

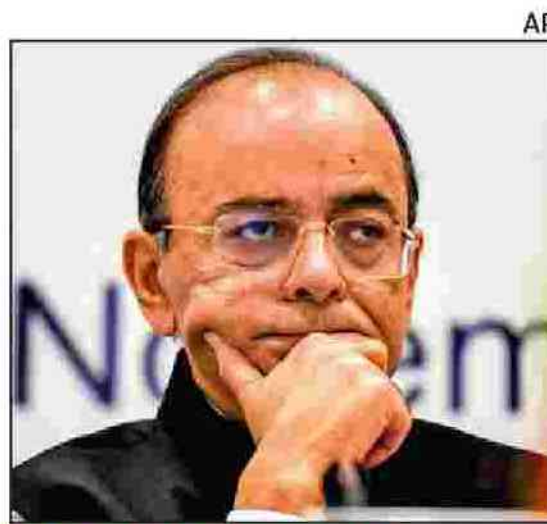
Govt, Oppn Clash On DeMon Anniversary Jaitley defends notebandi, lists benefits to economy...

TIMES NEWS NETWORK

New Delhi: Finance minister Arun Jaitley on Thursday defended demonetisation against the opposition's criticism, saying the forced deposits of de-legitimised cash had resulted in the identification of 17.4 lakh suspect account holders who have been asked for a response through online methods.

Jaitley said the scale of action against violators and the utilisation of deposited funds for lending and investments in mutual funds showed that failure to eliminate a certain part of black money could not be the sole measure to evaluate demonetisation.

"Confiscation of currency was not an objective of demonetisation. Getting it into the formal economy and making the holders pay tax was the broader objective," the FM said. He said there was steep rise in the use of digital platforms, with indigenously developed payment systems UPI and RUPAY card eroding the market share of Visa and MasterCard in payments done through de-



'TAX BASE WIDENED': Jaitley

bit and credit cards.

He said the impact on personal income tax was the most obvious with collections 20% higher in the financial year 2018-19 till September 31 as compared to the previous year. The corporate tax collections are 19.5% higher. "From two years prior to demonetisation, direct tax collections increased 6.6% and 9% respectively," he said.

In similar fashion, tax returns filed have reached nearly 7 crore in 2017-18, an increase of 25% over the previous year. Till the end of September, 2018, close to 6 crore returns have been filed which is an increase of 54%. "In May, 2014, when the government was elected, the number of filers

was 3.8 crore which increased to 6.86 crore," Jaitley said.

The impact of GST which was implemented soon after demonetisation has also worked to curb cash transactions and the formalisation of the economy has led to the tax-payers base increasing from 6.4 million in the pre-GST regime to 12 million tax payers after that, he said. Tax collections have gone up despite a Rs 97,000 crore tax relief to small tax payers and Rs 80,000 crore break to GST assesseees.

BJP on Thursday tweeted a list of 10 questions to Congress with #corruptcongress-fearsdemo asking: "What do they fear? Why is it that wherever black money is there, Congress is not far behind? What sort of politics and anti-development mindset is this that opposes a bold move that has widened the tax base?" BJP questioned how former finance minister P Chidambaram, himself under radar of investigating agencies for corruption involving land, cash and foreign bank accounts, was questioning demonetisation.