

SPEECH of HON'BLE FINANCE MINISTER

**On the occasion of closing ceremony-completing 150 years of Income
Tax Department in India**

Date: 15th July,2011

At 1100 Hrs

Venue: The Plenary Hall , Vigyan Bhavan

**Your Excellency, Mahamahim Shrimati Pratibha Devisingh Patil,
President of India**

Shri S.S. Palanimanickam, Union Minister of State, Revenue

**Shri Namo Narain Meena, Union Minister of State, Banking &
Insurance**

Shri R.S. Gujral, Secretary Revenue,

Shri Prakash Chandra Chairman, CBDT,

Officials from the Ministry of Finance,

Ladies and Gentlemen,

Your Excellency, I am grateful to you for being with us on this momentous occasion, when the Income Tax Department celebrates its 150th year in the service of the nation.

2. From its humble beginnings in 1860, when Mr. James Wilson introduced it in the then British India, the Income Tax Department has matured into an organisation that has consistently mobilised the resources needed for financing the development of the country. This is more so in the recent years, when the direct tax collections have increased and have reached nearly Rupees four lakhs forty six thousand crores in 2010-11. Indeed direct tax collections now account for more than 56 per cent of the total revenue collections of Central Government, making our tax system more progressive than it ever was in the history of independent India.

3. There has been considerable improvement in the efforts of the Department to provide better services to the taxpayer. Government's thrust has been on upgrading and induction of new technology in the services rendered by the department. The Department has focused on e-governance initiatives to meet the challenges of the rapidly changing economic environment and the expectations of the growing numbers of taxpayers.

Ladies and Gentlemen,

4. Our ancient history and culture give us in India our unique identity. Ancient lawgivers and philosophers, like Manu and Chanakya, wrote extensively on the duties of a sovereign and their relationship with the subjects. They laid foundations of mighty empires and enabled the spread of India's unique culture and civilization across many countries. When Mr. James Wilson introduced Income Tax in India in its modern form, he was only following in the footsteps of this illustrious tradition. The ancient dictum, '*Kosh Mul Danda*' continues to be as relevant today as it was thousands of years back.

5. During the course of the yearlong celebrations by the department, one of our officers was able to locate Mr. James Wilson's grave in Kolkata.

6. I must add that contrary to general understanding, the worlds of finance and culture are not as divorced as they are sometimes made out. The portrait of Surendranath Tagore, nephew of Gurudev Rabindranath Tagore, as a Tax collector, painted by Gagendranath Tagore, another nephew of Gurudev, which has been reproduced in the book released today, is a case in point. It was in this spirit that an Art Workshop was organized in July 2010 in Kolkata. The enthusiastic response of the people and the artist community of Bengal encouraged the officers of the department to hold workshops and exhibitions in 18 other cities across India. The response everywhere was similar. The wealth of art, ranging from tribal and folk,

classical to modern cubism that emerged in these workshops reinforces the classic dictum that there is unity in India's diversity. It showed that our society is live and our culture is rich. More importantly it reflected that our people are not wary of the Government when it takes such initiatives. I compliment the Income Tax Department, and the organisers of these art workshop, on this unique initiative of bringing the department closer to the people of our country and hope that this approach finds other suitable expressions in the years to come.

7. At one level, tax collection is a painful and a difficult task, as it requires people to part with their hard-earned incomes. This task could become more acceptable and participatory if the tax payer knows that his contributions are being constructively used in the task of nation building. Through the film and the artworks, we have tried to remind people that their tax contributions go a long way in bringing a smile on the faces of many people, who otherwise would languish in poverty. At the same time, it helps in creating the opportunities for them to grow and improve their well-being.

8. Let me conclude by congratulating the Department of Revenue on the completion of 150 years of Income Tax in India and wish it a very bright future.

Thank you