GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UNSTARRED QUESTION NO. 3364

TO BE ANSWERED ON MONDAY, THE 16th DECEMBER, 2024 AGRAHAYANA 25, 1946 (SAKA)

'New PAN Card'

3364. Shri Charanjit Singh Channi:

Will the Minister of FINANCE be pleased to state:

(a) the rationale behind the introduction of a new PAN Card when the existing PAN card already contains a QR code for verification;

(b) whether the Government has considered the financial burden the new PAN card might impose on economically weaker sections of society;

(c) if so, the measures being taken to ensure that poor individuals can obtain the new PAN card without difficulty or additional cost;

(d) whether the Government has conducted any cost-benefit analysis of introducing the new PAN card;

(e) the estimated expenditure involved in implementing the new PAN card system;

(f) whether the Government plans to address concerns about the wastage of public money and provide alternatives to avoid redundant expenses;

(g) whether the Government has made any consultations with stakeholders to assess the practicality of implementing the new PAN card system; and

(h) the steps proposed to ensure a seamless transition for citizens holding the current PAN cards?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) PAN 2.0 Project is an e-Governance project of Income Tax Department (ITD) for re-engineering the business processes of taxpayer registration services. Under this project, ITD is consolidating all processes related to PAN/TAN services leveraging latest technologies. The PAN 2.0 Project focuses on process simplification enhancing the overall experience for taxpayers by ensuring faster service delivery, effective grievance redressal, and better protection of sensitive data. Further, the QR code is not a new feature and it has been incorporated in the PAN cards since 2017-18. The same will be continued under PAN 2.0 project with enhancements (dynamic QR code which will display latest data present in PAN database).

(b) Since the existing PAN holders are neither required to apply for new PAN nor obtain a new PAN card under PAN 2.0, there will not be any financial burden on PAN holders including economically weaker sections of society.

(c) The existing PAN holders are not required to obtain new PAN card under PAN 2.0 project. After the commencement of PAN 2.0 project, processing of prospective request received for allotment/updation of PAN and issuance of e-PAN thereof will be done at **free of cost**. Only in case, where the PAN applicant opts for physical PAN card, payment needs to be made.

(d) Existing PANs/PAN cards will remain valid under PAN 2.0 which is a project to re-engineer the PAN/TAN processes of Income Tax Department (hereinafter 'ITD'). Under PAN 2.0, no new PAN card has been introduced to replace the existing cards. Further, the estimated cost and expected benefits of such process re-engineering were analyzed and the Detailed Project Report (DPR) prepared thereon has been appraised and recommended by Public Investment Board (PIB) and further supported by the Department of Expenditure (DoE).

(e) Under PAN 2.0, no new PAN card has been introduced to replace the existing cards. The estimated cost of the PAN 2.0 project is Rs. 1435 Crores.

(f) PAN 2.0 project is about re-engineering of business processes related to PAN/TAN services for prospective allotments/updations and no new PAN card has been proposed in the place of already issued PAN cards. The upgradation is in the interest of improved taxpayer services and there is no wastage of public money. Hence, no redundant expenses are involved in this project.

(g) Yes sir. For PAN 2.0 project, consultations were held with the field formation of ITD, UIDAI, SEBI, RBI, MCA, GSTN etc. Further, the project has been evaluated by the Standing Technical Committee (STC) and appraised and endorsed by Empowered Technology Group (ETG) of Govt. of India.

(h) The existing PAN cards held by the citizens will continue to be valid. Hence, there is no requirement of transition for citizens from the current/existing PAN card.

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