

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

**RAJYA SABHA  
UNSTARRED QUESTION NO. 2445**

**TO BE ANSWERED ON TUESDAY THE 10<sup>th</sup> DECEMBER, 2019  
AGRAHAYANA 19, 1941 (SAKA)**

**“MANDATORY QUOTING OF PAN FOR TRANSACTIONS”**

**2445: SHRI B. LINGAIAH YADAV:**

Will the Minister of FINANCE be pleased to state:

- (a) whether Government has made it mandatory to quote PAN for all transactions in excess of ₹ 2 lakh, regardless of the mode of payment to curb black money, if so, the details thereof;
- (b) whether the new rule will cover purchases of all goods or services such as gold jewellery or furniture and this includes all payments made through cash, cheques or debit or credit cards and Government has raised the limit to quote PAN in the case of immovable property, if so, the details thereof; and
- (c) the details of the violations noticed by Government, individual/company-wise and action taken on such cases?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI ANURAG SINGH THAKUR)**

(a) Yes Sir. As per sub-section (5) of section 139A of the Income-tax Act, 1961 ('Act') read with Rule 114B of Income-tax Rules, 1962 ('Rule'), a person is required to quote Permanent Account Number ('PAN') in respect of certain specified transactions mentioned in Rule 114B. In the absence of PAN, a declaration in Form 60 is required to be made. The said specified transactions and its monetary limits were revised by the Central Government through Income-tax (22<sup>nd</sup> Amendment) Rules, 2015 vide Notification dated 30.12.2015 bearing S.O Number 3545(E) with effect from **01.01.2016**.

The substituted Rule 114B *inter-alia* provides a list of 17 transactions wherein quoting of PAN is mandatory in all documents pertaining to the said transactions.

Further, the said Rule 114B also provides that every person is required to quote *PAN for sale or purchase of any goods or services of any nature other than said 17 specified transactions, if the value of such transaction exceeds ₹2 Lakh per transaction.*

(b) Yes Sir. The existing Rule 114B covers purchases of all goods or services such as gold jewellery or furniture for the purpose of quoting PAN and this includes transactions made through cash, cheques or debit or credit cards.

Prior to the substitution of Rule 114B by the Income-tax (22<sup>nd</sup> Amendment) Rules, 2015, a person was required to quote PAN in all documents pertaining to sale or purchase of any immovable property valued at ₹ 5 lakh or more. With the substitution, the value for such transaction has been raised to ₹10 lakh or more with effect from 01.01.2016.

(c) The Income Tax Department regularly conducts inspections and verifies the information obtained through Statement of Financial Transaction furnished by the reporting entities to detect cash transactions in violation of Section 269SS and 269ST of the Act.

During the Financial Year 2018-19, about 40039 cases of violation of section 269SS of the Act, involving an amount of approximately ₹ 8102 Crores and 1110 cases of violation of section 269ST of the Act involving an amount of approximately ₹ 1015 Crores have been detected.

During the current Financial Year 2019-20, about 35620 cases of violation of section 269SS of the Act, involving an amount of approximately ₹ 6692 Crores and 1421 cases of violation of section 269ST of the Act involving an amount of approximately ₹ 2101 crores have been detected so far.

Individual/Company-wise details of violations of Act/Rules are not maintained. However, appropriate actions with regard to the violations of Income Tax Act/Rules are taken by the Income Tax Department. Such actions under direct tax law include searches, surveys, enquiries, assessment/ reassessment of income, levy of taxes, penalties, filing of prosecution complaints etc. wherever applicable.

\*\*\*\*\*