

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:864  
ANSWERED ON:24.02.2006  
MISUSE OF TAX CONCESSIONS BY PRIVATE INSTITUTIONS  
Jha Shri Raghunath

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

- (a) whether tax exemptions and various concessions both under the direct and indirect tax laws are being misused by unscrupulous elements to their advantage;
- (b) if so, the number of cases detected in this regard during the last three years giving the amount involved therein;
- (c) whether some of the private hospitals and nursing homes earning crores of rupees are siphoning exemptions in the name of research activities;
- (d) whether charitable trusts are misusing the provisions of tax exemptions; and
- (e) if so, measures taken to plug loopholes in exemption/ concessions enjoyed by making the filing of income tax returns mandatory for such institutions/trusts and scrutiny thereof?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a), (b), (c), (d) & (e): Information is being collected and will be laid on the Table of the House.