

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:271
ANSWERED ON:19.12.2003
ELECTRONIC NET TO CATCH TAX EVADERS
SADASHIVRAO DADOBA MANDLIK

Will the Minister of FINANCE be pleased to state:

- (a) whether the existing system for checking tax evaders is totally ineffective and generating black money;
- (b) if so, the facts in this regard;
- (c) whether the Union Government proposes to put in place an electronic net to catch the tax evaders; and
- (d) if so, the details of the proposed scheme?

Answer

FINANCE MINISTER (SHRI JASWANT SINGH)

(a) & (b): No, Sir.

(c): The existing system for checking tax evasion is being strengthened with the assistance of the latest technology. A Data Bank of high value financial transactions in the Income Tax Department is being created through the mechanism of Annual Information Returns.

(d): The Annual Information Returns which would contain details of high value financial transactions would be required to be filed under the provisions of Section 285BA of the Income Tax Act, 1961. This provision shall come into force from 1st April, 2004.