



Ministry of Finance

Revise the tax treaties with partner countries to enable the CBI and ED to use the data for prosecution

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Government is contemplating to revise the tax treaties with partner countries to enable the Central Bureau of Investigation (CBI) and Enforcement Directorate (ED) to use the data for prosecution of those who have stashed black money abroad. Treaty partner countries have been requested to modify the tax treaties, so as to explicitly include provisions that will enable information exchanged for tax purposes to be utilized for other purposes, including criminal proceedings in non-tax matters. 40 treaties for avoidance of double taxation have been revised accordingly. In addition, India has also signed the Multilateral Convention on Mutual Administrative Assistance in Tax Matters, which also similarly facilitates exchange of information. These developments enable use of such information by non-tax agencies, subject to agreement by the Competent Authorities of the Requested Contracting State.

All treaty partner countries have not agreed to the proposal. Since a bilateral treaty cannot be modified unless both treaty partners agree, it is not possible to provide any time frame for this purpose

This was stated by Shri Santosh Kumar Gangwar, Minister of State in the Ministry of Finance in written reply to a question in Lok Sabha today.

DSM/KA

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