

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:255
ANSWERED ON:08.12.2006
VOLUNTARY DISCLOSURE OF BLACK MONEY
Rana Shri Kashi Ram; Thummar Shri Virjibhai

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has made any assessment regarding black money in the country;
- (b) if so, the details in this regard;
- (c) whether the Government proposes to launch any voluntary disclosure scheme for disclosure of black money;
- (d) if so, the details thereof; and
- (e) the other steps being taken to control the black money?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI P. CHIDAMBARAM)

(a) to (e): A statement is laid on the table of the House.

Statement referred to in reply to Lok Sabha Starred Question No.255 for answer on 8.12.2006

(a) & (b) There is no exact estimate of the amount of black money presently in circulation in the country. However, at the instance of the Govt., the National Institute of Public Finance and Policy (NIPFP) had attempted an estimate of black money in the country. According to the report of the NIPFP, the total amount of black money in the country during financial year 1983-84 was estimated between Rs.31,584 crores and Rs.36,786 crores. Subsequently no fresh study has been conducted by the Govt. on the amount of black money.

(c) & (d) Presently, there is no proposal to launch any voluntary disclosure scheme for disclosure of black money.

(e) The Income Tax Department takes several punitive and- deterrent steps to control black money. These include scrutiny of returns, surveys, search and seizure action, imposition of penalty and launching of prosecution in appropriate cases. Further, by the Finance Act, 2005, the Government have introduced two additional anti-tax evasion measures, namely, levy of Banking Cash Transactions Tax to establish the trail of large cash withdrawals through banking channels; and, furnishing of quarterly returns of certain deposits as prescribed under Section 206A of the Income Tax Act.