

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
UN-STARRED QUESTION NO.1489
ANSWERED ON- 14/03/2023
PHALGUNA 23, 1944 (SAKA)

TAX ARREARS IN DIRECT AND INDIRECT TAXES

1489. SHRI AYODHYA RAMI REDDY ALLA:

Will the Minister of FINANCE be pleased to state:

- (a) the total amount of tax arrears outstanding for both direct and indirect taxes in the country;
(b) the total amount of recoveries made under the same and the total amount of non-collectible taxes under the same;
and
(c) whether Government is taking measures to provide for timely and enhanced recovery in this respect, if so, the details thereof and If not, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): The requisite details are as under:-

(Figures in Crore)

Data as on 31.01.2023	Indirect tax	Direct tax
Total Pending Arrears	3,13,451	23,01,731
Arrears Realisation	2,279	52,791
Non-Collectable Arrears	2,96,829	21,94,099

(c): CBDT has issued the Annual Central Action Plan for F.Y. 2022-23 (CAP), wherein time bound targets for achievement of Key Result Areas for recovery of arrear demand have been fixed. A multipronged strategy has been formulated to tackle this issue of arrear demand, with focus on addressing the issue in the following ways:

- i) Reduction of arrear demand by way of statutory actions, cleaning up of demand etc.,
- ii) Efforts for recovery and cash collection out of arrear demand and 'demand difficult to recover',
- iii) Early disposal of appeals,
- iv) Monitoring of high arrear demand cases by CBDT.

The progress on above action plan is monitored by CBDT by holding regular meetings/ video conferences and through reports.

Further, various Circulars have been issued addressing all such issues of recovery of arrears including 'Units closed/defaulters not traceable' for speedy and timely recovery of arrears. These circulars also provide for the mechanism for bringing down the pendency of arrears under appellate authorities like CESTAT, High court etc.
