

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION No. 1673
TO BE ANSWERED ON FRIDAY, THE 10TH MARCH, 2017
19, PHALGUNA, 1938 (SAKA)**

GENERAL ANTI-AVOIDANCE RULE

1673: SHRI Y.S. AVINASH REDDY:

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

- (a) whether the Government proposes to implement General Anti-Avoidance Rule (GAAR) aimed at transactions made specifically to avoid taxes;
- (b) if so, the details thereof;
- (c) the details of the guidelines issued by Central Board of Direct Taxes (CBDT) to remove apprehensions of traders in this regard; and
- (d) the steps being taken by the Government to bring transparency in implementation of GAAR?

ANSWER

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

- (a) Yes Madam.
- (b) The commitment of the Government to implement General Anti-Avoidance Rule (GAAR) from 01.04.2017, i.e. from assessment year 2018-19 relevant to the financial year 2017-18, is reflected in the Budget Speech, 2016 delivered in this House on 29.02.2016. The provisions of GAAR are contained in sections 95 to 102 of the Income-tax Act, 1961. Rules concerning GAAR were notified vide Notification No. 75 of 2013 dated 23.09.2013 and Notification No. 14 of 2016 dated 15.03.2016.
- (c) & (d) After widespread stakeholder consultations, in order to remove apprehensions regarding GAAR, and to assure stakeholders that adequate procedural safeguards are in place so that the provisions of GAAR are invoked in uniform, fair and rational manner, CBDT has issued clarifications vide Circular No. 7 of 2017 dated 27.01.2017.
