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IIF for taxing rich farmers

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NEW DELHI, March 22 (UNI) — The Indian Institute of Finance (IIF) director, Mr J.D. Agarwal, advocated the inclusion of a presumption tax on agriculturalists owning more than 20 hectares of land on the basis of each additional hectare of agricultural land.

Presenting his papers at a seminar on "Resource Mobilisation Including Tax Reforms," he said resource mobilisation was a desirable necessity but it could not be the only objective of any Government. It must be resorted to meet the governmental obligations without having any negative effects on productivity, efficiency, growth and employment.

Any resource mobilisation exercise must keep in view the needs and aspirations of the countrymen, he said.

There was no economic justification for the imposition of an agricultural income tax in general as about seventy per cent of agriculturalists owned less than five hectares of land and 15 per cent owned land ranging from five to 20 hectare.