

Income Tax deptt starts scrutinising high-value transactions

Stepping up efforts to check tax evasion and unearth black money, the Income Tax Department has started scrutinising high-value transactions. "The Central Board of Direct Taxes (CBDT) will verify all high-value transactions.

Directorate of Revenue Intelligence has been given all powers under various sections of the Income Tax Act to collect information", a senior Income Tax official said. The verification will help the Income Tax Department to go into the source of funding of high-value transactions like purchase of shares, mutual funds, bonds and property.

The verification would be undertaken on the basis of the information collected under the Annual Information Returns (AIR) in 2009-10, the official added. He said that as many as 6,462 AIRs, containing 43.68 lakh pieces of information, were filed during 2010-11. The value of these transactions has been estimated at whopping Rs 153 lakh crore.

The Income Tax Department introduced AIR system in 2004-05 during which 16.6 lakh pieces of information were filed involving Rs 11.45 lakh crore. The CBDT has already decided to raise the direct tax collection target for the current fiscal by Rs 53,000 crore to Rs 5.85 lakh crore. The scrutiny of high-value transactions is likely to help the Revenue Department in garnering additional taxes.

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