

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:989
ANSWERED ON:28.11.2014
ELECTRONIC MODE OF PAYMENTS
Lakhanpal Shri Raghav

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has gradually started implementing the electronic mode of payments a mandatory alternative for the consumers to deposit fee/payment/charges where Demand Draft is required;
- (b) if so, the details thereof;
- (c) whether Government has issued guidelines to implement it as a mandatory alternative with other mode of payment; and
- (d) if so, the details thereof including the measures taken by the Government to simplify the procedure in this regard?

Answer

The Minister of State in the Ministry of Finance (SHRI JAYANT SINHA)

(a) to (d) Income Tax Rules provide that the following persons shall pay tax electronically (i.e. by internet banking facility or through credit/debit cards) on or after the 1st day of August, 2008:

- i. a company; and
- ii. a person (other than a company), to whom the provisions of section 44AB of the Income-Tax Act 1961 are applicable.

As per the report of Central Board of Excise and Customs (CBEC):

- i. With effect from 01.10.2014, it is mandatory for all Central Excise assesses and service provider/tax payers to electronically pay duty through internet banking.
- ii. E-payment of duty is mandatory for Accredited Clients Programme (ACP) importers paying duty of Rs.1.00 lakh or more per Bill of Entry.

Further, Government in August 2011 had asked Public Sector Banks (PSBs), Financial Institutions (FIs) and Public Sector Insurance Companies (PSICs) to deal with payments to the staff, vendors, suppliers and disbursement of loans and payments towards installments and investments only through direct credit to accounts.