

**STANDING COMMITTEE ON FINANCE  
(2005-06)**

**FOURTEENTH LOK SABHA**

**THE TAXATION LAWS  
(AMENDMENT) BILL, 2005**

**TWENTY-SEVENTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

December, 2005/Agrahayana, 1926(Saka)

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## **THE TAXATION LAWS (AMENDMENT), BILL, 2005**

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*Presented to Lok Sabha on 13 December, 2005  
Laid in Rajya Sabha on 13 December, 2005*



**LOK SABHA SECRETARIAT  
NEW DELHI**

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## COMPOSITION OF STANDING COMMITTEE ON FINANCE – 2005-2006

**Maj. Gen (Retd.) B.C. Khanduri - Chairman**

### **MEMBERS**

#### **LOK SABHA**

2. Shri Jaswant Singh Bishnoi
3. Shri Gurudas Dasgupta
4. Shri Bhartruhari Mahtab
5. Shri Shyama Charan Gupt
6. Shri Gurudas Kamat
7. Shri A. Krishnaswamy
8. Shri Bir Singh Mahato
9. Dr. Rajesh Kumar Mishra
10. Shri Madhusudan Mistry
11. Shri Rupchand Pal
12. Shri Danve Raosaheb Patil
13. Shri Shriniwas D. Patil
14. Shri K.S. Rao
15. Shri Jyotiraditya Madhavrao Scindia
16. Shri Lakshman Seth
17. Shri G.M. Siddeshwara
18. Shri Ajit Singh
19. Shri M.A. Kharabela Swain
20. Shri Vijoy Krishna
21. Shri Magunta Sreenivasulu Reddy

#### **RAJYA SABHA**

22. Shri Murli Deora
23. Shri R.P. Goenka
24. Shri Jairam Ramesh
25. Shri M. Venkaiah Naidu
26. Shri Yashwant Sinha
27. Shri Chittabrata Majumdar
28. Shri S.P.M. Syed Khan
29. Shri Amar Singh
30. Shri C. Ramachandraiah
31. Shri Mangani Lal Mandal

### SECRETARIAT

1. Shri John Joseph	- Secretary
2. Dr. (Smt.) P.K. Sandhu	- Additional Secretary
3. Shri A. Mukhopadhyay	- Joint Secretary
2. Shri S.B. Arora	- Deputy Secretary
3. Shri T.G. Chandrasekhar	- Under Secretary

## Introduction

I, Chairman of the Standing Committee on Finance having been authorised to submit the Report on their behalf present this Twenty Seventh Report on the Taxation Laws (Amendment) Bill, 2005.

2. The Taxation Laws (Amendment) Bill, 2005, introduced in Lok Sabha on 12<sup>th</sup> May, 2005, was referred to the Committee on 13<sup>th</sup> May, 2005 for examination and report thereon, by the Hon'ble Speaker, Lok Sabha under Rule 331 E of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Committee obtained written information on various provisions contained in the aforesaid Bill from the Ministry of Finance (Department of Revenue), who also briefed them at their sitting held on 14<sup>th</sup> July, 2005.

4. Written views/memoranda were received from Confederation of Indian Industry (CII), Taxindiaonline, Shri R.N. Lakhota, Senior Tax Consultant and Advocate, Shri R. Krishnan, Advocate and Consultant-Indirect Taxes, Shri S. Sampath, Consultant-Corporate Taxes, Shri P.N. Mittal, Member, CBDT (Retd.), Shri Vijay Mathur, DGIT (International Taxation), Delhi(Retd.) and Shri A.N. Prasad, CCIT, Delhi(Retd.).

4. The Committee, at their sitting held on 6<sup>th</sup> September, 2005 heard the views of the representatives of Confederation of Indian Industry (CII), Shri P.N. Mittal, Shri Vijay Mathur and Shri A.N. Prasad.

6. On 29<sup>th</sup> September, 2005 the Committee heard the views of Shri R. Krishnan and Shri S. Sampath.

7. On 30<sup>th</sup> September, 2005 the Committee heard the views of Shri R.N. Lakhota and the representatives of Taxindiaonline.

8. The Committee took oral evidence of the Ministry of Finance (Department of Revenue) on 8<sup>th</sup> November, 2005.

9. The Committee considered and adopted the draft report at their sitting held on 8<sup>th</sup> December, 2005.

10. The Committee wish to express their thanks to the officers of the Ministry of Finance (Department of Revenue), representatives of the Confederation of Indian Industry (CII), Shri R. Krishnan, Shri S. Sampath, Shri R.N. Lakhota, Shri P.N. Mittal, Shri Vijay Mathur, Shri A.N. Prasad and the representatives of Taxindiaonline. for their

co-operation in placing before them their considered views and perceptions on the provisions of the Bill and for furnishing written notes and information that the Committee had desired in connection with the examination of the Taxation Laws (Amendment) Bill, 2005.

11. For facility of reference, recommendations/observations of the Committee have been printed in thick type.

**NEW DELHI;**  
12 December, 2005  
**21 Aghryana 1927(Saka)**

**[MAJ. GEN. (RETD.) B.C. KHANDURI]**  
*Chairman,*  
**Standing Committee on Finance**