

LOK SABHA

Thursday, February 12, 1959 (Mughla
23, 1880 (Saka)

The Lok Sabha met at Eleven of the
Clock

[MR SPEAKER in the Chair].

ORAL ANSWERS TO QUESTIONS

Avoidance of Double Taxation

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- *129. { Shri Rajendra Singh:
Shri Vidya Charan Shukla:
Shri Kistalya:
Dr. Ram Subhag Singh.

Will the Minister of Finance be pleased to state

(a) whether it is a fact that negotiations were carried on with the United States on the issue of relief from double taxation of income in the two countries and

(b) if so with what results?

The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha): (a) yes Sir

(b) Substantial progress has been achieved during the negotiations, which are expected to be continued in India in March, 1959

Shri Rajendra Singh: Has the Government made any assessment of the likely effect on the receipts on income-tax account in case a settlement is arrived at?

Shrimati Tarkeshwari Sinha. All the likely effects are going to be good, because it is one of the incentives provided for encouragement of foreign investment in India

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Shri Rajendra Singh: May I know which of the countries took initiative in this matter?

Shrimati Tarkeshwari Sinha: The Government of US and Canada made this request that some steps should be taken for avoidance of double taxation

Shri Vidya Charan Shukla: May I know the main points on which agreement has been reached between India and the United States of America?

Shrimati Tarkeshwari Sinha: The agreement is still in the negotiation stage, and it is not possible for me to give the details

Shri Ramanathan Chettiar: May I know whether this agreement will cover super-tax as well?

Shrimati Tarkeshwari Sinha: All the tax concessions that are being provided for foreign investments will be effective after this avoidance of double taxation

Shri Vidya Charan Shukla: May I know if the negotiations have been resumed in India now or it will take some more time?

Shrimati Tarkeshwari Sinha: I have already said in my main answer that in March a delegation from America is coming for further negotiations

Iron and Steel Equalisation Fund

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- *130 { Shri Subodh Hansda:
Shri S. C. Samanta
Shri R. C. Majhi:

Will the Minister of Steel, Mines and Fuel be pleased to state

(a) the amount of subsidy paid from the Iron and Steel Equalisation Fund per ton during 1958,