

**Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes**

New Delhi, 30th June, 2016.

PRESS RELEASE

Subject: Issue of further clarifications (FAQs) under Income Declaration Scheme, 2016.

The Income Declaration Scheme, 2016 provides an opportunity to persons who have not paid full taxes in the past to come forward and declare their undisclosed income and assets. The Scheme came into effect on 1st June, 2016. Declarations under the Scheme may be filed upto 30th September, 2016. Vide Circular No. 17 dated 20th May and Circular No. 24 dated 27th June, 2016 the Board has issued clarifications in the form of FAQs.

The CBDT has since received further queries from stakeholders seeking clarifications about various provisions of the Scheme. The issues raised have been examined and a further set of eleven FAQs have been issued today vide Circular No.25 of 2016. The circular inter alia provides clarifications on issues such as confidentiality of information disclosed in the declaration, allowability of TDS credit against declared income, enquiry in respect source of income and payment of tax and initiation of enquiry against third parties on the basis of information furnished in the declaration.

An issue regarding the advantage of declaring undisclosed income and assets under the Scheme vis-à-vis declaration of the same as current income for Assessment Year 2017-18 was also raised. In this regard it has been clarified that declaration of undisclosed income and assets as current income for Assessment Year 2017-18 would attract prosecution for false verification and also cannot explain acquisition of undisclosed assets in the past years. Attention of taxpayers has also been drawn to the comprehensive data-mining programme launched by the Department which will provide pin-pointed information about transactions undertaken by the taxpayer and the year to which the same relate.

The full text of the circular is available on the departmental website www.incometaxindia.gov.in.

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