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TAXING THE AGRICULTURAL INCOME: A LEGAL AND POLICY ANALYSIS

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TAXING THE AGRICULTURAL INCOME: A LEGAL AND POLICY ANALYSIS

*Shreya Maloo**

[Abstract: *Agriculturalists are uneducated, poor and have very less income. Further, the sector is highly unorganised to segregate people and impose tax liability on them. But all these are not to be taken as justification to allow rich farmers to enjoy taxes of other sectors. There exist rich farmers in India, and it is economically justified to tax them. Firstly, their income is higher than the distressed farmers, and secondly, enjoying subsidies on the tax collected from other sectors increases the burden on existing overtaxed formal sectors, thirdly there is a need to increase the lower tax base of the country, which consists only 5.9% of the working population. The need to tax agricultural income has been voted on by economists, especially in developing countries, as propounded by Richardo, Heller, Ahmed-Stern etc. They believe that the taxation system acts as a tool to transfer resources from this sector, which is essential for any development policy. Income is regarded as the best single general measure of economic well-being and, thus of taxable capacity. It is generally argued that income tax, more than any other levy, accords more closely with the usually accepted standard of equity. Equity is one of the grounds on the basis of which tax and income could be integrated. Income if on the basis of equity, and the overall tax base of the country would improve.]*

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I

AGRICULTURE SECTOR AND TAXATION

In India, 18.29% of the Gross Value Added (GVA) is contributed by the agriculture sector,¹ with 45.6% workforce in 2019-20,² government expenditure in lakh crores³ but return in the form of taxation is negligible. With the current laws and policies in force, no income relating to agriculture is taxable; this acts as a loophole to generate black money. It came as a shock, inside and outside parliament, when an RTI revealed that agricultural income earned by 6.57 lakh assesses who filed returns in 2011, at nearly Rs. 2,000 lakh crores, is over 20 times the country's gross domestic product of over Rs. 84 lakh crores.⁴

Agriculturalists are uneducated, poor and have very less income. Further, the sector is highly unorganised to segregate people and impose tax liability on them. But all these are not to be taken as justification to allow rich farmers to enjoy taxes of other sectors. There exist rich farmers in India, and it is economically justified to tax them. Firstly, their income is higher than the distressed farmers, and secondly, enjoying subsidies on the tax collected from other sectors increases the burden on existing overtaxed formal sectors, thirdly there is a need to increase the lower tax base of the country, which consists only 5.9% of the working population.⁵

The concept of "Ability to Pay" is the basis of taxing a population across the nation. Those who have the ability are required to pay the government. But in India, 'capacity to pay' has been widely ignored in the agriculture sector. Non-

¹ *Contribution of Agriculture Sector towards GDP*, PIB (03 Aug., 2021) Available at- <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1741942> (last visited on 14th October 2022).

² Ramesh Chand and Jaspal Singh, *Workforce Changes and Employment*, NITI AAYOG Discussion Paper 1/2022, available at- https://www.niti.gov.in/sites/default/files/2022-04/Discussion_Paper_on_Workforce_05042022.pdf (last visited on 14th October 2022).

³ *Year End Review: 2021 – Ministry of Agriculture and Farmers Welfare*, PIB (31 Dec., 2021) available at- <https://pib.gov.in/PressReleasePage.aspx?PRID=1786621> (last visited on 14th October 2022).

⁴ Devesh K. Pandey and TCA Sharad Raghavan, *Farms grow massive incomes for select few*, THE HINDU (Mar. 2016) available at- <https://www.thehindu.com/news/national/FIncome-Tax-departments-reveals-agriculture-sector-figures/article60260745.ece#:~:text=2%2C000%20lakh%20crore%2C%20is%20over,are%20exempt%20from%20Income%20Tax> (last visited on 14th October 2022).

⁵ *Equity in Taxes: Rich Farmers should be treated on par with other taxpayers*, THE HINDU (02 May 2017) Available at- <https://www.thehindu.com/opinion/editorial/on-equity-in-taxes/article59781304.ece> (last visited on 14th October 2022).

collection of tax payments has made other tax-payers feel that earning the same or probably more income, farmers are exempted from tax only because they are falling in different sectors of the economy.

The need to tax agricultural income has been voted on by economists, especially in developing countries, as propounded by Richardo, Heller, Ahmed-Stern etc.⁶ They believe that the taxation system acts as a tool to transfer resources from this sector, which is essential for any development policy.⁷ Income is regarded as the best single general measure of economic well-being and, thus of taxable capacity.⁸ It is generally argued that income tax, more than any other levy, accords more closely with the usually accepted standard of equity.⁹ Equity is one of the grounds on the basis of which tax and income could be integrated. Income if on the basis of equity, and the overall tax base of the country would improve.

With the GST Act, 2017 meaning of farmers has been changed, and now, the big farmers like Amitabh Bachchan who earlier used to delegate their land for farming activities and save income by showing agricultural tax, have changed. Now, if the land has been leased out to other than immediate family members, then income derived from it will be taxable.¹⁰

Six Indian states, namely Tamil Nadu, Kerala, Assam, Bihar, Odisha and West Bengal, have laws to tax agricultural income,¹¹ but recently, in Kerala, the plantation tax has been abolished due to constant demand raised by the plantation community.¹²

II

LEGAL ASPECTS OF AGRICULTURAL INCOME

⁶ Ahmed-Stern, HANDBOOK ON DEVELOPMENT ECONOMICS (1989).

⁷ M. Richard Bird, TAXING AGRICULTURAL LAND IN DEVELOPING COUNTRIES (1974).

⁸ Mahesh Bhatt, *How Good a Tax Is Agricultural Income Tax?*, 4 EPW 22, 915-918 (1969).

⁹ Vickrey, AGENDA FOR PROGRESSIVE TAXATION 3 (1947).

¹⁰ Vaibhav Tiwari, *After GST, Amitabh will cease to be Farmers*, INDIA NEWS (7 Jun., 2017) Available at- <https://www.india.com/news/india/after-gst-amitabh-bachchan-like-bigwigs-will-cease-to-be-farmers-2209304/> (last visited on 28th October 2022).

¹¹ Zia Haq, *Taxing the Farm-Income: An Idea whose Time has Come*, OUTLOOK INDIA (8 May 2017), available at- <https://www.outlookindia.com/website/story/taxing-farm-income-an-idea-whose-time-has-come/298789> (last visited on 20 October 2022).

¹² Sanjeev Kumar, *Planters Cheers as Kerala abolishes Agri-income Tax*, BUSINESSLINE (11 Oct. 2018) available at- <https://www.thehindubusinessline.com/news/planters-cheers-as-kerala-abolishes-agri-income-tax/article25193335.ece> (last visited on 23 October 2022).

India, being an agriculture-based economy and a large population dependent on this sector itself, justifies the need to implement taxation policies in the sector. Taxation in India is levied only by the authority of law.¹³ Concerned statutes and rules provide not for imposing tax liability but exempt same from its ambit.

Entry 82 of the Union List with Article 246(1) empowers Parliament to tax income other than agriculture.¹⁴ Article 366(1) of the Constitution refers to the meaning of agricultural income, which gives reference to the provision of the Income Tax Act 1961.¹⁵ Under section 10 (1) of the Act, agricultural income is exempted from the tax ambit.¹⁶ The subject matter of taxing the income falls under entry 46 of the State List, which implies that the power to levy taxes on such income is within the ambit of the state and not the union.

III

HOW HAS AGRICULTURAL INCOME BEEN TREATED AS OF NOW?

Farmers who have no other sources of income are not required to file income tax returns. It is only those farmers who derive income from sources other than agriculture who are required to file returns in which any agricultural income exceeding `5,000, where the total income excluding net agricultural income that exceeds `2.5 lakhs in a year, is to be reported for determination of their appropriate income slab for changeability of tax. Tax on agricultural income is then deducted from the total tax and thus computed for the assessee.¹⁷

It implies income from agriculture, proceeds from the sale of agricultural land, and compensation when government acquires the land, all of these are exempted under the Act.¹⁸ Further, Agricultural land has been specifically excluded from the ambit of wealth tax, despite being immovable property.¹⁹ Though the amount of income is not separately taxable, it has been considered for rate purposes to determine the tax liability of individuals, Hindu

¹³ The Constitution of India, 1950, Art. 285.

¹⁴ T.N. Pandey, *Levy of Income and Wealth Taxes on Agriculturists - Is There Any Constitutional Barrier In This Regard?*, 41 JILI 467-477 (1999).

¹⁵ The Income Tax Act, 1961, S. 2(1A).

¹⁶ The Income Tax Act, 1961, Sec. 10(1).

¹⁷ Govind Bhattacharjee, *Tax on Agriculture Income Holy Cow of the Indian Economy*, 55 EPW 42 (17 Oct. 2020) Available at- <https://www.epw.in/journal/2020/42/commentary/tax-agricultural-income.html> (last visited on 14th October 2022).

¹⁸ Report No. 9 of 2019 (Direct Taxes), pg. 1.

¹⁹ The Income Tax Act, 1961, S. 2(e)(1)(ii).

Undivided Families (HUF) etc.

IV

COMMITTEE RECOMMENDATIONS

Taxing agricultural income is not the idea that has recently come across in the discussion, but has been widely studied on the push of government by experts, policymakers, economists, lawmakers etc. In India, the government has appointed numerous committees, which include the Taxation Enquiry Commission (1953), Bhootlingam Committee on Rationalization and Simplification of Tax Structure (1968), Direct Taxes Enquiry Committee [Wanchoo Committee], Dr. K. N. Raj Committee on Taxation on Agricultural Income and Wealth (1971) and Choksi Committee on Direct Taxes (1977).²⁰

K. N. Raj Committee on Agricultural Wealth and Income

Back in 1972, the agriculture sector used to contribute as much as 50% of the National Income of the country. A large proportion of the population has been employed in the sector, and the income derived from the sector was consistently on the rise. But when the sectoral contribution in light of taxes or revenues in the government exchequer is checked, it becomes near to 1% only. The committee recommended the following to include taxation in the agricultural sector:

Progressive taxation on the land holdings, tax on the capital gains derived from the transfer of agricultural land, taxes on agricultural property, wealth tax, and integration of agricultural and non-agricultural.

Choksi Committee

Under the leadership of Mr. C. C. Choksi, the committee has made the recommendations from procedural to administrative aspects and suggested widening the tax base by including agricultural income and non-agricultural income. It has suggested to the government that taxation laws be made uniform throughout all the states and extended even to the plantation, cash crops, food crops etc. Further, the taxation system is to be based upon the principle of progressive taxation, data on the kind of land, activities carried out thereupon, maintaining proper books of accounts and such benefits not available to the companies.²¹

Taking the cue from these recommendations, income could be taxed on the

²⁰ See Chapter 3, *Historical Perspective of Tax Reforms*, available at http://ir.unishivaji.ac.in:8080/jspui/bitstream/123456789/884/9/09_Chapter%203.pdf (last visited on 30th October 2022).

²¹ *Choksi Committee on Direct Taxes* (1977).

basis of crop grown on the land, kind of crop, and landholdings in the name of an individual, further the progressive form of taxation be levied as the system government follows currently.²²

V

RECENT DEVELOPMENTS IN TAXING THE AGRICULTURAL INCOME: GOVERNMENT REPORTS

49th Assessment Relating to the Agriculture Income

The assessment was undertaken and revealed various surprising results. Chapter V of the C& AG Report No. 9 of 2019 deals with the Assessments relating to Agricultural Income and reveal data on matters such as “Exemption without verification of supporting documents”; "Incorrect reflection of agricultural income in ITD Database"; "Status of Verification by the Department: and "Compliance issues - Mistakes in Assessments.”²³

State/Region	Total number of cases checked in Audit	Number of cases where documentation and verification by AO was inadequate	Number of cases out of col. 3 where land records not available	Number of cases out of col. 3 where other records for proof of agriculture income and expenditure such as by ledger account, bills, invoices etc. were not attached

²² *What is Progressive Tax*, (05 January 2023, THE ECONOMIC TIMES). Available at <https://economictimes.indiatimes.com/definition/progressive-tax> (last visited on 06th January 2023).

²³ Chapter V of the C& AG Report No. 9 of 2019.

Col.1	Col. 2	Col.3	Col.4	Col. 5
Andhra Pradesh & Telangana	506	164	0	164
Bihar	122	14	7	7
Chhattisgarh	170	28	28	28
Delhi	462	52	28	36
Gujarat	425	44	40	39
Jharkhand	46	13	13	13
Karnataka	502	229	104	157
Kerala	503	57	43	40
Madhya Pradesh	418	47	47	45
Maharashtra	484	303	97	281
North Western Region	1,369	126	49	66
North Eastern Region	171	8	2	6
Odisha	102	35	23	30
Rajasthan	200	56	39	so
Tamil Nadu	565	286	152	264
West Bengal	396	26	13	5
Uttar Pradesh & Uttarakhand	337	39	31	39
Total	6,778	1,527	716	1,270

Sources: Assessment records of ITD

Exemption without verification of supporting documents

In the audit review, it was revealed that a claim for income tax exemptions had been made without proper supporting documents such as crop info,

statements of books of accounts, income and expenditure statements, proof of agricultural income etc.

It is one of the administrative difficulties that the Assessing Officer is unable to check the validity of claims made. The way to deal with this irregularity is by integrating land records and other data from the concerned ministries to check the claims and filter out the genuine claims to be taken for tax exemptions.

Incorrect reflection of agricultural income in ITD Database

The Report further points out discrepancies between the amount of exempted agricultural income and what has been allowed by the department. These are technology-based issues and be resolved by the software and their proper handling.

Compliance issues - Mistakes in Assessments

The audit Report has also revealed that exemptions are granted on the income not properly calculated. For example, granting exemptions on non-agricultural income, such as the sale of fish, goats, milk etc., has been considered. It has been clearly decided that income from milk being a dairy product and income from the sale of grapes being agro-based products is not considered agricultural income.

Thus, it is suggested to define agriculture income by clever legislative drafting to avoid ambiguity and irrelevant mistakes in the assessments.

VI

41ST REPORT OF STANDING COMMITTEE OF FINANCE

The committee has cautioned the government with regard to the increasing number of Income Tax returns being filed, crossing the amount of Rs. One crore. With the past records, as the number is rising, there is a danger of its misuse as a “domestic tax haven”. When the question was raised, Ministry replied that it was due to various errors in the form of data insertion, misclassification of information, non-genuine depiction of Agri-income etc.²⁴ Further, in 2016, a PIL was filed before the Court of Hon’ble Patna High Court, bringing to the light-matter of agricultural income tax and evasion of tax in light of same. Though, astonishing facts from some 838 cases reported cases revealed that a corrected Agri-income of Rs 1,394.95 Cr was allowed against the amount of Rs 4,31,617.39 Cr claimed.²⁵ One of the major reasons for

²⁴ Standing Committee on Finance, Sixteenth Lok Sabha, MINISTRY OF FINANCE, Forty-First Report, Lok Sabha Secretariat, New Delhi, December 2016, pg. 17.

²⁵ *Ibid*, at 18.

differences is 'data entry error', and another significant reason is the increasing number of income tax returns filed above the income of one crore rupees.

It has been recommended by the committee that the Ministry need to set up a commission for the enquiry of assessment of income, and evidentiary documents, conduct surveys and be strictly vigilant to not allow agriculture tax exemption to act as a safe haven and harm the government exchequer.

VII

TAXING THE AGRICULTURAL INCOME IN FOREIGN COUNTRIES

Currently, India does not have a law to levy taxes on farm income, but the same is not the case with other countries. Japan follows a system of progressive taxation.²⁶ Considering that income in the agriculture sector is comparatively lower than in other sectors, the rates of taxation are also fixed at a lower rate. It obliges the farmers to file tax returns, and declare their income by double-bookkeeping; proceeds from the sale of land are also taxable.²⁷ In Japan, farmers are exempted from various taxes, such as farming on an inheritance basis, and environmental taxes for the use of petroleum, coal etc.

The United States of America also taxes agricultural income. In this country, most of businesses are based on the concept of large corporations and have been taxed under the corporate income tax structure.²⁸ Other than corporation taxes, sole proprietorships are also taxed at the individual level. One of the different features of agri-taxation in the USA is the income average and the tax deductions on the basis of capital expenditures. Income or the proceeds from the sale of farm assets is not subject to taxation but as capital gain or loss. The assets in the farm include farmland, buildings, livestock etc. and are taxed on the basis of how long that asset has been kept with the farmer. Thus, by doing a proper study, farmers could also plan their taxable incomes.²⁹

²⁶ OECD LIBRARY, *Taxation in Agriculture*, available at- <https://www.oecd-ilibrary.org/sites/bee9b8cb-en/index.html?itemId=/content/component/bee9b8cb-en> (last visited on 29th October 2022).

²⁷ See, Takashi Hirano, Taketo Nasu and Daisuke Beppu, THOMSON REUTERS PRACTICAL LAW, available at- [https://uk.practicallaw.thomsonreuters.com/36048985?transitionType=Default&contextData=\(sc.Default\)&firstPage=true#co_anchor_a576533](https://uk.practicallaw.thomsonreuters.com/36048985?transitionType=Default&contextData=(sc.Default)&firstPage=true#co_anchor_a576533) (last visited on 25th October 2022).

²⁸ United States, *Taxes in Agriculture*, Chapter 38, <<https://www.oecd-ilibrary.org/sites/4d97f7fc-en/index.html?itemId=/content/component/4d97f7fc-en>>accessed on 02 November 2022.

²⁹ *Ibid.*

In China, the story is altogether different. It implemented a taxation policy back in 1958 but repealed the same in 2003. It was repealed for the basic reason of being considered unfair as well as having a negligible share in the government revenue. In 1950, around 39% of government fiscal revenue accounted for agricultural tax, but it eventually dropped to 2.6% in the year 2002.³⁰ It was calculated on the basis of cultivated land and family members, thus unable to take into consideration the farmer's income and yield in a particular season.

VIII

PROBABLE SOLUTIONS TO TAXING THE AGRICULTURAL INCOME

Policy Concerns Raised and Answered

1. *Whom to consider for taxation?*

In India, farmers are categorized on the basis of the size of the land they own. These could be small, marginal, medium and large farmers. Currently, all the government subsidies and policy benefits are provided through the land farmers have with them.

S. No.	Category	Size-Class
1.	Marginal	Below 1.00 hectare
2.	Small	1.00-2.00 hectare
3.	Semi-Medium	2.00-4.00 hectare
4.	Medium	4.00-10.00 hectare
5.	Large	10.00 hectares and above

Source: PIB: 05 February 2019

Size of land holding - It is proposed that large farmers having land of more than 10.00 hectares and above are required to be taxed. Because other farmers indulged in subsistence agriculture – farmers do not trade but grow the crop on the land only for self-consumption. It is the farmers who are engaged in commercial activities that are to be targeted.

Multi-dimensional technique - The technique of Presumptive Assessment could

³⁰ Xiaxin Wang and Yan Shen, *The Effect of China's Agricultural Tax Abolition on Rural Families' Incomes and Production*, China Economic Review, 2014. Available at https://www.researchgate.net/publication/262020940_The_Effect_of_China's_Agricultural_Tax_Abolition_on_Rural_Families'_Incomes_and_Production/link/5f5e5ecf458515b7976b49eb/download (last visited on 31st October 2022).

be used to solve issues of administration and grading of farmers. It is based on the parameters such as the requirement of capital equipment, size of family, size of marketable surplus etc.³¹ Such practices have already been implemented in India while taxing the income in Mysore.

Disclosure of income via Returns - Another way to tax farmers is by the income they show in their income-tax returns. As proposed, there could be threshold-based tax exemptions; a reasonable money-based threshold could be devised, such as 25 lakhs or 30 lakhs as per policy criteria laid down, which is again far higher than the existing limit of salaried employees.

2. *What is to be included in Agriculture Income?*

Farm income is generally considered as the income derived from the sale of agricultural products. But it is an option to be evaluated whether proceeds from the sale of agricultural land, tools used for agriculture activities such as tractors, seeder, rent/lease amount derived from the letting out the land for same.³²

Even in the Income-Tax assessment, numerous errors due to faulty inclusion of incomes under the ambit of Agri-income. Thus, it is suggested for the legislators to define the meaning of the same word and limit its scope to prevent misuse.

The solution is to define Agricultural Income through an amendment in law in clear terms. It is proposed that the scope of the same be limited to the proceeds from the sale of agricultural products only and not by the sale of other land or machinery.

3. *Who will be benefitted by taxing the income?*

Till now, in the name of agricultural income, MNCs dealing in agricultural products have been exempting themselves from the taxation system. According to data, on average, Rs. 10,000 crores have been exempted under tax laws on an annual basis in the name of farm income.³³ Collection of revenue from tax sources would then be channelised towards the scheme such as MGNREGA, PM-FME etc.

To access agricultural loans, tax returns could help in determining who is a better option to provide loans. Otherwise, in the absence of the same, unequal

³¹ See generally, Yoginder K. Alagh, *Case for an Agricultural Income Tax*, EPW (30 Sept., 1961) available at- https://www.epw.in/system/files/pdf/1961_13/39/case_for_an_agricultural_income_tax.pdf.

³² *Ibid.*

³³ *Ibid.*

distribution of loans will result in higher inequalities.³⁴ China and the Soviet Union have also mobilised the resources from the agricultural sector to other developmental activities, with the major burden borne by the upper class of rural society. Here again, development was not primarily due to taxes from agriculture but the simultaneous development of industries in rural areas.

It is understood that a large amount of investment is required in the agriculture sector, especially in irrigation, soil conservation, scientific research etc. Thus, it would be beneficial to set off all these expenditures by the government against the tax collected from farmers. By doing this, the agricultural sector would become one of the productive sectors of the economy instead of acting as a burden due to various expenditures from electricity subsidies, pump investments, subsidies on fertilisers, seeds, manure and further revenue for the scheme to ensure water level in agricultural land etc. could be evaluated. Taxing the income would be one of the best steps towards sustainable agriculture.

IX

LEGAL AMENDMENTS REQUIRED FOR TAXING THE INCOME

Wanchoo Committee, through its committee report, has recommended to for constitutional amendments to shift the power of taxation from the state govt. to the central govt. It could be done in the following manner:

- By deleting the words “*other than agriculture income*” from Entry 82 in Union List and be removed from Entry 46 of the State List.
- To pass a resolution under Article 252 of the Constitution to impose a tax on agricultural income.
- Amendment to Article 269, for the subjects to be taxed by Central Govt. By this, state govt would also be getting their fair share from the centrally collected taxes.

Additionally, it is to be considered that if a levy of taxes is left with the states, it will lead to confusing situations as different states have different tax rates, which will hinder the smooth functioning of trade. Thus, to ensure uniformity, central taxation is one of the best options to be evaluated.

X

³⁴ Krishnamurthy Subramanian & Prasanna Tantri, *Tax Agri Income for the benefit of Small Farmers*, LIVEMINT (23 Feb. 2016) available at- <https://www.livemint.com/Opinion/6xB9qdNGJpC2OsbyYHVWWKN/Tax-agri-income-for-the-benefit-of-small-farmers.html> (last visited on 21 October 2022).

CONCLUSION

This taxing policy is only for large farmers who have a land holding of more than 10 hectares, whose incomes are estimated at around Rs. 41,388 p.m.³⁵ which is above the income tax threshold. These large farmers are just 0.57% of the operational holdings and 9% of the total operational area for the tax liability.³⁶ Further, the matter of political economy³⁷ revolving around taxation deters lawmakers from framing laws on such sensitive matters, especially after the withdrawal of three farm laws.

Farmers are considered distressed, and taxing the farmer's income will hurt the vote bank of the respective parties. This is substantiated by the 1925 Enquiry Committee that "*there is no historical or theoretical justification for the continued exemption from the income tax of income derived from agriculture. There are, however, administrative and political objections to the removal of the exemption at the present time.*"³⁸ Politicians are real beneficiaries as agriculture income is one of the tools to convert black money into white.³⁹

Agricultural income, which is currently beyond the scope of the taxation system, has to bring as it is acting as a safe haven to convert their taxable black money into white one. It has been observed that vineyards, orchards and large agricultural farms have been owned by industrialists only to evade tax amounts. The basic tactic used by such tax evaders is to show income, either partly or fully in name by farmland or transfer it to some agriculturalists to manage the same.⁴⁰

The policy suggestion for this issue is to start taxing the agricultural income by evaluating different options, such as on the basis of landholding, income derived by maintaining some upper threshold of Rs. 25 lakhs to ensure the

³⁵ See, Situation Assessment Survey of Agricultural Households, 70th Round of NSS, July 2012–June 2013.

³⁶ Govind Bhattacharjee, *Tax on Agriculture Income Holy Cow of the Indian Economy*, 55 EPW 42 (17 Oct., 2020) available at-
<https://www.epw.in/journal/2020/42/commentary/tax-agricultural-income.html> (last visited on 14th October 2022).

³⁷ Sebastian S. James, *Taxation of Agricultural Land by the Panchayats: Policy Options for the Taxation of Agriculture Land and Agricultural Income in India*, LINCOLN INSTITUTE OF LAND POLICY 13-18 (1 Jan., 2004) Available at-
<http://www.jstor.org/stable/resrep18522.7> (last visited on 14 Oct. 2022).

³⁸ The Indian Taxation Enquiry Committee (1925).

³⁹ Rajeev Gupta, *Why Agriculture Income is Free in India without any limit*, TIMES OF INDIA (27 Jul., 2019) Available at-
<https://timesofindia.indiatimes.com/readersblog/freeview/why-agricultural-income-is-tax-free-in-india-without-any-limit-4810/> (last visited on 30th October 2022).

⁴⁰ The Taxation Enquiry Committee (Wanchoo Committee) (1971), pg. 232.

principle of equity.