

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA) : (a) to (c) Yes, Sir. The Committee on Revisiting and Revitalizing the PPP model of Infrastructure Development was set-up in pursuance to Budget Announcements, 2015 under the Chairmanship of Dr. Vijay Kelkar. The IN Committee has submitted an advance copy of the Report to the Finance Minister on November 19, 2015. The final Report is due shortly.

Measures to bring back black money

†1835. SHRI NARESH AGRAWAL;
SHRI VIJAY GOEL;
SHRI K.N. BALAGOPAL:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has failed to bring back black money from foreign countries;

(b) if so, the reasons therefor;

(c) if not, the number of people who have informed about their black money deposited in foreign countries under law for black money and the actual amount of their black money about which Government is aware of;

(d) the amount declared under the scheme announced by Government upto September, 2015; and

(e) the steps being contemplated by Government to ensure that black money is brought back?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA) : (a) and (b) Appropriate action against evasion of taxes/black money is an on-going process. Such action under direct taxes laws includes searches, surveys, enquiries, assessment of income, levy of taxes, penalties, etc. and filing of prosecution complaints in criminal courts, wherever applicable. Such taxes, penalties, etc. form part of the total tax liability of each assessee and is recovered in accordance with law. Such liability is also recovered from assets seized during the searches conducted by the Income Tax Department. There are also provisions for recovery of the same from the assets kept abroad in accordance with legal instruments with the foreign jurisdictions concerned. However, as per scheme of the Income-tax Act, 1961, only the demand/liability raised in relation to the total income assessed is recoverable and not the undisclosed income/black money *per-se*.

† Original notice of the question was received in Hindi.

Recognizing the limitations under the existing legislation [Income-tax Act, 1961, etc.], the Government took a considered decision to enact a comprehensive new law on black money the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 - to specifically deal with black money stashed away abroad. The new law has included the offence of willful attempt to evade tax etc. in relation to undisclosed foreign income and assets as a Scheduled Offence under the Prevention of Money-laundering Act, 2002 (PMLA). This enables attachment and confiscation of the proceeds of crime of wilful attempt to evade such tax, etc., eventually leading to recovery of such undisclosed foreign income and assets/black money stashed abroad. Further, where property/proceeds of crime is taken or held outside the country, PMLA has been amended through the Finance Act, 2015 enabling attachment and confiscation of property equivalent in value held within the country.

(c) and (d) Chapter VI of the newly enacted Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 provided a three-months one-time compliance window giving an opportunity to declarants to declare their undisclosed foreign assets subject to certain conditions prescribed under that Chapter.

A total of 635 declarants have filed declarations, declaring undisclosed foreign assets worth ₹ 4160 crore under the said compliance window.

(e) The Government has taken several measures to deal with the issue of black money, particularly black money stashed away abroad, more effectively. Such measures include policy-level initiatives; more effective enforcement action on the ground; putting in place robust legislative and administrative frameworks, systems and processes with due focus on capacity building and integration of information and its mining through increasing use of information technology. Recent major initiatives of the Government in this regard include - (i) Constitution of the Special Investigation Team (SIT) on Black Money under Chairmanship and Vice-Chairmanship of two former Judges of Hon'ble Supreme Court, (ii) Enactment of a comprehensive new law titled 'The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015' which has come into force w.e.f. 01.07.2015 to specifically and more effectively deal with the issue of black money stashed away abroad, (iii) Introduction of the Benami Transactions (Prohibition) Amendment Bill, 2015 to amend the Benami Transactions (Prohibition) Act, 1988 with a view to, *inter alia*, enable confiscation of Benami property and provide for prosecution, (iv) Pro-actively engaging with foreign governments for enhanced exchange of information under Double Taxation Avoidance Agreements (DTAAs)/Tax Information Exchange Agreements (TIEAs)/Multilateral Conventions, (v) According high priority to the cases involving black money stashed away abroad for investigation and other follow-up actions, (vi) 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 for credible deterrence against tax evasion/black money, (vii) Proactively furthering global efforts to combat tax evasion/black money, *inter alia*, by joining the Multilateral Competent Authority Agreement in respect of Automatic Exchange of Information and having information sharing arrangement with USA under its Foreign Account Tax Compliance Act (FATCA).

National Investment and Infrastructure Fund

1836. SHRIMATI AMBIKA SONI:

DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government is proposing National Investment and Infrastructure Fund (NIIF), for leveraging public investments;

(b) if so, the details thereof; and

(c) by what time, the Fund will be created along with its administration, funding and distribution policy, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA) : (a) Yes, Sir. National Investment and Infrastructure Fund (NIIF) has already been created with the approval of the Cabinet on 29th July, 2015.

(b) and (c) The details on the creation of National Investment and Infrastructure Fund are in Office Memorandum No. 10/33/2014-Investment dated 20th August, 2015 which is available on the website of Ministry of Finance, Department of Economic Affairs: (http://fnmin.nic.in/the_ministry/dept_eco_affairs/investment_division/NIIF24082015.pdf).

Formulation of a national income policy

†1837. SHRI VISHAMBHAR PRASAD NISHAD:

SHRIMATI KANAK LATA SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether a reference to the improvement in efficiency and productivity was made while increasing the salary of Central Government employees by the Sixth Central Pay Commission and whether it was followed;

(b) the annual burden on exchequer due to suggestions made by Seventh Central Pay Commission to increase salary of Government employees;

† Original notice of the question was received in Hindi.