

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3982
ANSWERED ON:22.08.2003
OUTSOURCE OF INCOME TAX FUNCTIONS
PABAN SINGH GHATOWAR

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government have any proposal to outsource the income tax departmental functions concerning TDS, Challan processing, information data collection, processing of returns etc;
- (b) if so, the details thereof;
- (c) the number of employees who would be rendered surplus on account of such outsourcing; and
- (d) the reasons for such outsourcing?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

- (a) & (b): The Government have decided to outsource certain non-core activities of the Income Tax Department. It has been decided to establish a National Tax Information Network (TIN) which will receive on behalf of the Department, all TDS returns and other information returns for digitization. TIN will also receive on line information about collection of taxes from the banks. It has also been decided to outsource data entry of returns of income wherever it is not possible to manage the workload from the available manpower.
- (c): No employee will be rendered surplus.
- (d) Decision to outsource non-core functions of the Income tax department was taken on the basis of Kelkar Committee recommendations so that departmental manpower could be optimally engaged in core functions of the department.