

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:230  
ANSWERED ON:25.02.2000  
OUTSTANDING AMOUNT OF DIRECT TAXES  
ARUN KUMAR;SUSHIL KUMAR INDORA

**Will the Minister of FINANCE be pleased to state:**

- (a) the outstanding amount of direct taxes during the last three years;
- (b) the reasons for continuous increase in this amount; and
- (c) the steps taken by the Government for recovery of outstanding amount of direct taxes?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI V. DHANANJAYA KUMAR)

(a) The figures of total amount of outstanding demand of Corporation Tax and Income Tax for the last three financial years (as on 31st March), are indicated below:

Financial years Total outstanding demand

(Rs. In crores)

1996-97	33585.12
1997-98	41230.03
1998-99	44143.72

(b) The entire outstanding demand is not recoverable. This amount includes demands not fallen due, demands paid but pending verification, demands stayed by courts/Settlement Commission/Appellate Tribunals and Income Tax Authorities etc. The major reason for accumulating large arrears is on account of multiplicity of litigations on the same issue in different assessment years.

(c) The recovery of tax is a continuous process involving detailed statutory procedures. These include charging of interest, levy of penalty, attachment of bank accounts, attachment and sale of movable and immovable properties etc. Periodical review and monitoring of cases of high demands are made by higher authorities on a continuous basis and necessary instructions are issued from time to time for effecting the recovery of taxes.