

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**RAJYA SABHA**

**UNSTARRED QUESTION NO.2317**

TO BE ANSWERED ON TUESDAY, THE 06th December 2016  
15 AGRAHAYANA 1938 (SAKA)

**BRINGING AGRICULTURAL INCOME UNDER TAX NET**

**2317. SHRIMATI WANSUK SYIEM:**

Will the Minister of FINANCE be pleased to state:

- (a) after the recently concluded Income Disclosure Scheme, netting more than ₹.65,000 crores, what other measures are being planned by Government to widen its tax base;
- (b) whether Government is working on bringing agricultural income under the tax net, above a certain threshold; and
- (c) whether Government is currently compiling data on agricultural income through spot verification done under Computer Aided Scrutiny Selection scheme?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SANTOSH KUMAR GANGWAR)

- (a) The Income Disclosure Scheme, 2016 was primarily a scheme to bring unaccounted income to tax and not for widening of tax base or adding new taxpayers. However, the Government has taken several measures for widening of tax base, including the following:-
- (i) The Income Tax Department has implemented the Non-Filer Monitoring System (NMS) which analyses and assimilates all in-house information as well as transactional data received from third-parties, including Annual Information Return (AIR), Tax Deduction at Source (TDS) and Tax Collection at Source

**Contd...2/-**

(TCS) statements, Central Information Bureau (CIB) data etc. to identify such persons/entities who have undertaken high value financial transactions but have not filed return. About 1.37 Crore non-filers with potential tax liability have been identified under NMS and more than 95 Lakh returns have been filed by the target segment and self-assessment tax of about ₹.16,500 Crore has been paid.

(ii) The mechanisms for collection and verification of financial information have been broadened and strengthened. These include collection of data in respect of various types of high-value transactions from banks and financial institutions and high-value expenditure from commercial establishments in form of Statement of Financial Transaction (SFT). Besides, various legislative measures have been taken to increase the tax base. These include expansion of scope of TDS and TCS by bringing more and more taxable transactions within their ambit. Moreover, quoting of Permanent Account Number (PAN) has been made mandatory for all transactions above ₹.2 lakh and for specified transactions in respect of property, shares, bonds, insurance, foreign travel, demat account, etc.

(b) No Sir. No such proposal to bring agricultural income under the tax net is being considered by the Government.

(c) The Income Tax Department is verifying the genuineness of agricultural income in cases where taxpayers have reported agricultural income of more than ₹.One Crore in their income tax returns for Assessment Years 2007-08 to 2015-16 to check whether the tax-payer has made a genuine declaration or there are data entry errors. In cases where scrutiny assessment has been completed, the assessing officer has been directed to provide feedback about the genuineness of the claim of agricultural income based on the findings of the assessment process. In cases where assessment proceedings are pending, the assessing officers have been directed to thoroughly verify the claims of agricultural income made by the taxpayers.

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