

11 crore PAN holders, only 3.5 crore file tax returns

Out of 11 crore PAN Card holders, only 3.5 crore file Income Tax returns. Concerned over tax collection not keeping pace with the growth in income and wealth, a Parliamentary Standing Committee has recommended that the tax department should encourage PAN card holders liable for tax to file their income tax returns.

The committee, in its latest report tabled in Parliament, said that the Permanent Account Number (PAN) has been allotted to more than 11 crore entities, while income tax returns have been filed by only 3.5 crore of them. It also said that a yawning gap has been found between entities getting Tax Deduction and Collection Account Number (TAN) vis-à-vis the number of deductors filing TDS submissions.

“The Income-tax Department should therefore look at this aspect closely. As commented upon in their earlier reports, the Committee desire that there is need to plug tax evasion as well as avoidance as well as avoidance to increase tax buoyancy,” the report on Standing Committee on Finance headed by BJP leader Yashwant Sinha said.

The committee has also suggested the tax department to keep a close watch on high spending individuals.

(Deccan Herald)