

90 lakh high-value deals without PAN under I-T scrutiny

In a bid to crack down on those concealing their spending, the income tax department has identified 90 lakh high-value transactions where the permanent account number (PAN) was not quoted and has decided to send out seven lakh letters seeking details.

Those whose transactions have been identified will be asked to provide PAN in the first stage. Although the tax department did not spell out the future course of action, these transactions are then expected to be mapped against the returns filed by the entities and in case any gaps are spotted, notices demanding payment could also be issued in future.

The transactions where PAN were not submitted included cash deposits of Rs 10 lakh or more in savings bank accounts or property transactions of Rs 30 lakh or more and have been sourced from Annual Information Returns filed with the department. The statement came as a surprise given that the banks as well as property registration authorities have insisted on PAN for the last few years.

The finance ministry said from the entire data, it has managed to group the transactions into seven lakh "high-risk" clusters, involving 14 lakh transactions, which were being scrutinized. The high-value transaction trails were detected following the department's drive to bring to book maximum amount of black money during the one-time compliance window closing on September 30. In fact, dealing with non-PAN related information is seen as a crucial element of expanding the tax base.

The 90 lakh transactions are spread over the period starting 2009-10 and extend up to the current financial year.

The government, however, said that those who get the letters need not rush to the tax office. They can provide the response through an e-filing portal, where they can log in by quoting a Unique Transaction Sequence Number provided in the letter. This will help them easily link their transaction with their PAN easily, the finance ministry said.

In the action plan for the current financial year, the government had said that it wanted to complete verification and match PAN by the end of July. Processing and verification of the cases is to be completed by the end of December with the Central Board of Direct Taxes monitoring the cases on a monthly basis.

(Times of India)