

1	2	3	4	5
21.	Maharashtra	4292	4292	0
22.	Manipur	186	186	0
23.	Meghalaya	39	39	0
24.	Mizoram	14	14	0
25.	Nagaland	196	196	0
26.	Odisha	1877	1875	2
27.	Puducherry	42	42	0
28.	Punjab	1576	1576	0
29.	Rajasthan	3883	3879	4
30.	Sikkim	43	43	0
31.	Tamil Nadu	4445	4445	0
32.	Tripura	419	419	0
33.	Uttar Pradesh	16270	16269	1
34.	Uttarakhand	226	226	0
35.	West Bengal	7486	7398	88
GRAND TOTAL		74398	74194	204

Expenses of CBDT

5016. SHRI SANJAY RAUT:

SHRI ANIL DESAI:

Will the Minister of FINANCE be please to state:

(a) whether it is a fact that the Central Board of direct taxes (CBDT) has incurred an expenditure of Rs. 37.000 crore over the last five years:

(b) whether the CBDT has taken approval from Parliament before spending such a huge amount; and

(c) If not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The C and AG in their report no. 1 of 2011-12

{Union Government-Accounts of Union Government (Civil)} has aggregated the outgo towards interest on refunds (from F.Y.2006-07 to F.Y. 2010-11); which has been paid to the assesses as per the statutory provisions of section 244A of the Income Tax Act, 1961 (the Act) and has classified it as an expenditure.

The Act stipulates that refund to a taxpayer shall include interest on excess collection of taxes, as under:

modus operandi of drugging criminals.

- i) In case of processing of the return of income: From 1st April of the Assessment Year to the date of processing of return, and
- ii) In case of giving effect to appellate orders etc: From the date/s of payment of excess tax to the date of giving effect to the appellate order.

Thus, such statutory outgo towards payment of interest has been in accordance with the mandate give by the Parliament since inception of the Act till now, and it does not require separate approval of the Parliament. Moreover the said outgo, being a statutory obligation cats by the Parliament and having no correltion whatsoever with the earning of revenue or cost of collection is not an operational expenditure. As tax collection for an year is made in advance (in the form of advance tax and TDS) much before the timelines of ascertainment of the final taxable income by an assessee, excess collection from certain taxpayers is inevitable. Further receivered dues may become refundable on account of relief granted by appellate authorities. Thus payment of such interest is embedded in the mechanism of taxation.

The routing of such interest outgo through budgetary mechanism will not only be cumbersome but also inevitably cause administrative quagmire adversely affecting early processing of refund returns / delay in grant of appeal effects, increasing the outgo for interest payable, causing poor taxpayer services and harassment of the taxpayers thereby giving rise to the taxpayer grievances.

Accordingly, historically outgo towards interest on refunds is treated as "reduction from gross tax collections" and is an integral part of " Deduct Refund".

Menace of fake Indian currency

5017. SHRIMATI VASANTHI STANLEY: Will the MINISTER OF FINANCE be pleased to state:

- (a) the details of steps the Ministry has taken to fight the menace of fake India currency notes;