

**Black money**

†1001. SHRI LAL SINH VADODIA: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Government is considering to rein in black money through cheques and cards;
- (b) if so, whether Government has taken any steps in this direction; and
- (c) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) to (c) As per the existing provisions of the Income-tax Act, acceptance or repayment of any loan or deposit of an amount of ₹ 20,000 or more otherwise than by an account payee cheque or account payee bank draft or use of electronic clearing system through a bank account is prohibited. Violation of these provisions attracts penalty of an amount equal to the amount of such loan or deposit. Further, subject to certain exceptions, any expenditure for which payment or aggregate of payments in a day exceeding ₹ 20,000 is made otherwise than by an account payee cheque or an account payee bank draft is not allowable as a deduction while computing the income from business or profession of an assessee.

Further, in order to obtain trail of transactions, rule 114B of the Income Tax Rules, 1962 requires mandatory quoting of PAN in respect of certain specified transactions such as sale or purchase of any immovable property valued at five lakh rupees or more, sale or purchase of a motor vehicle, payment to hotels and restaurants for an amount exceeding twenty-five thousand rupees at any one time etc.

In order to curb generation of black money in real estate transactions, Finance Bill, 2015 proposes to prohibit acceptance of any payment, or repayment of advance, of ₹ 20,000/- or more otherwise than by an account payee cheque or account payee bank draft or by electronic clearing system through a bank account, in relation to transfer of an immovable property by providing penalty of an equivalent amount.

**Availability of black money in the country**

†1002. DR. SANJAY SINH: Will the Minister of FINANCE be pleased to state:

- (a) whether Government is aware of the availability of black money in the country;

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† Original notice of the question was received in Hindi.

- (b) if so, the details thereof;
- (c) whether Government has conducted any assessment of the amount of black money available in the country;
- (d) if so, the details thereof; and
- (e) the concrete steps being taken by Government to curb black money in the country?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) and (b) Varying estimations of the amount of black money have been reported by different persons/institutions. Such estimations are based upon different sets of facts, data, methods, assumptions, etc. leading to varying inferences.

(c) and (d) There is no official estimation regarding the amount of black money available in the country. However, the Government commissioned a study, *inter alia*, on estimation of unaccounted income and wealth inside and outside the country, which was conducted by National Institute of Public Finance and Policy (NIPFP), National Council of Applied Economic Research (NCAER) and National Institute of Financial Management (NIFM). Reports received from these Institutes are under examination of the Government.

(e) The Government has taken effective measures to curb the menace of black money. Such measures include (i) Introduction of a comprehensive new law in the ongoing Budget Session 2015, specifically to deal with black money stashed abroad – The Undisclosed Foreign Income and Assets (Imposition of Tax) Bill, 2015 – *inter alia*, providing for stringent penalties (equal to three times the amount of tax payable) and prosecutions (rigorous imprisonment up-to ten years with fine) in this regard; (ii) Other legislative measures introduced through the Budget 2015-16 which include the following – (a) The Finance Bill, 2015 includes a proposal to amend the Income-tax Act, 1961 to prohibit acceptance or payment of an advance of ₹ 20,000 or more in cash for purchase of immovable property, (b) Quoting of PAN is being made mandatory for any purchase or sale exceeding the value of ₹ 1 lakh; (iii) Constitution of a Special Investigation Team (SIT), in May 2014, Chaired and Vice-Chaired by two former judges of the Hon'ble Supreme Court, *inter alia*, to deal with issues relating to black money stashed abroad; (iv) While focusing upon non-intrusive measures, due emphasis on enforcement measures in high impact cases with a view to prosecute the offenders at the earliest possible for credible deterrence against tax evasion; (v) Strengthening and streamlining the information collection and enforcement mechanism, *inter alia*, through extensive use of information technology, capacity building, etc.; (vi) Joining

the global efforts to combat cross-border tax evasion and tax fraud and to promote international tax compliance, including supporting the implementation of a uniform global standard on Automatic Exchange of Information on a fully reciprocal basis facilitating exchange of information regarding persons hiding their money in offshore financial centres and tax havens; (vii) Renegotiation of Double Taxation Avoidance Agreements (DTAAs) with other countries to bring the Article on Exchange of Information to International Standards and expanding India's treaty network by signing new DTAAs and Tax Information Exchange Agreements (TIEAs) with many tax jurisdictions to facilitate the exchange of information and to bring transparency; (viii) Proactively engaging with foreign governments for exchange of information under the provisions of DTAAs/TIEAs/Multilateral Convention; (ix) Exploring non-governmental sources to obtain information regarding undisclosed foreign assets; (x) Effectively utilizing the information received from treaty partners to combat tax evasion and avoidance.

#### **Disbursement of loans to small and marginal farmers**

1003. SHRI PRAMOD TIWARI: Will the Minister of FINANCE be pleased to state:

- (a) whether Government has fixed targets for disbursement of loans to small and marginal farmers during the current years;
- (b) if so, the details thereof; and
- (c) whether Government has achieved the targets fixed for last financial year, if so, the number of small and marginal farmers who were provided loans during last financial year, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) and (b) As per Reserve Bank of India (RBI)'s Circular dated April 23, 2015 on 'Priority Sector Lending - Targets and Classifications', a target of 8 percent of Adjusted Net Bank Credit (ANBC) or Credit Equivalent Amount of Off-Balance Sheet Exposure, whichever is higher, has been prescribed for Small and Marginal Farmers within agriculture to all Scheduled Commercial Banks, to be achieved in a phased manner *i.e.*, 7 per cent by March 2016 and 8 per cent by March 2017.

- (c) As against the target of ₹ 8 lakh crore for agriculture credit during ]2014-15, the Public Sector Banks, Cooperative Banks and Regional Rural Banks have disbursed ₹ 5,35,464.68 crore(provisional) upto 31.12.2014. During the year 2014-15, as on 31.12.2014, the number of farm loan accounts of small and marginal farmers