

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE**

**LOK SABHA  
UNSTARRED QUESTION NO. †2926  
TO BE ANSWERED ON FRIDAY, 3<sup>RD</sup> AUGUST, 2018  
SHRAVANA 12, 1940 (SAKA)**

**DOMESTIC BLACK MONEY**

**†2926: SHRI TARIQ ANWAR:**

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

- (a) whether the Government promised deposit of Rs. 15 lakh in the account of every citizen by bringing back black money stashed abroad;*
- (b) if so, the details thereof; and*
- (c) the reasons for the failure of the Reserve Bank of India in releasing its data regarding domestic black money so far?*

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

(a) to (b) : No Madam. However, the Government has taken various steps for curbing the black money stashed abroad, which have led to positive results. These steps include, *inter alia*, the following:

- (i) India has been a leading force in the efforts to forge a multi-lateral regime for proactive sharing of financial information known as Automatic Exchange of Information (AEOI) which will greatly assist the global efforts to combat tax evasion. The AEOI based on Common Reporting Standard (CRS) has commenced from 2017 enabling India to receive financial account information of Indian residents in other countries. India has also entered into information sharing agreement with the USA under the Foreign Account Tax Compliance Act (FATCA) of USA.
- (ii) Indian Government has been 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/South Asian Association for Regional Cooperation(SAARC) Multilateral Agreement.

(iii) A Special Investigation Team (SIT) on Black Money has been constituted in May 2014 under the Chairmanship and Vice-Chairmanship of two former Judges of Hon'ble Supreme Court. Investigation into cases involving substantial black money/undisclosed income, particularly black money stashed abroad, is being extensively and intensively monitored by the SIT.

(iv) The Government enacted a comprehensive and a more stringent new law, namely, the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 that has come into force w.e.f. 01.07.2015. Apart from prescribing more stringent penal consequences, this law has included the offence of willful attempt to evade tax etc. in relation to undisclosed foreign income/assets as a Scheduled Offence under the Prevention of Money-laundering Act, 2002 (PMLA).

(v) The Government gave a one-time compliance window of 3 months for providing an opportunity to taxpayers to make declarations of their undisclosed foreign assets before they were subjected to more stringent provisions of the new law i.e the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015. 648 declarants filed declarations up-to 30.09.2015, which was the last date of filing such declarations, disclosing undisclosed foreign assets worth Rs.4164 crores. An amount of about Rs.2476 crore has been collected as tax and penalty in such cases.

(vi) The Government has taken pro-active and effective steps whenever any credible information has been received with regard to black money stashed abroad, whether in HSBC cases, ICIJ cases, Paradise Papers or Panama Papers. These steps include constitution of Multi Agency Group in relevant cases, calling for definitive information from foreign jurisdictions, bringing the black money to tax under relevant law launching prosecutions against the offenders etc.

(c): There is no official estimation of data regarding domestic black money so far. However, the Government had commissioned a study, *inter alia*, on estimation of unaccounted income and wealth both inside and outside the country, which was conducted by National Institute of Public Finance and Policy (NIPFP), National Council of Applied Economic Research (NCAER) and National Institute of Financial Management (NIFM).

The study reports of these institutes along with the response of the Government have been forwarded to the Lok Sabha Secretariat for placing them before the Standing Committee on Finance. The study reports have been placed before the Parliamentary Standing Committee on Finance, which is now seized of the matter.

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