

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**LOK SABHA**  
**UNSTARRED QUESTION 2345**  
**TO BE ANSWERED ON MONDAY, AUGUST 04, 2025 / SRAVANA 13, 1947 (SAKA)**

**TRANSFER OF BLACK MONEY TO FOREIGN COUNTRIES**

2345. SHRI ANTO ANTONY

Will the Minister of Finance be pleased to state:

- (a) whether the Government has noticed that the black money is being transferred through different banks to different foreign countries to evade income tax;
- (b) if so, the details thereof including the amount transferred by different banks during the last five years, year-wise and bank-wise; and
- (c) the steps taken by the Government to stop such transactions?

**ANSWER**

MINISTER OF STATE FOR FINANCE

(SHRIPANKAJ CHAUDHARY)

(a) and (b) The Income-tax Act, 1961 mandates deduction of tax at source under section 195 read with Rule 37BB of the Income-tax Rules, 1962, at the time of making remittances abroad. Every such remittance is required to be accompanied by self-declaration in Form 15CA from the person responsible for paying to the non-resident and a certificate from a Chartered Accountant in Form 15CB, certifying that he has examined relevant agreement / documents. The authorized dealer is also required to submit quarterly statement in Form 15CC in respect of remittances made.

Further, to enhance the monitoring of outbound remittances, Tax Collected at Source (TCS) on foreign remittances under the Liberalised Remittance Scheme (LRS) was introduced by the Finance Act, 2020 and has been in effect since October 1, 2020. These measures improve financial discipline and provide the Government with greater visibility into the flow of funds abroad through formal banking channels.

In cases where the remittance of tax-evaded income or black money is detected, appropriate action is taken by the Income Tax Department. Such actions include searches, surveys, inquiries, assessments, levy of taxes, penalties, and prosecution in criminal courts, wherever applicable.

However, data regarding all such cases and the amount of money sent abroad in each case is not maintained centrally.

(c) The Government has taken several measures to effectively tackle instances of transfer of tax evaded income to foreign countries through banks. These measures include policy-level initiatives, effective enforcement actions on the ground, putting in place robust legislative and administrative frameworks, systems and processes with due focus on capacity building and data integration and mining through increasing use of information technology. Steps taken by the Government to stop such transactions are detailed as below:

(i) Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 which has come into force w.e.f. 01.07.2015 has been enacted to specifically and effectively deal with the issue of black money stashed abroad.

(ii) Special Investigation Team (SIT) on Black Money under the Chairmanship and Vice-Chairmanship of two former Judges of the Hon'ble Supreme Court was constituted in May 2014, to coordinate policy and investigation across agencies in matters related to foreign stashing of unaccounted monies.

(iii) The Government has taken pro-active and effective steps whenever any credible information has been received with regard to black money 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 definite information from foreign jurisdictions, bringing the black money to tax under relevant law, launching prosecutions against the offenders etc.

(iv) The Fugitive Economic Offenders Act, 2018 has been enacted to provide for attachment and confiscation of the proceeds of crime associated with scheduled economic offences and the properties of the fugitive economic offenders and deter them from evading the process of Indian law by remaining outside the jurisdiction of Indian Courts.

(v) The Government of India has been proactively engaging with foreign governments, for exchange of information, and has entered into tax treaties including Double Taxation Avoidance Agreements, Tax Information Exchange Agreements, the Multilateral Convention on Mutual Administrative Assistance in Tax Matters and the SAARC Multilateral Agreement, with other countries which provide for mutual administrative assistance including exchange of information concerning taxes.

- (vi) India has also joined the Automatic Exchange of Information (AEOI) based on the Common Reporting Standard and receives financial account information of Indian residents in other countries with which the AEOI relationship is activated. India has also entered into an Inter-Governmental Agreement (IGA) with USA in 2015 for sharing of financial account information on automatic basis.
- (vii) Effective enforcement actions have been undertaken including expeditious investigation in foreign assets cases on the basis of information received under Automatic Exchange of Information. Such actions include searches, surveys, enquiries, assessment of income, levy of taxes, penalties, etc. and filing of prosecution in criminal courts, wherever applicable.
- (viii) Extensive use of information technology and data analytics tools for identification of high-risk cases, expeditious e-verification of suspect cases and consequential enforcement actions in appropriate cases have been undertaken.
- (ix) The Government has brought in a large number of legislative provisions in the Income Tax Act, 1961 to effectively tackle the menace of black money.
- (x) The Government has mandated the linking of Aadhaar with PAN, which will not only help in de-duplication of PAN but will also prevent potential tax frauds.
- (xi) The NUDGE (Non-Intrusive Usage of Data to Guide and Enable) Taxpayers Campaign was launched by the Income Tax Department in November 2024 to improve taxpayers' voluntary compliance for declaration of foreign income and assets. Under the campaign, informational messages were sent via SMS and email to selected resident taxpayers in respect of whom information has been received under the Automatic Exchange of Information that they are holding foreign assets and/ or having income from foreign sources, to accurately report foreign assets and income from foreign sources in their Income Tax Returns. Total of 24,678 taxpayers reported their foreign assets and income in revised ITRs for AY 2024-25, while 5,483 taxpayers filed belated returns reporting foreign assets worth ₹29,208 crore and foreign income of ₹1,089.88 crore.

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