

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ARJUN RAM MEGHWAL): (a) to (c) The pay of a Government employee will be determined by multiplying the existing basic pay by a factor of 2.57 and the revised pay so arrived at will be fixed at the same or the immediate next higher Cell in the applicable Level of the Pay Matrix. This assures a minimum increase of 14.29% at all levels. The increase in pay as recommended by the 7th CPC is based on detailed deliberations by the Commission keeping in view all relevant factors having a bearing upon the prevailing circumstances. Except for Apex scale and pay of Cabinet Secretary which carry a fixed pay without annual increments, uniform formula of increase has been proposed for all scales.

**Proposal for taxing agricultural income**

1733. SARDAR SUKHDEV SINGH DHINDSA: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal for taxing agriculture income beyond a certain limit of income; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) Sir, there is no such proposal under consideration.

(b) Does not arise in view of (a).

**Steps taken to check tax evasion**

1734. SHRI DILIP KUMAR TIRKEY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in India only one per cent of the population are direct tax-payers;

(b) whether it is also a fact that tax evasion is still rampant in the country; and

(c) if so, the details thereof and the steps being taken by the Government to check tax evasion?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SANTOSH KUMAR GANGWAR): (a) No Sir. The number of taxpayers of income

tax for the Financial Year 2015-16 was 5,24,38,971 which works out to 4.33% of the total population of India.

(b) Cases of tax evasion of large amounts are regularly detected by the Income Tax Department.

(c) Searches conducted in 990 groups of assessees during the last 2 years i.e Financial Years 2014-15 and 2015-16 resulted in seizure of undisclosed assets of ₹ 1,474 crore and admission of undisclosed income of ₹21,354 crore. During the same period, Surveys conducted at 9,457 premises resulted in detection of undisclosed income of ₹22,475 crore. Tax evasion has also been detected while scrutinizing the income tax returns filed by the taxpayers.

The Central Board of Direct Taxes (CBDT) has taken several policy-level initiatives and administrative measures in the recent past to check tax evasion, including the following:-

- (i) Constitution of the Special Investigation Team (SIT) on Black Money under Chairmanship and Vice-Chairmanship of former Judges of Hon'ble Supreme Court.
- (ii) Enactment of a comprehensive law - 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) Proactively furthering global efforts to combat tax evasion/black money 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).
- (v) Initiation of the information technology based 'Project Insight' by the Income Tax Department for strengthening the non-intrusive information driven approach for improving tax compliance and effective utilization of available information.