

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE

LOK SABHA  
UNSTARRED QUESTION NO. 2446

TO BE ANSWERED ON FRIDAY, THE 9<sup>th</sup> MARCH, 2018  
18, PHALGUNA 1939 (SAKA)

**“Review of Tax Treaties”**

2446. SHRI CH. MALLA REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government plans to renegotiate tax treaties with countries having companies with significant economic presence in India in its effort to tax the digital economy; and
- (b) if so, the details thereof and the reasons therein?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SHIV PRATAP SHUKLA)

(a) & (b): India has a vast network of tax treaties. While negotiating or renegotiating a tax treaty all the relevant legal and factual aspects are taken into account. The concept of “Significant Economic Presence” has been introduced by Finance Bill, 2018. Once the law is enacted, it will form part of the relevant legal aspects for negotiation or renegotiation of tax treaties.

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