

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:939
ANSWERED ON:28.07.2000
BLACK MONEY
KANTI SINGH;RAM PRASAD SINGH

Will the Minister of FINANCE be pleased to state:

- (a) the efforts made by the Government to unearth the black money in the country so far;
- (b) whether the Chief Vigilance Commissioner has also written a letter to him outlining the action proposed to be taken in order to get rid of the black money in the country;
- (c) if so, the details thereof; and
- (d) the measures the Government propose to take to unearth the black money in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR)

(a), (b), (c) & (d): The Government have been taking necessary legislative, fiscal and administrative measures, from time to time to unearth the undisclosed money. Rates of taxation have been progressively rationalised. Besides, the Income Tax Act, 1961 contains a number of provisions aimed at unearthing the undisclosed money. These include, inter-alia, provision regarding compulsory maintenance and audit of accounts in appropriate cases under Sections 44AA and 44AB, restrictions on cash transactions under Sections 40A(3), 269SS and 269T, pre-emptive purchase of properties under Chapter XXC and provisions regarding penalties and prosecutions for punishing tax defaulters. The Act also contains provisions regarding summons, surveys and searches, etc. to detect tax evasion. These provisions are resorted to in appropriate cases. Various Amnesty Schemes have also been introduced from time to time to bring black money into the mainstream of national economy.

The Central Vigilance Commissioner has written to emphasise the need for early implementation of the Benami Transactions Prohibition Act, 1988. The CVC has also notified on 12th July, 2000, a Benami Black Money Scheme regarding black money/benami properties of public servants.