

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS  
LOK SABHA  
UNSTARRED QUESTION NO. 490  
TO BE ANSWERED ON 18<sup>TH</sup> NOVEMBER, 2016/27<sup>TH</sup> KARTIKA, SAKA, 1938**

**TAX INCENTIVES FOR CARD PAYMENTS**

**490. DR. J. JAYAVARDHAN:**

**QUESTION**

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has set up a high level Committee to suggest steps to promote card payments through incentives;
- (b) if so, the details thereof and composition of the Committee along with the issues on which Committee will give its recommendations; and
- (c) the time by which the high level Committee likely to submit its report to the Government?

**ANSWER**

**MINISTER OF STATE FOR FINANCE  
(SHRI ARJUN RAM MEGHWAL)**

- (a) Yes.
- (b) A Committee was constituted on 23<sup>rd</sup> August, 2016 to review the Framework related to Digital payment system in the country and to recommend appropriate measures for encouraging digital payments. The term of reference of the committee include:
  - To study and recommend need for changes, if any, in the regulatory mechanism under the various acts relevant for the purpose of promotion of payments by digital modes;
  - To study and recommend ways for leveraging Unique Identification Number or any other proof of identity for authentication of card/ digital transactions
  - To study introduction of single window system of Payment Gateway to accept all types of Cards/ Digital Payments of Government receipts and enable settlements between consumer and merchants via NPCI or other agencies.
  - To study and recommend various measures to incentivize transactions through cards and digital means, e g., through tax rebates/ incentives, introduction of cash back/ lottery etc.

- To identify regulatory bottlenecks and suggest changes to promote payment by card/ digital means and make recommendations on any other matter related to promotion of payments through Digital means.
- To study and make recommendations on any other matter related to promotion of payments through Cards and Digital Means etc.

The composition of Committee is as follows:

1. Shri Ratan P. Watal, Pr. Advisor, NITI Ayog and Former Finance Secretary - (Chairman)
2. Shri H. R. Khan, Former Deputy Governor, Reserve Bank of India - Member
3. Secretary, D/o Investment and Public Asset Management or his Nominee (Not below the rank of Joint Secretary) - Member
4. President, NASSCOM - Member
5. Chairman, Indian Banks association - Member
6. Chairman, Payments Council of India - Member
7. President, Internet and Mobile Association of India - Member
8. Chairman, CBDT - Member
9. Director General, UIDAI - Member
10. Executive Director, Reserve Bank of India - Member
11. Joint Secretary, D/o Economic Affairs - Member

(c) The Committee shall submit its report within three months from the date of its constitution.

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