

Bill No. XXXIV of 2023

THE BLACK MONEY RECOVERY BILL, 2023

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BILL

to recover the black money held abroad by Indian citizens and to establish a fund to deposit a prescribed share of the amount from such recovery into each Indian citizen's bank account and for matters connected therewith or incidental thereto.

BE it enacted by the Parliament in the Seventy-fourth Year of the Republic of India as follows:—

1. (1) This Act may be called the Black Money Recovery Act, 2023.
(2) It shall come into force on such date, as the Central Government may, by notification
5 in the Official Gazette, appoint.

Short title and
commencement.

2. In this Act, unless the context otherwise requires,—

Definitions.

(a) "black money" means any asset or income that has not been reported to the public authorities either at the time of their generation or disclosed thereto during their possession or recorded for tax purposes;

(b) "citizen" means any Indian citizen as per the provisions of the Citizenship Act, 1955;

(c) "Committee" means the Managing Committee of the Public Fund of India constituted under section 6 of this Act;

(d) "prescribed" means prescribed by rules made under this Act; and 5

(e) "Public Fund" means the Public Fund of India formed under section 4 of this Act.

National
Policy for
Black
Money
Recovery.

3. (1) The Central Government shall, formulate a policy to be known as the "National Policy for Black Money Recovery" to recover all of the black money held abroad by Indian citizens, in such manner as may be prescribed. 10

(2) It shall be the duty of the Central Government to implement the National Policy formulated under sub-section (1).

Constitution
of the Public
Fund of
India.
Duties of the
Central
Government.

4. The Central Government shall, as soon as may be, by notification in the Official Gazette, constitute a fund with the State Bank of India to be known as the "Public Fund of India" for carrying out the purposes of this Act. 15

5. It shall be the duty of the Central Government to,—

(a) issue a White Paper on the black money recovered in accordance with the provisions of this Act, within seven days of each and every such recovery;

(b) deposit such recovered black money, as per provisions of section 3, into the Public Fund of India within fourteen days of each and every such recovery, in such manner as may be prescribed; 20

(c) deposit the recovered black money into each and every citizen's bank account held within the territory of India in such quantum and manner, as may be prescribed; and

(d) share the remaining recovered amount, if any, to all State Governments and the share of each State shall be calculated by the percentage of the Gross State Domestic Product contributed by each State on 31st day of March, 2022 in such manner as may be prescribed. 25

Constitution
of
Management
Committee.

6. (1) Within seven days of coming into effect of this Act, the Central Government shall, by notification in the Official Gazette, constitute a Managing Committee of the Public Fund of India to perform the functions assigned to it under this Act. 30

(2) The head office of the Committee shall be at such place, as may be notified.

Duties of the
Managing
Committee.

7. It shall be the duty of the Managing Committee to,—

(i) monitor, supervise and coordinate the distribution of funds from the Public Fund in such manner as may be prescribed; 35

(ii) review the progress of distribution of funds from the Public Fund; and

(iii) perform such other functions as may be assigned to it.

Composition
of Managing
Committee.

8. (1) The Managing Committee shall consist of the following members, namely:—

(i) the Minister of Finance, Government of India, Chairperson, *ex-officio*; 40

(ii) the Leader of the Opposition in Lok Sabha or Rajya Sabha or any other Member of Parliament nominated by the opposition parties in the absence of a Leader of Opposition, Co-Chairperson, *ex-officio*;

(iii) the Chairman, NITI AAYOG, Vice-Chairperson, *ex-officio*;

(iv) the Governor, Reserve Bank of India — Member, *ex-officio*;

(v) six Members of Parliament representing the Lok Sabha, of which only a maximum of two shall belong to the ruling party, to be nominated by the Central Government, in such manner as may be prescribed — Member;

5 (vi) six Members of Parliament representing the Rajya Sabha, of which only a maximum of two shall belong to the ruling party, to be nominated by the Central Government, in such manner as may be prescribed — Member; and

(vii) the Finance Secretary, Government of India, Secretary of the Committee, *ex-officio*;

10 (2) The Central Government shall appoint such officers and staff, from the Ministry of Finance, Government of India, to assist the Committee, in such manner as may be prescribed.

9. (1) All Members, Officers and staff of the Committee shall work on an honorary basis and shall not be entitled to any salary.

Terms and conditions of service of the Members, Officers and staff of the Committee.

15 (2) The Committee shall compulsorily meet once every fifteen days at the head office, in such manner as may be prescribed.

(3) Any and every expenditure incurred towards the working of the Committee shall be borne by the Ministry of Finance, Government of India.

(4) Members of Parliament shall be entitled for reimbursement of flight ticket expenses incurred by them for attending the meetings of the Committee.

20 (5) All decisions of the Committee shall be taken by a simple majority.

10. The Central Government shall, if it deems fit, after due appropriation made by Parliament by law in this behalf, provide adequate funds for the implementation of the provisions of this Act.

Central Government to provide funds.

25 11. The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force regulating any of the matters dealt with in this Act.

Act not in derogation of any other law.

12. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

Power to make rules.

30 (2) Every rule made by the Central Government under this section shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however, that any such
35 modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

STATEMENT OF OBJECTS AND REASONS

The amount of black money held abroad by Indians has seen an exponential rise over the years. This amount, when recovered can be utilised to improve the quality of life of each and every citizen of India.

In view of this, there is need to enact an integrated legislation in this regard so that the amount is recovered by the Government of India and it finally reaches every citizen of India with proper oversight. Any remaining amount shall be distributed between the States for their development.

This Bill seeks to recover all black money held abroad illegally by Indian citizens and utilise the same towards the development of the nation.

Hence, this Bill.

M. MOHAMED ABDULLA

FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for the formulation and implementation of the National Policy for Black Money Recovery by the Central Government. Clause 4 provides that the Central Government shall constitute a Public Fund for depositing the recovered black money. Clause 6 provides for the constitution of a Management Committee to monitor, supervise and coordinate the distribution of the recovered black money. Clause 9 provides for the terms and conditions of service of the Members, officers and staff of the Managing Committee whereby Members of Parliament shall be reimbursed towards the flight ticket expenses incurred by them to attend the Committee meetings. Clause 10 provides that the Central Government shall provide adequate funds for carrying out the purposes of the Bill.

The Bill, therefore, if enacted, will involve expenditure from the Consolidated Fund of India. It is estimated that a sum of rupees five hundred crore may involve as one-time non-recurring expenditure from the Consolidated Fund of India.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 11 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. As the rules will relate to matters of detail only, the delegation of legislative power is of a normal character.

RAJYA SABHA

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(Shri M. Mohamed Abdulla, M.P.)