

'NOTE BAN HAS LED TO MORE TAX COMPLIANCE'

Relevant for: Indian Economy | Topic: Issues relating to Growth & Development - Taxation & Black Money

"This is the positive impact of demonetisation. More formalisation of economy, more money in the system, higher tax revenue, higher expenditure, higher growth after the first two quarters," Mr. Jaitley said.

Giving details, he said the growth of income tax collections in the two before demonetisation was 6.6% and 9%. Post-demonetisation, the collections increased 15% and 18% in the next two years. "The same trend is visible in the third year," he said. In March 2014, the number of IT returns filed was 3.8 crore. In 2017-18, he said, the number has grown to 6.86 crore.

In the last two years, when the impact of demonetisation and other steps are analysed, the IT returns have increased 19% and 25%, he said.

He also tweeted strong rebuttals to Congress president Rahul Gandhi's statement at a press meet that demonetisation had only benefited crony capitalists.

Mr. Jaitley said, "Little knowledge is dangerous. Rahul Gandhi's fiction on demonetisation 'helping NPA holders' forgets that the Modi government legislated and enforced the IBC (Bankruptcy Code) where the NPA defaulters lost their company."

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