

(c) and (d) India and Switzerland are parties to the MAC and are also signatories to the multilateral Competent Authority Agreement (MCAA) for automatic exchange of financial account information (AEOI) under the Common Reporting Standard (CRS). India and Switzerland signed a Joint Declaration on 22nd November, 2016 for activation of AEOI between the two countries. The necessary legal arrangements are in place and exchanges under the CRS commenced from September 2019.

(e) and (f) The Income Tax Department utilizes any data / information received from any credible source for taking suitable actions in cases involving violation of the provisions of Income Tax Act, 1961 and the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015. Such actions under direct tax laws include searches, surveys, enquiries, assessment/ reassessment of income, collection 1 of taxes, levy of penalties, filing of prosecution etc., wherever applicable.

Impact of Corporate Tax cut on economy

198. SHRI NARAIN DASS GUPTA:

PROF. M.V. RAJEEV GOWDA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Finance Minister announced Corporate Tax rate cut through an Ordinance titled 'The Taxation Laws Amendment (Ordinance), 2019';

(b) whether it is also a fact that the expected revenue loss from the tax exemption was estimated at ₹1,45,000 crore by the Minister;

(c) the details of methodology of arriving at the aforementioned amount; and

(d) the amount of money that has re-entered the market in the form of fresh investments by the beneficiaries of the tax rate cut?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANURAG SINGH THAKUR): (a) and (b) Yes Sir.

(c) The revenue loss has been estimated using data maintained by the Income-tax Department regarding income declared by domestic companies and tax paid by them in earlier years and expected growth rate of GDP.

(d) There is always a time lag between policy announcement to attract investment and actual investment taking place.