Modi trains guns on benami properties, wants to broaden tax net

Prime Minister (PM) <u>Narendra Modi</u> has asked the revenue department to scale up e-assessment facilities to cover 25 cities, take corrupt officers to task and promote a regime friendly to taxpayers. He also asked the department to train guns on <u>benami</u> properties and focus on broadening the tax net.

At a one-and-a half hour review meeting on Tuesday attended by Revenue Secretary Hasmukh Adhia and the Central Board of Direct Taxes Chairman Sushil Chandra, the PM is learnt to have demurred somewhat at the tax collections.

"He said the tax collections could have been higher as fallout of demonetisation but was glad with the department's efforts," said an official.

Income tax returns grew 21.7% in 2016-17, whereas gross collections grew 16% - the highest in five years. Advance tax grew 15% in 2016-17 versus 7.5% in the previous financial year.

Self-assessment tax, which can be declared for the previous two years (2014-15 and 2015-16), saw a growth of 24% versus five% in the year before. This suggests many people had regularised their unaccounted income.

The PM also underlined the need to reduce human interface and adopt measures that do not lead to harassment. "He gave a slew of suggestions to improve taxpayer services. These included widening the scope of e-assessments across the country," added the official.

E-assessments are currently restricted to seven cities. The PM, it is learnt, wants this facility to be extended to another 18 cities. Since the launch in 2014-15, e-assessment has been used in 15,000 cases. In FY17 alone, 14,000 cases were assessed online.

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