

Advance tax receipts up 10.4 pc YoY for Dec 1-20: Govt

The third instalment of the Advance Tax collection recorded a growth of 10.44 per cent to Rs 78,226 crore, **finance ministry** said today.

Advance Tax collections for the month of December 2012 (up to December 20) stood at Rs 78,226 crore, against Rs 70,826 crore in the corresponding period a year ago, it said.

So far in the current financial year (April 1-December 20), the advance tax collections grew 7.52 per cent over the corresponding period last year.

It includes a 7 per cent growth in corporate tax and 12.3 per cent in personal Income Tax, the statement added.

The growth in advance tax collections in December follows government's stern warning to tax evaders earlier this month to either disclose their correct income and pay advance tax by December 15 or be prepared to face action.

"Government would urge all assesses to disclose their true income. There is no advantage in suppressing the true income or avoiding paying income tax that is due", Revenue Secretary Sumit Bose had said.

Regretting that there was "gross-understatement" in filing of advance tax by assesses, he said, "sooner than later, the information available with the income tax department will lead the department to the doors of such persons."

The direct tax collection during April-November worked out to Rs 3.25 lakh crore, showing an increase of 7.14 per cent as against the annual growth target of 15 per cent. The government proposes to collect Rs 5.70 lakh crore from direct taxes, which include income tax, corporate tax and wealth tax, this fiscal.

Advance tax payment is a reflection of performance of the economy and lower collection would suggest lower profitability. The economic growth rate in the first half of the current fiscal was 5.4 per cent as against 7.3 per cent in the same period of previous fiscal.

Companies pay advance taxes in four instalments. In the current quarter, they have to pay 30 per cent of their annual tax liability.

(Economic Times)