

**Government of India
Ministry of Finance
Department of Revenue**

**LOK SABHA
UNSTARRED QUESTION NO. 5584
TO BE ANSWERED ON FRIDAY, APRIL 07, 2017
CHAITRA 17, 1939 (SAKA)**

INFORMATION OF TAX EVASION

†5584. SHRI RAJU SHETTY:

Will the Minister of Finance be pleased to state:

- (a) whether the Government has permitted the informers giving information of tax evasion to use electronic medium to send such information;
- (b) if so, the details thereof;
- (c) whether the Government has put in place adequate provisions to protect the identity of the informer; and
- (d) if so, the details thereof?

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

(a) & (b): Central Board of Direct Taxes existing Guidelines for Grant of Rewards to informants, 2007 dated 29.11.2007 provides for Government's policy on granting reward to informants furnishing specific information of undisclosed income/assets. The guidelines inter-alia provide that the informant claiming reward is required to furnish a written statements in the form prescribed in the guidelines and the statement should be signed in the presence of an officer not below the rank of an Income Tax Officer. It further provides that where the information is received by post the informant should be asked to appear before an Income Tax authority not below the rank of an Income Tax Officer. This indicates that as far as sending information is concerned, electronic medium is not prohibited and informants can send information by post or electronic medium but after doing so he has to fulfill the condition of appearing before an Income Tax authority not below the rank of and Income Tax Officer in order to claim reward, if any.

Central Board Excise & Customs provides that there is no restriction on the mode of information on tax evasion. However, if the informer wants to participate in the reward scheme of the Department, then he has to submit the information on paper in the prescribed manner.

(c) & (d): The Guidelines for grant of rewards to Informants, 2007 issued by Central Board of Direct Taxes, which is currently applicable, has mechanism for protection of identity of informants claiming rewards with regard to information given by them. These include the following:

- i. Identity of the informants is kept secret by giving them code numbers.
- ii. Particulars given by the informants are always kept in the custody of very senior officers.
- iii. No information relating to informants or rewards paid to them is disclosed to any authority except when required under the provisions of any specific law.

The guidelines issues by the Central Board of Excise & Customs on 31.07.2015 and 03.05.2016 provides that the identity of Informer is kept strictly confidential. Only the left thumb impression of the Informer is taken. His / her name or address is not recorded anywhere. Recording Officers are duty bound from not disclosing the identity of the informer as it relates to the risk of life of the informer. Cases where the identity of the informer is not protected by the officer, action can always be taken under the Conduct Rules.
