

India lightly taxed; help government collect more: Jayant Sinha to CAs

India is a "lightly taxed" nation, Minister of State for Finance Jayant Sinha said today, urging CAs to help the government collect due taxes and raise the tax-GDP ratio to 20 per cent.

Along with tax officers, chartered accountants too have a responsibility to ensure that due taxes are collected by the government, he said.

"When you look at the books of your clients as business advisors and chartered accountants, your thinking should not be about tax avoidance," Sinha said at the annual function of ICAI.

Appealing to the CA community to help collect taxes and contribute to nation building, Sinha said the state requires resources to fund infrastructure, government schemes as well as for national security.

"You are responsible along with tax officials. We have to get our tax:GDP ratio from 16/17 per cent to well over 20 per cent. Only then are we going to have the roads, the highways, metro, clean air, the army, the mid day meals, higher education institution and India of our dreams.

"In that no institution is going to be more important than you all as you certify and assess what the actual profits and revenues are and you assess what the real taxes should be," Sinha said.

During the function, Sinha sought to know from CAs whether India was a "highly taxed or lightly taxed country", to which about two-third of the CAs said that India was a lightly taxed country.

But the minister said that the view of general public was different as 75-80 per cent of the population feels that India is a highly taxed country.

"But you because you are CAs, experts, you know India is not a highly taxed country. We have very moderate taxes in India... corporate taxes going down to 25 per cent and you all know the tax:GDP ratio is 16/17 per cent, when the OECD average is 35 per cent. So we are a lightly taxed country," he said.

Recalling the sacrifice of Lance Naik Hanamanthappa Koppad, Sinha said it should be the patriotic duty of CAs to work with a sense of integrity and professionalism.

The soldier died today, three days after he was miraculously rescued from beneath tonnes of snow at a height of 19,600 feet after the February 3 avalanche hit his post in Siachen Glacier.

(Economic Times)