

## INCOME TAX

Statistics presented in this Section relate to Revenue collection from Direct Taxes, Indirect Taxes, Cost of Collections and Number of Effective Assesses received by the Directorate General of Income Tax for the relevant assessment years.

Taxes in India are of two types, Direct Tax and Indirect Tax. Direct Tax, like income tax, wealth tax, etc. are those whose burden falls directly on the taxpayer. The burden of indirect taxes, like service tax, VAT, etc. can be passed on to a third party.

Income Tax, Corporation Tax, Wealth Tax constitute the principal of Direct Taxes. Income Tax is chargeable with total income of the previous year of every person. The term 'person' includes an individual, an Hindu Undivided Family (HUF), a company, a firm, an association of persons (AOP), a body of individual (BOI), a local authority and an artificial juridical person. Income Tax paid by companies is categorized as Corporate Tax.

- Income tax is levied on the 'total income' of the assessee.
- Income of the 'previous year' is taxed in the 'assessment year.'
- Income is classified into and computed under five categories called 'heads of income.'

The overall control for administration of Direct Taxes lies with the Department of Revenue which functions through Income Tax Department with the Central Board of Direct Taxes (CBDT) at its apex. The CBDT is a statutory authority functioning under the Central Board of Revenue Act, 1963. It also functions as a division of the Ministry dealing with matters relating to levy and collection of Direct Taxes.

This Chapter contains tables giving data from 2000-01 onwards upto 2004-05. Earlier data on Gross Income, Returned Income, Tax payable etc. was presented in 11 tables but due to discontinued of Directorate's of Income Tax publication 'All India Income Tax Statistics (AIITS) after the year 1999-2000. However, for earlier data please refer to 2004 issue of Statistical Abstract, India.

### **Table 28.1**

This table represents the Revenue collection from Direct Taxes i.e. collection from Corporation Tax, Income Tax and other Direct Taxes.

### **Table 28.2**

This table represents the Revenue collection from Indirect Taxes i.e. collection from Customs, Excise, Service Tax and Foreign Travel Tax/Inland Air Travel Tax. Since 09.01.2004, Foreign Travel Tax/Inland Air Travel Tax abolished.

### **Table 28.3**

This table represents the Total Tax Revenue collection from Director and Indirect Taxes.

### **Table 28.4 & 28.5**

This table provides information regarding Direct Taxes collections and cost of collection of taxes.

### **Table 28.6**

This table provides information of number of effective various assesses i.e. company, individual, Hindu undivided family, Firms, Trusts etc.

### **Table 28.7**

This table provides information of Income tax rates for the Assessment year 2006-07.

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Table 28.1 REVENUE COLLECTION FROM DIRECT TAXES

(Rs.Ten Million)

Financial year	Actual Collection			
	Corporation Tax	Income Tax	Other Direct Taxes	Total
1	2	3	4	5
2000-01	35696	31764	845	68305
2001-02	36609	32004	585	69198
2002-03	46172	36866	50	83088
2003-04	63562	41386	140	105088
2004-05	82680	49268	823	132771
2005-06	101277	63630	301	165208
2006-07	144318	85548	315	230181

Source : Directorate General of Income Tax

Table 28.2 REVENUE COLLECTION FROM INDIRECT TAXES

(Rs.Ten Million)

Financial year	Customs	Excise	Service Tax	Foreign Travel Tax (FTT)/Inland Air Travel Tax (IATT)	Total
1	2	3	4	5	6
2000-01	47542	68526	2613	1133	119814
2001-02	40268	72555	3302	1193	117318
2002-03	44852	82310	4122	1324	132608
2003-04	48629	90774	7891	1314	148608
2004-05	57611	99125	14200	#	170936
2005-06	65067	111226	23055	#	199348
2006-07(P)	86304	118121	37484	#	241909

Source : Receipt Budget 2005-06 upto 2003-04 revenue collection.

(#) Foreign Travel Tax (FTT)/Inland Air Travel Tax (IATT) abolished since 09.01.2004

Table 28.3 REVENUE COLLECTION FROM TOTAL TAX REVENUE

(Rs.Ten Million)

Financial year	Direct Tax (DT)	Indirect Taxes (IT)	Total	Direct Tax (DT) as % of Total
1	2	3	4	5
2000-01	68305	119814	188119	36.31
2001-02	69198	117318	186516	37.10
2002-03	83088	132608	215696	38.52
2003-04	105088	148608	253696	41.42
2004-05	131918	170936	302854	43.56
2005-06	165208	199348	364556	45.32
2006-07	230181	241909	472090	48.76

Source : Directorate General of Income Tax

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Table 28.4 DIRECT TAXES (INCOME TAX & OTHER TAXES) COLLECTIONS-  
PRE ASSESSMENT AND POST ASSESSMENT SCENARIO

Financial year	(Rs.Ten Million)						Total Collection	Refund	Net Collection
	Pre-assessment collection			Post-assessment collection					
	Tax Deductible at source (TDS)	Advance Tax	Self Asstt.	Regular Asstt.	Other Receipt				
1	2	3	4	5	6	7	8	9	
2000-01	28213	32614	5841	8121	5420	80209	12751	67458	
2001-02	32672	34094	5479	9492	4094	85831	17220	68611	
2002-03	36568	49158	6414	10745	2184	105069	22031	83038	
2003-04	42955	58713	9852	16015	3150	130685	25736	104949	
2004-05	43973	90034	10044	6006	10405	160462	28514	131948	
2005-06	53838	84752	11618	22112	14974	187294	30032	157262	

Source : Controller &amp; Auditor Genrral Report No.8 March, 2005.

Table 28.5 COST OF COLLECTION OF TAXES

Financial year	(Rs.Ten Million)	
	Total Direct Tax Collection	Total Cost of Collection
1	2	3
2000-01	68305	929
2001-02	69198	993
2002-03	83088	984
2003-04	105088	1050
2004-05	131918	1138
2005-06	165208	1227
2006-07	230181	1348

Source : Directorate General of Income Tax.

Table 28.6 NUMBER OF EFFECTIVE ASSESSEES

Financial year	Company	Individual	H.U.F.	Firms	Trusts	Others	Total
1	2	3	4	5	6	7	8
2000-01	334261	20662926	553194	1336861	63999	51035	23002276
2001-02	349185	23734413	607519	1378706	97272	58784	26225879
2002-03	365124	25935556	644489	1345232	117304	57224	28464929
2003-04	372483	26624224	654848	1338613	154276	57952	29202396
2004-05	373165	24792990	620468	1235373	71375	65190	27158561
2005-06	382003	26977218	637716	1213890	71616	56232	29338675
2006-07	342548	27681035	637347	1213586	72449	56763	30003728

Source : Directorate General of Income Tax.

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TABLE 28.7 – RATE OF TAX FOR FOR ASSESSMENT YEAR 2006-07

## 1. Individuals, Hindu undivided families, AOPs, BOIs

## Rates of income-tax

Income chargeable to tax	Individual (other than women and senior citizens), HUF, association of persons, body of individuals and artificial juridical person	Individual women, resident in India and below the age of sixty-five years	Individual senior citizen, resident in India, who is of the age of 65 years or more
Upto Rs. 1,00,000	NIL	NIL	NIL
Rs. 1,00,001 – Rs. 1,35,000	10%		
RS. 1,35,001 – Rs. 1,50,000		10%	
RS. 1,50,001 – Rs. 1,85,000	20%	20%	
RS. 1,85,001 – Rs. 2,50,000			20%
Exceeding Rs. 2,50,000	30%	30%	30%

**Notes:**

- (i) The tax payable would be enhanced by a surcharge for the purposes of the Union at the rate of ten per cent of the tax payable, as reduced by rebate under Chapter VIII-A, in the case of every individual, Hindu undivided family, association of persons or body of individuals having income exceeding Rs. 10, 00,000/-. No surcharge would be payable by person having incomes of Rs. 10, 00,000/- or below.
- (ii) In the case of the aforesaid persons having total income exceeding Rs. 10, 00,000/-, the amount payable as income-tax and surcharge shall not exceed the total amount payable as income-tax on total income of Rs. 10, 00,000/- by more than the amount of income that exceeds Rs. 10, 00,000/-.
- (iii) In the case of artificial juridical person, surcharge would be levied at the rate of ten per cent of the income tax payable on all levels of income.
- (iv) An additional surcharge called the “Education Cess on Income tax” is to be levied at the rate of two per cent on the amount of tax computed, inclusive of surcharge, in all cases. No marginal relief shall be available in respect of the Education Cess.

## 2. Firms

Rates of tax for a firm for the assessment year 2006-07 and for the purpose of computing advance tax for financial year 2006-07 are as under –

Rate of Income tax (in per cent)	Rate of surcharge (in per cent)	Education Cess (in per cent)
30	10	2

## 3. Co-operative societies

Rates of tax for a firm for the assessment year 2006-07 and for the purpose of computing advance tax for financial year 2006-07 are as under –

Net income range	Rate of income-tax (in per cent)	Rate of surcharge (in per cent)	Education Cess (in per cent)
Up to Rs. 10, 000	10	Nil	2
Rs. 10, 001 – Rs. 20,000			
Rs. 20,001 and above	20	Nil	2
	30	Nil	2

## 4. Companies

Rates of tax for a firm for the assessment year 2006-07 and for the purpose of computing advance tax for financial year 2006-07 are as follow –

Company	Rates of income tax (in per cent)	Rate of surcharge (in per cent)	Education Cess (in per cent)
(i) In the case of a domestic company	30	10	2
(ii) In the case of a foreign company			
• Royalty received from Government or an Indian concern in pursuance of an approved agreement made by it with the Government or the Indian concern after March 31, 1961, but before April 1, 1976; or fees for rendering technical service received from Government or an Indian concern in pursuance of and approved agreement made by it with Government of the Indian concern after February 29, 1964 but before April 1, 1976.	50	2.5	2
• Other income	40	2.5	2