India and Germany read with the Protocol thereto. Based on the information received income amounting to Rs. 39.66 crore was assessed/re-assessed in the hands of 18 individuals being beneficiaries and tax demand of Rs. 24.66 crore raised. Notices for imposition of penalty and prosecution under various provisions of the Income Tax Act, 1961 have been issued.

(c) and (d) India has taken steps to negotiate Tax Information Exchange Agreements (TIEAs) with non DTAA countries/jurisdictions and also to amend the Article concerning exchange of information of the existing DTAA to specifically allow for exchange of banking information and information without domestic interest. India has completed negotiations of 11 new TIEAs. Negotiations have been completed with 10 existing DTAA countries to update the article concerning exchange of information. 13 new DTAA's have also been finalized where exchange of information article contain specific provision for exchange of banking information and information without domestic interest. Most of the TIEAs also contain provision for exchange of past information in criminal tax matters. Under these newly negotiated/re-negotiated DTAA's/TIEAs, banking information and information without domestic interest can be exchanged in specific cases. However no fishing expedition is allowed.