

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

RAJYA SABHA
UN-STARRED QUESTION NO. 2984

ANSWERED ON – 19/08/2025

‘ITR Filers in the country’

2984. SHRI SATNAM SINGH SANDHU:

Will the Minister of FINANCE be pleased to state: -

- (a) The details of total number of ITR filers in the country in the last five years, year-wise;
- (b) The details of total number of individual and corporate taxpayers in the last five years, category-wise;
- (c) The policy measures introduced by Government in the last two decades to expand the tax base and increase compliance;
- (d) The estimated percentage of the population that is currently filing ITR compared to 20 years ago; and
- (e) Whether Government has identified any specific sectors or demographics with low tax compliance, and if so, the measures taken to bring them into the tax net?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

- (a) and (b) The requisite details are provided at Annexure-I.
- (c) Government in the last two decades has introduced various policy measures to expand the tax base and increase compliance. These are mentioned as below -
 - **Expansion of scope of TDS/TCS** - For bringing new taxpayers into the net of income tax department, scope of TDS/TCS was expanded by including huge cash withdrawal, foreign remittance, purchase of luxury car, e-commerce participants, sale of goods, acquisition of immovable property, remittance under LRS, purchase of overseas tour program package etc.
 - **New Form 26AS** - This new form contains all information of deduction or collection of tax at source, specified financial transaction (SFT), and payment of taxes, demand and refund, pending and completed proceedings. Further,

details of SFT data in the Form 26AS makes taxpayer aware about their transactions beforehand and encourages them to disclose their true income.

- **The Annual Information Statement (AIS)** was introduced by the Income Tax Department in November 2021 as part of the upgraded compliance and reporting framework under Section 285BB of the Income-tax Act, 1961. Introduced as part of digitization and taxpayer-centric reforms, AIS consolidates the data from banks, mutual funds, registrars, TDS deductors, and other third-party sources and presents it transaction-wise to the taxpayer.
- **Pre-filing of Income-tax Returns-** In order to make tax compliance more convenient, pre-filled Income tax Returns (ITR) have been provided to individual taxpayers. The scope of information for pre-filing includes information such as salary income, bank interest, dividends, etc.
- **Updated Return-** Section 139(8A) of the Income Tax Act facilitates the taxpayer to update his return anytime within four years from the end of the relevant assessment so that he can file an updated return by voluntarily admitting omissions or mistakes and paying an additional tax as applicable. Vide Finance Act 2025, the time-limit to file the updated return of income has been extended from the existing 24 months to 48 months from the end of the relevant assessment year.
- **The e-Verification Scheme, 2021** was introduced by the Income Tax Department under section 135A of the Income-tax Act, 1961. The Department receives information on financial transactions of various types from Sources/Reporting Entities. The purpose of the scheme is to flag cases of mismatch between third party information and information disclosed in the ITR by the taxpayer. Under the Scheme, the taxpayer is informed of data inaccuracies/ missing data on the basis of this information received vis-à-vis the ITR filed. E-campaigns are undertaken under the scheme wherein taxpayers are nudged to update their ITRs to reflect the correct information. By providing the taxpayer an opportunity to correct the same prior to scrutiny, this Scheme aims to promote Voluntary Compliance. Further, in case of non-filers, e-campaigns are also undertaken which have steadily contributed to increasing the tax base.
- **Simplification of the Personal Income Tax-** Finance Act, 2020 simplified the filing of Income Tax Returns by providing an option to individual taxpayers for paying income-tax at lower slab rates if they do not avail specified exemption and incentive.
- **Reduction in the Corporate tax rate** - Starting from the Finance Act, 2016, the corporate tax rates have been gradually reduced while phasing out the exemptions and incentives available to the corporates so as to increase the tax base.
- **Black Money Act-** In order to curb the flow of black money stashed abroad, the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (the Black Money Act) has been enacted, it increased the voluntary compliance in filing Income Tax Returns.

- **Benami Law-** The Benami Transactions (Prohibition) Act, 1988 was comprehensively amended by the Benami Transactions (Prohibition) Amendment Act, 2016 to enable confiscation of Benami Property and prosecution of benamidar and the beneficial owner.
- (d) The requisite details pertain to 20 years prior to the present year. As the ITRs then were filed in paper form, hence the details are not available.
- (e) No specific sectors or demographics have been identified with low tax compliance.

Annexure-I

| Number of Persons Filing Income-Tax Return | | | | | | | |
|---|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Sr. | PAN Category | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 |
| 1 | INDIVIDUAL | 61,130,366 | 63,171,013 | 65,461,868 | 69,690,925 | 76,370,510 | 80,880,773 |
| 2 | HINDU UNDIVIDED FAMILY (HUF) | 1,158,601 | 1,201,502 | 1,226,587 | 1,246,413 | 1,285,421 | 1,331,881 |
| 3 | FIRM | 1,298,406 | 1,410,154 | 1,451,576 | 1,510,551 | 1,588,455 | 1,662,015 |
| 4 | COMPANY | 840,511 | 924,296 | 971,319 | 1,027,200 | 1,080,882 | 1,137,872 |
| 5 | ASSOCIATION OF PERSON (AOP) (TRUST) | 241,893 | 263,856 | 271,117 | 274,213 | 290,665 | 303,408 |
| 6 | OTHER AOP/ BODY OF INDIVIDUALS (BOI) | 184,360 | 224,358 | 240,167 | 247,682 | 273,672 | 303,624 |
| 7 | LOCAL AUTHORITY | 2,861 | 3,534 | 3,594 | 3,529 | 3,760 | 4,029 |
| 8 | ARTIFICIAL JURIDICAL PERSONS | 8,583 | 9,505 | 8,800 | 9,321 | 9,394 | 9,982 |
| 9 | OTHERS | 307 | 396 | 418 | 435 | 556 | 705 |
| | TOTAL | 64,865,888 | 67,208,614 | 69,635,446 | 74,010,269 | 80,903,315 | 85,634,289 |

*Source of the Data: DGIT(Systems), Delhi