

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION No.2000
TO BE ANSWERED ON FRIDAY, THE 29TH DECEMBER, 2017
PAUSHA 8, 1939 (SAKA)**

BLACK MONEY STASHED ABROAD

**2000: SHRI RADHESHYAM BISWAS:
SHRI SANKAR PRASAD DATTA:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has made any assessment of money deposited by Indians outside the country and if so, the details thereof;*
- (b) whether the Government has any plan to recover the black money stashed abroad and if so, the details thereof;*
- (c) whether the Government has obtained information of foreign accounts of those Indians having money in foreign banks/countries including bank accounts of Indians from Swiss Confederation;*
- (d) if so, the details thereof along with the reaction of the foreign banks/countries/ Swiss Confederation in sharing information with India;*
- (e) the proportion of holding black money in those foreign accounts along with the action taken against the offenders and success achieved so far to bring back the black money; and*
- (f) whether the Government has received any list of black money deposit and if so, the details thereof with names?*

**ANSWER
MINISTER OF STATE FOR FINANCE
(SHRI SHIV PRATAP SHUKLA)**

- (a) There is no official assessment of total value of black money deposited by Indians outside the country as on date.
- (b) Major steps taken by the Government to recover black money stashed abroad, inter-alia, include the following:
 - (i) Enactment of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 w.e.f. 01/07/2015
 - (ii) Constitution of the Special Investigation Team (SIT) on Black Money in May, 2014 under the Chairmanship of two former Judges of Hon'ble Supreme Court. Investigation into cases involving substantial black money/undisclosed income, particularly black money stashed abroad, are being extensively and intensively monitored by the SIT.
 - (iii) Constitution of Multi-Agency Group (MAG) for coordinated and effective investigation in Panama Paper Leaks cases and Paradise Leaks cases.
 - (iv) India is now a leading force in the efforts to forge a multi-lateral regime for proactive sharing of financial account information known as Automatic Exchange of Information (AEOI) which will greatly assist the global efforts to combat tax evasion.

India has also entered into information sharing agreement with the USA under the Foreign Account Tax Compliance Act (FATCA) of USA. These will enable India to get information about financial transactions done by Indians in other countries.

- (v) India is proactively engaging with foreign governments, for exchange of information under Double Taxation Avoidance Agreements (DTAAs)/Tax Information Exchange Agreements (TIEAs)/Multilateral Convention on Mutual Administrative Assistance in Tax Matters/Southeast Asian Association for Regional Cooperation (SAARC) Multilateral Agreement (in short tax treaties), Mutual Legal Assistance Treaties (MLAT) in criminal tax matters; and
- (vi) India is renegotiating Double Taxation Avoidance Agreements (DTAAs) with other countries to bring the Article on Exchange of Information to International Standards and expanding India's treaty network by signing new DTAAs and Tax Information Exchange Agreements (TIEAs) with many jurisdictions to facilitate the exchange of information and to bring transparency in tax matters.

On the basis of information collected, action under direct tax laws to tax unaccounted money belonging to Indians in offshore accounts across the world is taken in appropriate cases.

(c) and (d) : The Government obtains information of foreign accounts of Indians having money in foreign banks/countries from foreign tax jurisdictions through exchange of information channel under the existing tax treaties. The information is also received under the MLAT in criminal tax matters. The use and disclosure of the information received under tax treaties and MLAT is governed by the respective confidentiality provisions of the tax treaties.

(e) and (f) : Information regarding certain Indians holding bank accounts in HSBC bank in Switzerland was obtained from the Government of France under the Double Taxation Avoidance Convention (DTAC) between India and France. As a result of systematic investigations, undisclosed income of about Rs.8448 crore has been brought to tax on account of deposits made in unreported foreign bank accounts. Tax demand of about Rs.5447 crore has been raised which includes demand in protective assessments. Concealment penalty of about Rs.1290 crore has been levied. So far, 199 prosecution complaints have been filed.

Sustained investigations conducted in the cases revealed by International Consortium of Investigative Journalists (ICIJ) have led to detection of more than Rs.11,010 crore of credits in the undisclosed foreign accounts so far. 72 prosecution complaints have been filed before criminal courts.

Undisclosed credits in foreign bank accounts of Rs. 901 crores have been detected so far in the Panama Paper Leaks investigations.
