



सत्यमेव जयते

अखिल भारतीय
आयकर आंकड़े
ALL INDIA
INCOME-TAX STATISTICS
1968-69

DIRECTORATE OF INSPECTION

(Research, Statistics & Publication)

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NEW DELHI-I

I N T R O D U C T I O N

The All India Income-tax Statistics presented in this compilation are based on the assessments completed by the Income-tax Department during the financial year 1968-69. These assessments relate to the assessment year 1968-69 as well as earlier years.

Statistical data contained in the various All India Statements of this compilation relate to 1982886 assessments of which 132660 assessments resulted in tax demand and 90266 assessments resulted in tax refunds. Actually the Department completed 3421282 assessments during 1968-69. Of these 1438396 assessments are not reflected in the data as they did not result either in demand or refund. These include (i) assessments of new industrial undertakings exempt under the Income-tax Act, (ii) assessments in which the entire income is absorbed by depreciation or development rebate or loss, (iii) assessments of Registered Firms with income loss than Rs. 25000 and consequently not liable to tax, and (iv) other "no assessment" cases where the assessable income is completed at a figure less than the taxable minimum.

Explanatory notes on the various statements together with comparative figures for 1967-68 have been given at pages (i) to (xii).

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All India Income-tax Statistics 1968-69.

EXPLANATORY NOTES

1. DEMAND AND COLLECTION

All India Statement Nos. 1 & 2. 1. All India Statement No. 1 contains figures of arrears as on 1st April, 1968, ~~amount reduced in appeals~~, current demand raised on regular assessments and collections made out of the arrears and the current demand, and finally arrears as on 31st March, 1969. All India Statement No. 2 gives a summary of net budget collections.

2. The following chart reveals the picture emerging from the two statements, comparative figures for the year 1967-68 are also indicated.

(in crores of Rs.)

	<u>1968-69</u>	<u>1967-68</u>
(a) Net budget collections (collections, out of arrears and current demand, advance tax demand and payments under self-assessments and provisional assessments less refunds and adjustments).	664.44	623.45

(in crores of Rs.)

	<u>1968-69</u>	<u>1967-68</u>
(b) Current demand raised in regular assessments (not after reduction on account of appeals effects etc.)	683.42	592.39

**II - ANALYSIS OF INCOME ACCORDING TO SOURCES OF INCOME
AND DEDUCTIONS AND REBATES.**

All India Statement No. 3

3. All India Statement No. 3 shows an analysis of income tax demand raised in assessments made during the year, classified according to the sources or heads under which income has been assessed. Details of deductions and rebates allowed, Double Income tax relief and credit of tax deducted or otherwise paid at source, are given in parts B, C & D of the Statement.

Deductions and Rebates

4. Total tax relief arising out of (i) special deductions allowed in computing the total income, (ii) concessions in the form of rebate worked out on the basis of average rate, (iii) concessional treatment given to certain items of income and (iv) Double Taxation relief, amounts to Rs. 63.9 crores as against Rs. 47.14 crores in 1967-68. This would indicate that utilization of tax incentives is on the increase. Contributions to Provident Fund and Life Insurance Premium constitute the most important deduction allowed in computing the total income. These amounted to Rs. 69.7 crores and tax relief allowed thereon works out at Rs. 8.0 crores. The corresponding figures for the immediately preceding year are Rs. 55.5 crores and Rs. 5.8 crores respectively.

5. There are several items on which relief in tax has been allowed. The particulars of some of the important items are as follows:-

(Rupees in crores)

	Amount on which relief has been allowed.		Tax relief.	
	1968-69	1967-68	1968-69	1967-68
(i) Profits and/or Dividends from new industrial undertakings, hotels etc.	9.8	10.2	4.5	5.0
(ii) Inter-corporate Dividends.	13.8	10.9	6.9	4.3
(iii) Profits from export of goods.	2.9	6.4	0.5	1.2
(iv) Donations	5.4	6.1	1.9	2.3
(v) Dividends from Co- operative Societies.	6.3	5.0	2.6	2.0
(vi) Others (mostly contributions to P.F., Life Insurance Premium, for assessments prior to the assessment year 1956-57 when concession in regard to these items was given in the form of rebate).	13.6	18.2	5.8	3.4

(Contd.....)

Comparative head-wise
Statistics of Income

6. The following table analyses the assessments according to the heads of income :-

(In crores of Rupees)

	<u>No. of assessments</u>		<u>Gross Income</u>		<u>Gross demand.</u>	
	<u>1968-69</u>	<u>1967-68</u>	<u>1968-69</u>	<u>1967-68</u>	<u>1968-69</u>	<u>1967-68</u>
a) Salaries.	808117	737511	705.2	606.0	68.5	59.1
b) Interest on Securities.	49341	43882	28.1	32.0	8.0	10.6
c) House Property	296474	244427	70.3	58.2	14.4	14.9
d) Business and Profession:-						
(i) Own business or profession.	650281	536024	1638.0	1342.5	416.9	356.0
(ii) Share in Firms etc.	440291	314260	607.1	421.1	116.0	81.6
e) Dividends.	125380	110131	90.4	84.6	35.8	32.0
f) Capital Gains	18762	14659	30.8	30.7	9.5	9.2
g) Income accruing or arising abroad.	5507	6031	6.4	9.6	2.3	3.9
h) Other sources.	397586	299519	150.8	146.0	44.5	46.4
Total.	3327.1	2730.7	715.9	616.7

III - CLASSIFICATION OF BUSINESS INCOME

1 India Statement
10.4.

7. This statement gives trade-wise break-up of data regarding business income separately for corporate and non-corporate sectors together with comparative figures for 1967-68. Following chart sums up the position in regard to assessments relating to corporate and non-corporate tax payers carrying on business or professions:-

(Rupees in crores)

	<u>No. of assessments</u>		<u>Gross business income</u>		<u>Gross demand</u>	
	<u>1968-69</u>	<u>1967-68</u>	<u>1968-69</u>	<u>1967-68</u>	<u>1968-69</u>	<u>1967-68</u>
Companies	12127	11654	517.7	477.9	291.1	256.7
Non-companies.	638154	524370	1120.3	864.6	125.8	99.3
Total	650281	536024	1638.0	1342.5	416.9	356.0

Trade wise break-up

8. The following table gives trade-wise break up of data regarding assessments involving business income. Comparative figures for 1967-68 are also given :-

(Rupees in crores)

<u>Business Group.</u>	<u>No. of assessments</u>		<u>Gross Income</u>		<u>Gross demand</u>	
	<u>1968-69</u>	<u>1967-68</u>	<u>1968-69</u>	<u>1967-68</u>	<u>1968-69</u>	<u>1967-68</u>
(a) Forestry, Mining and Quarrying.	1446	1505	18.9	24.1	7.9	10.4
(b) Primary Industries & Processing & Manufacture of foodstuffs (including beverages etc.)	10961	10399	79.5	76.3	30.4	29.

(Rupees in crores)

Business Group	No. of assessments		Gross Income		Gross demand	
	1968-69	1967-68	1968-69	1967-68	1968-69	1967-68
(c) Processing & Manufacture of textiles & leather etc.	11706	10236	101.0	82.5	41.8	33.5
(d) Processing and Manufacture of metals and chemicals etc.	19622	18479	230.6	198.1	101.9	84.2
(e) Processing & Manufacture of Cement, rubber etc.	12884	11593	92.4	77.6	38.3	30.8
(f) Construction & Utilities	10790	10895	44.0	34.5	13.1	8.7
(g) Commerce, Transport and Communications.	512698	409808	913.1	696.9	132.8	107.8
(h) Finance	35026	31512	108.2	110.3	40.9	42.3
(i) Professions.	35148	31567	50.3	42.2	9.6	8.4
Total	650281	536024	1638.0	1342.5	416.9	356.0

IV - CLASSIFICATION BY RANGE OF INCOME AND STATUS.

9. All India Statement No. 5 analyses Income-tax demand according to the range of total income assessed and according to status of the assessee. The figures of tax shown against "Un-classified demand" and "Unclassified refund" and indicated at the bottom of the Statement, refer to the increase or decrease in tax arising out of re-assessments on account of appeals, revisions, rectifications etc. which are not included in the range-wise analysis given in the statement.

10. All India Statement No. 5 - E gives classification of the gross income, losses set off, other deductions allowed, income assessed and tax payable thereon according to the range of the income assessed and status of the assessee.

(Contd.....)

11. All India Statement No. 5 shows data regarding married and un-married tax payers.

12. All India Statement No. 6 contains a status-cum-net income-range-wise classification of tax payers. Net income means income left in their hands after deduction of tax.

Income Ranges

13. The following comparative chart gives the number of assessments in the important income ranges, income assessed and tax raised.

	Income Range Rs.	No. of assessments		Income assessed		Tax payable	
		1968-69	1967-68	1968-69 (Rupees in crores)	1967-68 (Rupees in crores)	1968-69 (Rs. in crores)	1967-68 (Rs. in crores)
(a)	Below 7,500	937025	811136	517.6	415.0	12.9	10.7
(b)	7,501 - 15,000	549444	467762	567.2	462.1	30.5	20.7
(c)	15,001 - 25,000	192725	142985	363.3	266.1	45.9	33.4
(d)	25,001 - 50,000	143239	107337	407.5	365.4	77.8	50.3
(e)	50,001 - 1,00,000	43183	37593	325.0	253.4	71.6	57.0
(f)	1,00,001 - 5,00,000	19414	15934	340.9	203.9	105.1	94.7
(g)	Above 5,00,000	2590	2420	594.5	567.4	300.5	286.2
Total		1892620	1585137	3196.0	2633.3	652.3	570.0

14. During the year 1968-69, total demand amounted to Rs. 652.3 crores. It was contributed by 1892620 assessments on tax-payers belonging to different status-categories and income groups. Assessments on companies, although only 14703 in number and, therefore, less than even one percent of the total number of assessments, contributed Rs. 319.3 crores which is 49.1 % of the total demand. The remaining demand i.e. Rs. 333.0 crores was contributed by non-corporate assesses. Among non-corporate assesses, contribution to demand by different income-ranges is indicated in the table below :-

		Number of assessments.	% of total assessments on non-corporate assesses.	Tax payable	
				Amount (Rs. in crores)	% of total tax payable by non-corporate assesses.
Below	7,500	932939	49.7	12.2	3.7
7,501	- 15,000	547917	29.2	37.5	11.2
15,001	- 25,000	191497	10.2	44.5	13.3
Above	25,000	205564	10.9	238.8	71.8
Total		1877917	100.0	333.0	100.0

It will be seen that company assessments 14703 and assessments on non-corporate assesses with income above Rs. 25000 (205564) are only 11.6 % of the total number of assessments but their contribution (Rs. 319.3 + 238.8 = 558.1 crores) is 85.6% of the total demand.

Income range above
Rs. 5 lakhs.

15. There are 2590 assessments with income over Rs. 5 lakhs and they account for total demand of Rs. 300.5 crores which roughly comes to 46.1% of the entire tax demand. There are 1778 company assessments in this range and they account for a tax demand of Rs. 272.7 crores. Individuals and HUFs having incomes over Rs. 5 lakhs are 229 and 30 respectively. After payment of taxes the total number of assessors left with net income of above Rs. 5 lakhs comes down to 1367 including 30 persons assessed as individuals.

Status-wise
Statistics.

16. The following chart shows the number of assessments in each status-category, total income assessed, and tax raised :-

<u>Status of assessors.</u>	<u>No. of assessments</u>		<u>Income assessed.</u>		<u>Tax payable.</u>	
	<u>1963-69</u>	<u>1967-68</u>	<u>1963-69</u>	<u>1967-68</u>	<u>1963-69</u>	<u>1967-68</u>
			<u>(Rupees in crores)</u>		<u>(Rs. in crores.)</u>	
(a) Individuals	1672543	1405633	1026.6	1439.8	250.8	202.1
(b) Hindu Undivided Families	37637	73570	153.5	110.3	23.2	20.5
(c) Un-registered Firms	21332	19419	34.9	32.6	10.5	11.0
(d) Associations of Persons.	9724	7368	34.3	27.3	10.0	6.6
(e) Registered Firms.	86876	65149	570.4	429.2	38.5	27.0
(f) Companies	14703	13548	596.3	594.0	319.3	301.1
Total	1892620	1585187	3196.0	2623.2	652.3	569.9

Married and Unmarried
Individuals.

17. There were 95660 unmarried individuals and 1576838 married individuals who were assessed to tax during 1968-69. The unmarried individuals contributed Rs. 16.6 crores to tax demand whereas tax payable by married individuals came to Rs. 234.2 crores.

V. - SOURCES OF INCOME AND RANGE OF INCOME AND STATUS OF ASSESSEES

All India Statement
Nos. 5A, 5B & 5C.

18. All India Statement No. 5-A gives status-wise and income-range wise analysis of the gross income assessed and demand raised according to principal sources of income. All India Statement No. 5-B gives break-up of the tax demand of the individuals under the head 'Salaried persons' and 'Non-salaried persons.' All India Statement No. 5-C gives classification of the income assessed under the head 'Capital gains' and tax payable thereon according to range of capital gains assessed and status of the assessee.

Business & Profession

19. This is the most important source of income and accounts for a gross income of Rs. 1538 crores i.e. 49.2 % of the total gross income assessed, the gross demand being Rs. 415.9 crores i.e. 58.2 % of the total gross demand raised. Out of the various business groups, the assessee in the group 'Commerce, Transport and Communications' account for the largest income and tax demand, the figures being Rs. 913.1 crores and Rs. 132.3 crores respectively. The assessee engaged in 'Processing and Manufacturing of Metals and Chemicals' come next, the figures of income and tax demand being Rs. 230.6 crores and Rs. 101.9 crores respectively.

Salaries

20. This is the next important source of income after 'Business and Profession'. The total gross income from salaries works out Rs. 705.2 crores, the gross demand thereon being Rs. 88.5 crores. Government salaries account for Rs. 176.9 crores (Central Govt. Salaries Rs. 119.7 crores and State Government Salaries Rs. 57.2 crores), the tax demand being Rs. 12.0 crores (Central Government Salaries Rs. 8.3 crores and State Government Salaries Rs. 3.7 crores).

Dividends

21. Income from Dividends assessed to tax is Rs. 90.4 crores, the tax demand being Rs. 35.0 crores. Of the total Dividend income assessed, Companies account for Rs. 44.2 crores 48.3 % and Individuals Rs. 38.3 crores 42.9 %, the relevant tax demand being Rs. 22.2 crores 62.0 % and Rs. 11.4 crores 31.8 % respectively. Income from dividends covered in assessments with total income over Rs. 1 lac is Rs. 52.0 crores 57.5 % and accounts for 27.0 crores 75.4 % of the tax demand.

House Property

22. There are 296474 assessments which include income from House Property. The income assessed and tax demanded on income from House Property are Rs. 70.3 crores and Rs. 14.4 crores respectively. Individuals 243075 have the highest income from House Property,

income assessed and tax demand being Rs. 49.3 crores 70.3 % and Rs. 13.2 crores 57.9 % respectively. Property income of assesses with total income over Rs. 1 lakh is Rs. 9.1 crores, 13.0 % and accounts for Rs. 5.2 crores 36.1 % of the tax demand.

Interest on Securities.

23. The total income assessed under the head 'Interest on Securities' is Rs. 28.1 crores, yielding a tax demand of Rs. 8.0 crores. Individuals (43245) have the highest income from this source viz. Rs. 17.4 crores (61.9%) but the tax demand involved is only Rs. 2.5 crores (31.2 %). On the other hand, companies (1239) with income of Rs. 8.3 crores (29.5 %) yield a tax demand of Rs. 4.6 crores (57.5 %) assesses in the income bracket over Rs. one lakh account for an income of Rs. 10.1 crores 36.9 % from this source, the tax demand involved being Rs. 5.6 crores 70.0%.

Capital Gains.

24. The total amount of income from Capital Gains assessed to tax is Rs. 30.3 crores, the tax demand thereon being Rs. 9.5 crores. The capital Gains arising out of transfer of short-term assets is Rs. 3.8 crores, the tax involved being Rs. 1.5 Crores.

VI - STATISTICS REGARDING TAX PAYABLE BY COMPANIES ACCORDING TO THEIR CLASSIFICATION.

All India Statement No. 50

25. This statement gives data regarding number of assessments, income assessed, and tax demand raised in the corporate sector. Companies have been divided into three main categories i.e. widely held domestic companies, closely held domestic companies and foreign companies. The following chart sums up the statistics presented in the statement :-

<u>Classes of Company</u>	<u>Number of assessors</u>	<u>Income assessable</u>	<u>Tax payable</u>
		(In crores of Rupees.)	
Widely held domestic companies	1615	113.3	59.2
Closely held domestic companies.	12559	435.5	233.5
Foreign companies.	529	47.4	26.7

Total	14703	596.2	319.4

Comparative figures for the year 1967-68	13548	594.0	301.1

26. There were 1646 domestic and 132 foreign companies in the income range above Rs. 5 lakhs in 1968-69 and they accounted for Rs. 272.4 crores of the total corporate tax demand of Rs. 319.4 crores.