

SIT for Ban on Cash Deals Above Rs. 3 lakh

The Special Investigation Team on black money has recommended a total ban on cash transactions above Rs 3 lakh and a separate law to declare such transactions as illegal and punishable.

"The SIT has felt that large amount of unaccounted wealth is stored and used in form of cash," an official statement said on Thursday.

In its fifth report submitted before the Supreme Court, the SIT also suggested an upper limit of Rs. 15 lakhs on cash holding.

It said that in case any person or industry requires holding more cash, it may obtain necessary permission from the Commissioner of Income tax of the area.

"Having considered the provisions which exist in this regard in various countries and also having considered various reports and observations of courts regarding cash transactions the SIT felt that there is a need to put an upper limit to cash transactions," it said.

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