

# Govt incentive: Tax informants can get up to ₹5-cr reward

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THE TAX department on Friday announced two reward schemes under which informants sharing “specific information” about any benami transaction or property could get a reward of up to Rs 1 crore while information on undisclosed black money stashed abroad could fetch up to Rs 5 crore for the informant.

According to the department’s announcement, the ‘Income Tax Informants Reward Scheme’ too has been amended, under which a person can get reward up to Rs 50 lakh for giving specific information about substantial evasion of tax on income or assets in India, which are actionable under the Income-tax Act, 1961.

The department has assured full confidentiality of informers for all reward schemes. While foreigners would also be eligible under this scheme, any government servant, who furnishes information or evidence obtained by him in the course of normal duties as a government servant, will not be eligible under these schemes.

Under the Benami Transactions Informants Reward Scheme, 2018, any person, including foreigners, can inform Joint or Additional Commissioners about benami transactions and properties which can be tried under the Benami Transactions (Prohibition) Amendment Act, 2016. “This reward scheme is aimed at encouraging people to give information about benami transactions and properties as well as income earned on such properties by such hidden investors and beneficial owners,” the Central Board of Direct Taxes (CBDT) said.

“Under the Benami Transactions Informants Reward Scheme, 2018, a person can get reward up to Rs 1 crore for giving specific information in prescribed manner to the Joint or Additional Commissioners of Benami Prohibition Units (BPUs) in Investigation Directorates of Income Tax Department about benami transactions and properties as well as proceeds from such properties which are actionable under Benami Property Transactions Act, 1988, as

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amended by Benami Transactions (Prohibition) Amendment Act, 2016,” it said.

Where a foreigner wants to give information of benami property actionable under the Act, he can contact the Member (Investigation), CBDT, North Block, either in person or by post or by a communication at email id member.inv@incometax.gov.in with a copy to citinv-cbdt@nic.in for further action. He can take assistance of Income Tax Overseas Units (ITOU) working in Indian missions in some foreign countries in this regard, it said.

An employee of the central, state or union territory government or a nationalised bank or local authority or public sector undertaking, corporation, body corporate or establishment, set up or owned by these administrations shall be deemed to be an employee for this scheme.

With regard to information shared with the income tax authorities about any undisclosed black money held overseas under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015, an informer could earn a reward up to Rs 5 crore.

The reward amount for information under the Foreign Black money Act has been kept high at Rs 5 crore to make it “attractive to potential sources” in foreign countries, the I-T department said.

In a statement, the tax department said that it was found in many cases that black money was invested in properties in the name of others, even though benefits were enjoyed by the investor concealing his beneficial ownership in his tax returns.