

Government of India
Ministry of Finance
Department of Revenue

LOK SABHA
UN-STARRED QUESTION NO. 49

To be answered on Monday, February 3, 2025/Magha 14, 1946 (saka)

DEVOLUTION OF TAXES TO STATES

49. Dr. Shashi Tharoor:

Will the Minister of FINANCE be pleased to state:

- (a) the details of revenue collected from States and contributed by States to the Central Treasury by way of tax and non-tax resources, including cess, surcharge, interest, etc. during the last five years, State-wise, category-wise and year-wise;
- (b) the details of the devolution of all kinds of revenue and grants by the Government to States during the last five years;
- (c) details of the amount so transferred and percentage-wise share thereof during the last five years, State and year-wise;
- (d) the percentage of revenues contributed by each State which has been returned to it during the last five years;
- (e) the percentage of each State's expenditures provided from central resources during the last five years; and
- (f) whether the Government proposes for extension of GST Compensation payment to States beyond the initial transition period of five years, if so, the details thereof?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): No revenue is collected from the States for the central treasury. However, the details of GST collected from the States during last five years is enclosed at **Annexure A**.

(b) & (c): The details of vertical tax devolution made to the States during the last 5 years (since 2020-21) along with the percentage-wise share of each State as recommended by the 15th Finance Commission [(2020-21), Interim report and (2021-22 to 2025-26), Final report] are annexed at **Annexure B** and **Annexure C**.

(d): Does not arise in view of answer to question in part (a) above.

(e): Additional Central Assistance for Externally Aided Projects (EAPs) is released from Centre to State. The details of Additional Central Assistance for Externally Aided Projects (EAPs) released to States/UTs from financial year 2019-20 to financial year 2023-24 are placed at **Annexure-I**. Further, Back-to-Back loan for GST Compensation shortfall amounting to Rs. 1.10 lakh crore and Rs. 1.59 lakh crore was released during FY 2020-21 and FY 2021-22 respectively. Details of back-to-back loan in lieu of GST Compensation Shortfall released to States/UTs in Financial year 2020-21 and 2021-22 are placed as **Annexure-II**.

Under the 'Scheme for Special Assistance to States for Capital Expenditure' the Central Government provided 50-year interest free loan to States from 2021-22 to 2024-25. Details of funds released are enclosed at **Annexure-III**. Further details of funds released under Special Assistance (Grant) and Centrally Sponsored Schemes to the States during the last five years are also enclosed at **Annexure-IV** and **Annexure-V** respectively.

(f): There is no such proposal.

Annexure –A

State/UT-wise Financial Year-wise Revenue Collection						
(Rs In Crore)						
		FY 2020-21				
State Code	State	CGST	SGST	IGST	CESS	Total
1	Jammu and Kashmir	951	1,553	1,085	59	3,648
2	Himachal Pradesh	1,178	1,664	4,202	10	7,055
3	Punjab	3,490	5,522	4,728	174	13,913
4	Chandigarh	302	410	927	11	1,651
5	Uttarakhand	2,263	3,232	6,753	90	12,339
6	Haryana	8,795	11,960	30,319	3,816	54,890
7	Delhi	7,196	8,899	19,586	888	36,568
8	Rajasthan	8,318	11,108	10,863	1,508	31,797
9	Uttar Pradesh	13,506	19,725	15,580	10,910	59,721
10	Bihar	3,208	5,370	1,382	1,677	11,638
11	Sikkim	142	194	1,929	1	2,266
12	Arunachal Pradesh	258	326	64	2	651
13	Nagaland	146	188	50	6	389
14	Manipur	147	210	34	2	392
15	Mizoram	80	123	54	1	257
16	Tripura	274	371	84	3	732
17	Meghalaya	222	295	815	4	1,337
18	Assam	2,986	3,895	2,840	309	10,030
19	West Bengal	11,784	14,937	9,718	3,254	39,694
20	Jharkhand	3,736	4,865	7,310	4,571	20,482
21	Odisha	6,556	8,292	8,798	6,198	29,844
22	Chhattisgarh	4,650	5,444	8,456	5,869	24,419
23	Madhya Pradesh	6,309	8,225	6,942	5,530	27,005
24	Gujarat	20,217	24,701	24,607	4,821	74,346
25	Daman and Diu	38	52	215	0	305
26	Dadra and Nagar Haveli	274	355	1,719	2	2,349
27	Maharashtra	44,847	53,344	58,164	8,953	165,308
29	Karnataka	18,187	23,237	26,714	7,521	75,660
30	Goa	782	1,080	1,389	19	3,270
31	Lakshadweep	6	7	1	-	13
32	Kerala	5,728	8,338	3,204	79	17,349
33	Tamil Nadu	17,712	23,870	21,952	5,586	69,121
34	Puducherry	211	322	1,110	4	1,646
35	Andaman and Nicobar Islands	96	129	30	1	255
36	Telangana	8,822	11,796	10,567	5,161	36,346
37	Andhra Pradesh	6,328	8,580	9,143	2,113	26,163
38	Ladakh	41	53	17	2	114
97	Other Territory	130	155	1,053	0	1,337
99	Center Jurisdiction	-	-	1,541	-	1,541
	GST Collection (Domestic)	209,916	272,828	303,946	79,152	865,842
	Imports					270,964
	Total GST Collection					1,136,806

State/UT-wise Financial Year-wise Revenue Collection

(Rs In Crore)

FY 2021-22						
State Code	State	CGST	SGST	IGST	CESS	Total
1	Jammu and Kashmir	1,378	2,066	1,194	54	4,692
2	Himachal Pradesh	1,381	1,997	4,629	17	8,023
3	Punjab	4,587	6,896	6,701	222	18,406
4	Chandigarh	366	507	1,091	15	1,979
5	Uttarakhand	2,578	3,780	7,235	87	13,680
6	Haryana	11,269	15,116	36,780	4,977	68,142
7	Delhi	9,292	11,329	24,609	1,022	46,253
8	Rajasthan	10,231	13,443	12,934	1,872	38,480
9	Uttar Pradesh	16,876	23,766	20,574	12,649	73,865
10	Bihar	3,793	6,083	1,718	1,940	13,534
11	Sikkim	188	254	2,368	1	2,811
12	Arunachal Pradesh	264	337	107	2	710
13	Nagaland	141	190	75	14	420
14	Manipur	211	287	52	2	551
15	Mizoram	118	163	35	0	316
16	Tripura	294	388	92	2	777
17	Meghalaya	294	367	1,094	9	1,764
18	Assam	3,641	4,638	3,325	403	12,007
19	West Bengal	14,501	18,164	11,740	3,494	47,899
20	Jharkhand	5,041	6,328	11,055	5,431	27,854
21	Odisha	10,827	12,743	12,925	7,840	44,335
22	Chhattisgarh	5,847	6,818	10,045	6,861	29,571
23	Madhya Pradesh	7,280	9,433	8,261	6,280	31,255
24	Gujarat	26,934	32,724	31,235	6,263	97,155
25	Daman and Diu	1	1	3	-	5
26	Dadra and Nagar Haveli	411	537	2,190	4	3,141
27	Maharashtra	59,243	70,516	74,141	14,092	217,993
29	Karnataka	22,697	28,660	35,101	9,468	95,926
30	Goa	1,031	1,418	1,894	21	4,364
31	Lakshadweep	8	9	1	-	18
32	Kerala	7,100	9,887	5,195	80	22,264
33	Tamil Nadu	22,015	29,441	26,961	7,076	85,492
34	Puducherry	229	366	1,223	5	1,824
35	Andaman and Nicobar Islands	122	170	40	0	332
36	Telangana	10,930	14,603	13,238	6,310	45,081
37	Andhra Pradesh	7,844	10,567	11,938	2,361	32,710
38	Ladakh	76	99	31	1	207
97	Other Territory	100	126	1,364	-	1,590
99	Center Jurisdiction	-	-	2,121	-	2,121
	GST Collection (Domestic)	269,137	344,216	385,314	98,878	1,097,545
	Imports					385,746
	Total GST Collection					1,483,291

State/UT-wise Financial Year-wise Revenue Collection

(Rs In Crore)

FY 2022-23						
State Code	State	CGST	SGST	IGST	CESS	Total
1	Jammu and Kashmir	1,532	2,350	1,296	68	5,246
2	Himachal Pradesh	1,669	2,346	4,742	20	8,778
3	Punjab	5,058	7,660	7,891	340	20,949
4	Chandigarh	461	629	1,253	22	2,365
5	Uttarakhand	3,315	4,787	8,619	124	16,845
6	Haryana	13,730	18,143	48,765	6,031	86,668
7	Delhi	11,323	13,619	29,878	1,023	55,843
8	Rajasthan	11,984	15,636	16,337	1,501	45,458
9	Uttar Pradesh	19,809	27,366	26,559	14,236	87,970
10	Bihar	4,553	7,543	2,446	2,005	16,548
11	Sikkim	224	301	2,629	1	3,156
12	Arunachal Pradesh	385	494	141	2	1,023
13	Nagaland	175	228	119	44	566
14	Manipur	226	321	66	3	615
15	Mizoram	151	230	38	1	419
16	Tripura	333	435	113	3	884
17	Meghalaya	397	489	1,170	19	2,076
18	Assam	4,001	5,180	3,901	628	13,710
19	West Bengal	17,655	21,514	14,639	4,251	58,060
20	Jharkhand	5,880	7,813	12,554	5,772	32,019
21	Odisha	11,799	14,211	14,558	8,874	49,442
22	Chhattisgarh	6,318	7,489	11,121	7,041	31,968
23	Madhya Pradesh	8,428	10,937	9,862	7,006	36,232
24	Gujarat	31,405	37,802	38,348	6,667	114,221
25	Daman and Diu	0	0	2	-	3
26	Dadra and Nagar Haveli	502	637	2,621	11	3,771
27	Maharashtra	72,880	85,532	92,027	19,907	270,346
29	Karnataka	28,448	35,429	45,602	13,342	122,822
30	Goa	1,509	2,018	1,955	39	5,520
31	Lakshadweep	8	10	3	-	21
32	Kerala	9,279	12,311	5,707	75	27,371
33	Tamil Nadu	27,361	36,353	32,612	8,051	104,377
34	Puducherry	303	463	1,599	8	2,373
35	Andaman and Nicobar Islands	139	183	50	1	373
36	Telangana	12,842	16,877	15,632	6,481	51,831
37	Andhra Pradesh	9,585	12,542	14,312	3,794	40,232
38	Ladakh	122	171	38	1	333
97	Other Territory	136	201	2,272	0	2,609
99	Center Jurisdiction	-	-	1,941	-	1,941
	GST Collection (Domestic)	323,923	410,251	473,421	117,390	1,324,985
	Imports					482,695
	Total GST Collection					1,807,680

State/UT-wise Financial Year-wise Revenue Collection						
(Rs In Crore)						
		FY 2023-24				
State Code	State	CGST	SGST	IGST	CESS	Total
1	Jammu and Kashmir	2,079	2,945	1,594	86	6,704
2	Himachal Pradesh	1,874	2,597	5,464	21	9,956
3	Punjab	5,795	8,406	9,483	378	24,061
4	Chandigarh	526	689	1,537	20	2,771
5	Uttarakhand	3,861	5,415	9,824	131	19,231
6	Haryana	15,813	20,334	59,726	7,041	102,914
7	Delhi	13,254	15,647	36,232	1,312	66,445
8	Rajasthan	13,710	17,531	17,081	1,852	50,174
9	Uttar Pradesh	23,824	32,534	29,779	15,556	101,693
10	Bihar	5,025	8,535	2,418	2,043	18,021
11	Sikkim	317	420	2,969	1	3,707
12	Arunachal Pradesh	509	628	168	2	1,308
13	Nagaland	242	307	116	47	711
14	Manipur	250	346	72	3	670
15	Mizoram	181	273	45	1	500
16	Tripura	387	512	152	3	1,053
17	Meghalaya	491	607	1,137	24	2,260
18	Assam	4,739	6,010	3,820	1,033	15,602
19	West Bengal	19,267	23,436	15,308	4,603	62,613
20	Jharkhand	6,309	8,840	12,650	6,939	34,738
21	Odisha	13,823	16,455	15,102	9,368	54,748
22	Chhattisgarh	6,890	8,175	12,101	7,708	34,874
23	Madhya Pradesh	10,336	13,072	11,211	7,554	42,174
24	Gujarat	34,753	42,371	40,020	8,025	125,168
25	Daman and Diu	1	1	2	-	3
26	Dadra and Nagar Haveli	512	661	3,153	7	4,333
27	Maharashtra	86,258	100,843	109,787	23,229	320,117
29	Karnataka	33,321	40,969	54,123	16,852	145,266
30	Goa	1,818	2,352	2,264	42	6,475
31	Lakshadweep	16	19	10	-	45
32	Kerala	10,805	13,967	5,848	57	30,677
33	Tamil Nadu	31,693	41,082	39,807	8,747	121,329
34	Puducherry	333	509	1,786	8	2,636
35	Andaman and Nicobar Islands	157	206	63	2	428
36	Telangana	15,513	20,012	17,868	6,549	59,942
37	Andhra Pradesh	10,687	14,008	16,206	3,398	44,298
38	Ladakh	188	250	42	1	481
97	Other Territory	156	231	2,227	-	2,615
99	Center Jurisdiction	-	-	2,507	-	2,507
	GST Collection (Domestic)	375,710	471,195	543,704	132,639	1,523,249
	Imports					495,001
	Total GST Collection					2,018,250

State/UT-wise Financial Year-wise Revenue Collection						
(Rs In Crore)						
		FY 2024-25 (Till Dec'24)				
State Code	State	CGST	SGST	IGST	CESS	Total
1	Jammu and Kashmir	1,578	2,234	1,502	93	5,408
2	Himachal Pradesh	1,459	2,042	4,316	20	7,837
3	Punjab	4,806	6,857	8,047	352	20,062
4	Chandigarh	425	567	1,146	29	2,168
5	Uttarakhand	2,990	4,354	8,178	96	15,618
6	Haryana	13,428	17,279	51,893	5,906	88,505
7	Delhi	11,334	13,200	33,004	1,035	58,573
8	Rajasthan	10,621	13,437	14,101	1,423	39,582
9	Uttar Pradesh	19,570	25,911	25,925	12,178	83,585
10	Bihar	4,003	6,681	2,040	1,556	14,281
11	Sikkim	231	302	2,492	1	3,025
12	Arunachal Pradesh	320	393	121	1	836
13	Nagaland	166	208	84	19	476
14	Manipur	193	271	72	0	536
15	Mizoram	149	202	37	1	390
16	Tripura	311	391	125	2	830
17	Meghalaya	367	444	672	11	1,494
18	Assam	3,731	4,712	3,277	1,071	12,790
19	West Bengal	14,587	17,834	12,988	4,027	49,436
20	Jharkhand	4,940	6,481	9,665	5,800	26,886
21	Odisha	10,841	13,077	13,020	7,516	44,453
22	Chhattisgarh	5,374	6,388	9,696	5,543	27,001
23	Madhya Pradesh	8,090	10,107	8,858	5,843	32,898
24	Gujarat	27,805	33,328	33,647	6,338	101,117
25	Daman and Diu	0	0	1	-	1
26	Dadra and Nagar Haveli	436	552	2,237	3	3,229
27	Maharashtra	72,690	83,406	90,217	19,036	265,349
29	Karnataka	26,964	33,166	44,123	13,343	117,597
30	Goa	1,489	1,878	1,771	33	5,171
31	Lakshadweep	5	7	4	-	16
32	Kerala	8,634	10,927	4,787	49	24,397
33	Tamil Nadu	25,412	33,990	30,632	7,096	97,129
34	Puducherry	266	407	1,439	9	2,121
35	Andaman and Nicobar Islands	128	164	43	1	336
36	Telangana	12,397	15,675	13,583	4,634	46,289
37	Andhra Pradesh	8,329	10,689	12,114	2,239	33,371
38	Ladakh	159	209	40	2	410
97	Other Territory	120	141	1,579	-	1,840
99	Center Jurisdiction	-	-	2,362	-	2,362
	GST Collection (Domestic)	304,350	377,911	449,839	105,305	1,237,405
	Imports					396,161
	Total GST Collection					1,633,566

States' Share of Union Taxes and Duties Released to the State Governments from 2020-21 to 2024-25 (till January 2025)

(₹ in crore)

State	2020-21	2021-22	2022-23	2023-24	2024-25 (till January 2025)
Andhra Pradesh	24460.59	35385.83	38176.74	45710.74	43472.06
Arunachal Pradesh	10472.58	14643.90	16689.17	19845.22	18873.37
Assam	18629.32	28150.55	29694.26	35330.57	33600.29
Bihar	59861.41	91352.62	95509.85	113604.49	108040.89
Chhattisgarh	20337.54	28570.86	32358.26	38481.88	36597.28
Goa	2296.53	3356.98	3665.19	4359.85	4146.28
Gujarat	20218.53	31105.78	33034	39283.63	37360.01
Haryana	6437.59	9722.16	10378	12345.35	11740.79
Himachal Pradesh	4753.92	7349.04	7883.98	9374.72	8915.67
Jharkhand	19712.23	27734.64	31404.12	37352.35	35523.13
Karnataka	21694.11	33283.58	34596.18	41192.63	39175.38
Kerala	11560.40	17820.09	18260.68	21742.92	20677.93
Madhya Pradesh	46922.16	69541.50	74542.85	88665.34	84323.06
Maharashtra	36504.01	54318.06	60000.98	71349.75	67855.93
Manipur	4271.97	6009.65	6795.08	8087.14	7691.08
Meghalaya	4551.63	6580.63	7286.14	8663.22	8238.99
Mizoram	3010.55	4222.87	4745.25	5647.47	5370.98
Nagaland	3409.25	4875.46	5400.19	6426.82	6112.16
Odisha	27542.67	38144.79	42989.33	51143.68	48638.84
Punjab	10638.21	15288.79	17163.65	20409.92	19410.45
Rajasthan	35575.77	54030.61	57230.78	68063.21	64730.05
Sikkim	2308.47	3353.69	3680.28	4382.44	4167.80
Tamil Nadu	24924.51	37458.60	38731.24	46072.28	43815.77
Telangana	12691.62	18720.54	19668.15	23742.04	22579.28
Tripura	4218.45	6077.52	6724.23	7996.82	7605.21
Uttar Pradesh	106687.01	160358.05	169745.3	202619.69	192696.91
Uttarakhand	6568.72	9906.25	10617.01	12627.75	12009.40
West Bengal	44737.01	65540.75	71434.93	84971.79	80810.52
TOTAL	594996.76	882903.79	948405.82	1129493.71	1074179.51

Inter-se share of States for vertical tax devolution as recommended by Finance Commission

State	15 th FC recommended share in percentage (2020-2021)	15 th FC recommended share in percentage (2021-2026)
Andhra Pradesh	4.111	4.047
Arunachal Pradesh	1.760	1.757
Assam	3.131	3.128
Bihar	10.061	10.058
Chhattisgarh	3.418	3.407
Goa	0.386	0.386
Gujarat	3.398	3.478
Haryana	1.082	1.093
Himachal Pradesh	0.799	0.830
Jharkhand	3.313	3.307
Karnataka	3.646	3.647
Kerala	1.943	1.925
Madhya Pradesh	7.886	7.850
Maharashtra	6.135	6.317
Manipur	0.718	0.716
Meghalaya	0.765	0.767
Mizoram	0.506	0.500
Nagaland	0.573	0.569
Odisha	4.629	4.528
Punjab	1.788	1.807
Rajasthan	5.979	6.026
Sikkim	0.388	0.388
Tamil Nadu	4.189	4.079
Telangana	2.133	2.102
Tripura	0.709	0.708
Uttar Pradesh	17.931	17.939
Uttarakhand	1.104	1.118
West Bengal	7.519	7.523
TOTAL	100.000	100.000

Annexure – I**Details of Additional Central Assistance for Externally Aided Projects (EAPs) released to the States/UTs during the year 2019-20 to 2023-24****(Rs. in crore)**

S.No	State	Additional Central Assistance for Externally Aided Projects (EAPs)									
		2019-20		2020-21		2021-22		2022-23		2023-24	
		Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant	Loan	Grant
1	Andhra Pradesh	2030.42	1.29	1564.80	0.00	1120.66	7.35	2305.11	20.57	920.34	25.75
2	Arunachal Pradesh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Assam	106.34	957.02	116.68	1050.09	154.48	1390.34	135.48	1219.35	200.75	1806.71
4	Bihar	1278.42	0.38	1831.97	0.00	1387.78	0.00	1648.32	0.00	1856.99	0.00
5	Chhattisgarh	278.39	12.73	284.97	13.85	328.70	7.56	758.16	8.87	426.03	20.16
6	Goa	46.17	0.00	45.08	0.00	54.62	0.00	0.00	0.00	0.00	0.00
7	Gujarat	778.26	0.00	1839.63	0.00	203.24	0.00	1824.45	0.00	1235.90	0.00
8	Haryana	112.11	0.00	33.68	0.00	8.60	0.00	3.30	0.00	0.00	0.00
9	Himachal Pradesh	71.66	644.95	69.39	624.51	84.69	762.23	89.03	801.29	133.18	1198.65
10	Jammu & Kashmir	4.47	40.25	10.70	96.26	0.00	0.00	0.00	0.00	0.00	0.00
11	Jharkhand	425.98	0.00	622.27	0.00	515.24	0.00	657.36	0.00	546.07	0.00
12	Karnataka	675.26	4.14	1510.21	0.51	1510.80	5.50	1866.75	13.79	2066.56	0.00
13	Kerala	2150.69	-3.36	1169.71	0.00	487.21	0.00	621.69	0.00	900.92	0.00
14	Madhya Pradesh	4867.92	19.70	5202.53	20.76	3955.30	18.42	3305.00	8.24	2436.26	13.27
15	Maharashtra	936.50	9.71	2596.38	4.79	3980.03	0.62	3491.73	0.19	3830.91	0.24
16	Manipur	8.33	74.95	35.13	316.18	41.49	373.44	108.28	974.56	53.73	483.54
17	Meghalaya	15.78	142.05	37.08	333.75	22.78	204.98	55.63	500.69	67.96	611.60
18	Mizoram	10.15	94.03	21.14	190.22	9.83	88.48	5.90	53.12	10.69	96.24
19	Nagaland	6.69	63.45	7.73	69.60	17.00	153.03	14.26	128.37	17.45	157.08
20	Odisha	969.64	8.45	833.87	1.75	658.89	3.81	943.50	0.00	769.79	0.00
21	Punjab	145.69	0.00	134.57	0.00	229.61	0.00	164.73	0.00	211.81	0.00
22	Rajasthan	4209.44	7.79	1551.82	3.34	1361.08	1.87	1488.27	0.00	2445.88	0.00
23	Sikkim	0.71	6.43	4.11	36.97	0.80	7.21	2.50	22.50	1.18	10.58
24	Tamil Nadu	1989.69	0.00	4709.73	2.54	4910.14	8.69	6244.01	14.34	9668.50	9.49
25	Telangana	207.46	0.00	-72.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tripura	0.06	0.51	1.98	17.81	6.38	58.07	8.27	74.43	34.55	310.91
27	Uttar Pradesh	1254.65	0.00	1355.69	0.00	967.89	0.00	882.56	0.00	538.88	0.00
28	Uttarakhand	70.03	617.42	70.35	647.00	86.20	774.80	95.22	856.97	81.52	733.72
29	West Bengal	2017.05	0.00	1175.46	1.15	979.67	0.00	1468.49	0.58	2852.56	0.89

Annexure –II**State-wise/UT-wise details of back to back loan released to the States/UTs during the year 2020-21 and 2021-22 to meet GST Compensation Shortfall****(Rs. in crore)**

S.No	State/UTs	2020-21	2021-22
1	Andhra Pradesh	2311.00	3272.19
2	Arunachal Pradesh	0.00	0.00
3	Assam	994.00	1773.87
4	Bihar	3905.00	6815.63
5	Chhattisgarh	3109.00	4965.15
6	Goa	840.00	846.91
7	Gujarat	9222.00	13040.21
8	Haryana	4352.00	7393.79
9	Himachal Pradesh	1717.00	2695.22
10	Jharkhand	1689.00	2484.41
11	Karnataka	12407.00	18108.91
12	Kerala	5766.00	8739.31
13	Madhya Pradesh	4542.00	7011.17
14	Maharashtra	11977.00	13782.36
15	Manipur	0.00	0.00
16	Meghalaya	112.00	141.16
17	Mizoram	0.00	0.00
18	Nagaland	0.00	0.00
19	Odisha	3822.00	6430.20
20	Punjab	8359.00	12132.41
21	Rajasthan	4604.00	7268.29
22	Sikkim	0.00	0.00
23	Tamil Nadu	6241.00	8095.25
24	Telangana	2380.00	4569.49
25	Tripura	226.00	401.37
26	Uttar Pradesh	6007.00	8139.94
27	Uttarakhand	2316.00	3333.03
28	West Bengal	4431.00	6425.28
29	Delhi	5865.00	6192.67
30	Jammu & Kashmir	2272.00	3845.49
31	Puducherry	742.00	1096.29

Annexure-III**Funds released to States under the Scheme for Special Assistance to States for Capital
Expenditure/Investment 2020-21 to 2023-24****(Rs. in crore)**

Sl. No.	States	2020-21	2021-22	2022-23	2023-24
1	Andhra Pradesh	688.00	501.79	6,105.56	4090.81
2	Arunachal Pradesh	232.97	371.19	1,564.10	2363.42
3	Assam	450.00	600.00	4,300.14	5804.43
4	Bihar	843.00	1,246.50	8,455.85	8814.80
5	Chhattisgarh	286.00	423.00	2,941.97	3365.25
6	Goa	97.66	111.04	572.75	695.20
7	Gujarat	285.00	432.00	4,045.82	4254.32
8	Haryana	91.00	135.00	1,267.00	1702.05
9	Himachal Pradesh	533.00	800.00	650.80	1515.97
10	Jharkhand	277.00	246.00	2,964.32	4580.61
11	Karnataka	305.00	451.50	3,399.35	3879.24
12	Kerala	81.50	238.50	1,902.74	0.00
13	Madhya Pradesh	1,320.00	1,512.36	7,360.20	12636.21
14	Maharashtra	514.00	771.73	6,744.16	5376.31
15	Manipur	317.16	212.85	467.22	542.70
16	Meghalaya	200.00	281.20	1,049.02	1293.06
17	Mizoram	200.00	299.99	297.50	743.28
18	Nagaland	200.00	300.00	504.16	973.20
19	Odisha	471.50	517.12	75.00	3532.14
20	Punjab	296.50	223.50	798.22	0.00
21	Rajasthan	1,002.00	692.41	5,595.64	8513.42
22	Sikkim	200.00	300.00	551.36	797.85
23	Tamil Nadu	-	505.50	4,011.27	5326.42
24	Telangana	358.00	214.14	2,500.98	1948.34
25	Tripura	300.00	118.54	349.79	662.92
26	Uttar Pradesh	976.00	1,483.00	7,940.50	19215.08
27	Uttarakhand	675.00	263.92	1,124.01	1911.71
28	West Bengal	630.00	933.00	3,655.92	5015.58
TOTAL		11,830.29	14,185.78	81,195.35	109554.32

Annexure-IV**Special Assistance (Grant) released during 2019-20 to 2023-24****(Rs. in crore)**

Sl. No.	Name of State	2019-20	2020-21	2021-22	2022-23	2023-24
1	Andhra Pradesh	350.00	350.00	2785.39	1671.233	11188.748
2	Arunachal Pradesh	0.00	328.77	0.00	500.00	0.00
3	Assam	0.00	0.00	0.00	0.00	0.00
4	Bihar	0.00	195.73	250.00	0.00	0.00
5	Chhattisgarh	0.00	0.00	0.00	0.00	0.00
6	Goa	0.00	0.00	150.00	0.00	200.00
7	Gujarat	0.00	0.00	431.00	0.00	0.00
8	Haryana	0.00	0.00	0.00	0.00	0.00
9	Himachal Pradesh	0.00	0.00	0.00	0.00	0.00
10	Jammu & Kashmir	200.00	0.00	0.00	0.00	0.00
11	Jharkhand	0.00	0.00	0.00	0.00	0.00
12	Karnataka	0.00	0.00	0.00	0.00	0.00
13	Kerala	0.00	0.00	0.00	0.00	0.00
14	Madhya Pradesh	0.00	0.00	0.00	0.00	0.00
15	Maharashtra	0.00	0.00	0.00	0.00	0.00
16	Manipur	0.00	0.00	0.00	0.00	250.00
17	Meghalaya	0.00	0.00	0.00	0.00	0.00
18	Mizoram	0.00	0.00	0.00	0.00	0.00
19	Nagaland	0.00	219.15	0.00	0.00	0.00
20	Orissa	0.00	0.00	0.00	0.00	0.00
21	Punjab	0.00	0.00	0.00	0.00	0.00
22	Rajasthan	0.00	0.00	0.00	0.00	0.00
23	Sikkim	0.00	0.00	150.00	100.00	0.00
24	Tamil Nadu	0.00	0.00	0.00	0.00	0.00
25	Telangana	0.00	450.00	0.00	0.00	0.00
26	Tripura	698.70	0.00	0.00	0.00	0.00
27	Uttar Pradesh	375.00	0.00	0.00	0.00	0.00
28	Uttaranchal	0.00	405.00	0.00	0.00	56.46
29	West Bengal	0.00	0.00	0.00	0.00	0.00
Total		1623.70	11948.65	3766.39	2271.233	11695.208

Year wise Government of India Releases to States under Centrally Sponsored Schemes							
Financial Year 2019-20 to 2024-25 (till 31/01/2025)							
Amount in Rs. Crores							
Disclaimer:							
1. The data is as available in PFMS							
2. Reports indicates Gross releases and doesn't include subsequent accounting adjustment.							
Total Releases (Including Releases to State Treasury and Implementing Agencies)							
S.No.	States	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025 till date
Grand Total:		287,836.51	361,104.65	357,316.11	390,664.01	403,257.41	251,294.84
1	ANDHRA PRADESH	11,127.01	12,982.79	10,624.13	16,776.19	14,669.63	5,524.48
2	ARUNACHAL PRADESH	3,229.95	3,177.90	4,878.69	4,353.27	4,466.85	2,356.74
3	ASSAM	14,694.83	15,370.50	23,147.27	24,803.89	23,070.95	14,761.89
4	BIHAR	18,052.58	22,346.15	21,893.52	25,174.75	22,991.69	18,085.76
5	CHHATTISGARH	10,092.13	10,691.27	9,335.47	13,530.07	13,525.12	10,451.68
6	GOA	138.78	186.56	173.43	341.20	381.99	205.16
7	GUJARAT	9,094.67	9,430.04	12,701.03	14,472.82	14,063.04	6,765.98
8	HARYANA	3,275.35	3,878.82	4,014.29	4,405.83	4,022.60	2,189.60
9	HIMACHAL PRADESH	4,631.98	4,390.69	6,902.81	5,861.33	5,047.57	3,958.12
10	JAMMU AND KASHMIR	7,565.61	7,452.78	8,166.19	8,404.45	12,151.24	6,055.37
11	JHARKHAND	8,552.51	9,361.34	9,626.25	11,172.22	11,754.97	6,745.30
12	KARNATAKA	14,505.51	13,577.16	18,297.56	19,191.78	19,421.42	11,269.16
13	KERALA	6,783.31	8,641.49	8,299.85	10,249.13	8,061.35	6,401.93
14	MADHYA PRADESH	21,389.22	25,984.34	30,383.61	30,145.75	26,249.99	23,249.92
15	MAHARASHTRA	15,278.08	47,606.49	16,785.18	24,443.00	30,293.86	17,887.41
16	MANIPUR	2,674.11	3,772.63	3,537.43	3,634.16	1,898.38	1,707.90
17	MEGHALAYA	2,753.98	3,264.12	4,423.31	4,467.45	6,206.81	2,562.39
18	MIZORAM	2,274.19	1,853.71	1,872.91	2,470.16	2,538.07	1,192.72
19	NAGALAND	1,994.21	2,266.71	2,403.95	2,880.78	3,466.75	1,431.12
20	ODISHA	14,554.48	17,276.87	17,940.66	17,287.90	21,804.50	10,271.86
21	PUNJAB	3,530.18	3,953.65	4,963.20	5,023.71	4,348.18	3,905.66
22	RAJASTHAN	20,189.32	20,972.79	25,423.81	26,912.36	21,732.04	17,402.17
23	SIKKIM	752.74	998.98	1,095.25	1,318.13	1,444.98	718.89
24	TAMIL NADU	17,108.64	19,838.22	24,397.21	24,164.13	28,017.89	14,472.79
25	TELANGANA	12,299.35	14,540.60	12,753.72	13,093.87	13,890.73	12,281.60
26	TRIPURA	2,775.41	3,181.37	4,709.48	4,705.62	5,347.36	2,634.09
27	UTTAR PRADESH	31,200.77	40,756.45	44,286.02	51,422.67	63,921.69	36,189.86
28	UTTARAKHAND	3,849.71	5,943.46	5,734.52	6,819.49	7,081.52	3,607.45
29	WEST BENGAL	23,467.91	27,406.79	18,545.33	13,137.87	11,386.27	7,007.82

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.215

TO BE ANSWERED ON MONDAY, FEBRUARY 3, 2025

TAX COLLECTED FROM TOBACCO PRODUCTS

215. SHRI RAJA RAM SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) the share of taxes collected from Tobacco, Cigarettes, Bidi and allied products in the Gross Tax Revenue of Government for the financial year 2016-17 to 2023-24;
- (b) whether the Government seek to divert a part of the taxes collected from tobacco and allied products towards the development of the healthcare sector and if so, the details thereof; and
- (c) the initiatives and action taken by the Government in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a): The share of taxes [inclusive of GST, Compensation Cess, Basic Excise Duty, National Calamity Contingent Duty (NCCD) and duties of customs] collected from Tobacco and tobacco products covered under Tariff Headings 2401, 2402, 2403 and Pan Masala in the Gross Tax Revenue of Government for the financial years 2016-17 to 2023-24 is as follows:-

Financial Year	% share of taxes collected from Tobacco and tobacco products in Gross Tax Revenue
2016-17	1.27
2017-18	2.3
2018-19	2.58
2019-20	2.75
2020-21	2.62
2021-22	2.29
2022-23	2.39
2023-24	2.2*

**based on revised estimates for FY 2023-24*

(b) and (c): Taxes collected from tobacco, similar to taxes collected from other sources, together form part of the overall Gross Tax Revenues (GTR) of the Government of India and are used to fund all schemes and programmes of the Government. In Budget 2024-25, an amount of Rs. 87,657 Crores has been allocated to fund the requirements of the Department of Health and Family Welfare. This will be met from both capital and revenue receipts of the Government of India.

**Government of India
Ministry of Finance
Department of Revenue**

**LOK SABHA
UNSTARRED QUESTION NO. 217
TO BE ANSWERED ON MONDAY, FEBRUARY 3, 2025/MAGHA 14, 1946 (SAKA)**

RECOVERY OF TAX ARREARS

217. DR. C M RAMESH:

Will the Minister of FINANCE be please to state:

- (a) whether it is a fact that the tax arrears of the country has been reached to Rs. 47 lakh crores which constitutes 14 per cent of the GDP;
- (b) if so, the details thereof; and
- (c) the efforts being made by the CBDT, CBIC and legal cells of the Government to recover tax arrears?

**ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

- (a) & (b) : The quantum of direct tax arrears is Rs.41,63,435 crore and indirect tax arrears is Rs.1,01,332 crore as on 31/12/2024.
- (c): Following steps have been undertaken by CBDT for tackling the direct tax arrears:
 - (i) Demand Facilitation Centre (DFC) for facilitation of arrear demand management has been set up.
 - (ii) Monitoring the arrear demand reduction in respect of top 5000 cases of arrear demand in all the jurisdictions.
 - (iii) Targets have been given to field formations for annual cash collection and reduction of the demand.
 - (iv) Specific steps have been outlined such as litigation management, appeal/ rectification effects, demand segregation, etc.
 - (v) Efforts of the assessing officer to collect/recover the outstanding demand are regularly reviewed/monitored by the superior authorities.
 - (vi) Databases like Individual Transaction Statement and 360-degree profile generated by the Department and those maintained by other agencies like FIU-IND have been made available to the field units for identification of assets for recovery.

- (vii) Guidelines for Tax Recovery Officers for recovery and guidelines to filed authorities for dealing with stay petitions have been issued.

CBIC has issued Master Circular No. 1081/02/2022-CX dated 19.01.2022 for recovery of tax arrears. As per the said circular “There should be a dedicated 'Tax Recovery Cell' headed by a Joint/ Additional Commissioner level officer in each Commissionerate. The monitoring of arrear recovery shall be done by the Jurisdictional Pr. Commissioners/ Commissioners on monthly basis and the progress shall be monitored by the Zonal Principal Chief Commissioner/ Chief Commissioner.”

Some of the tools of recovery adopted by CBIC are as under:

- (i) Detain and auction movable/immovable properties of defaulters under Customs and Central Excise Acts.
- (ii) Utilize guarantees provided for duty-free imports to offset arrears.
- (iii) Publication of Defaulter Names:
- (iv) Guidelines for publishing names under Section 37E of the Central Excise Act, 1944
- (v) Incentives for officials and informers aiding recovery efforts.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO- 220
TO BE ANSWERED ON MONDAY, FEBRUARY 03, 2025/MAGHA 14, 1946

DECRIMINALIZE MINOR OFFENCES IN DIRECT TAX MATTERS

220. Smt. Poonamben Hematbhai Maadam:

Will the Minister of FINANCE be pleased to state:

- a) whether the Government has undertaken any steps to decriminalize minor offences in direct tax matters to promote ease of doing business, especially for medium and small businesses;
- (b) if so, the details thereof;
- (c) whether the Government has introduced initiatives for litigation management in direct tax matters; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a) Yes, Sir.
- (b) The Income-tax Act, 1961 ('the Act') has been amended to decriminalise Section 276A (entailing imprisonment of minimum six months extending up to two years) relating to failure of liquidator to give notice of his appointment to the Jurisdictional Assessing Officer within 30 days or failure to set aside notified amount from, or part with, any of the assets of company under liquidation. The Finance Act, 2023, with effect from 01.04.2023, has introduced a sunset clause in section 276A of the Act, which prescribes that no fresh proceedings shall be initiated under section 276A on or after 01.04.2023.

Under clause (a) of section 276B of the Act, a deductor was liable to be prosecuted if payment of Tax Deducted at Source (TDS) to the credit of the Central government was made beyond the prescribed due date. The provision has now been amended by Finance Act (No. 2), 2024 with effect from 01.10.2024, which prohibits prosecution proceedings against the deductor, if the TDS deducted is paid to the government's credit, on or before the due date prescribed for filing of the TDS statement for relevant quarter.

Further, CBDT has issued revised guidelines for compounding of offences under section 279(2) of the Act on 17.10.2024, wherein several simplification measures have been taken which, inter-alia, include making offences under section 275A and 275B of the Act compoundable, removing limitations on occasions and time to file compounding applications, abolishing interest chargeable on delayed payment of compounding charges, reducing compounding charges for various offences, removing separate compounding charge from co-accused, etc.

(c) The Government has undertaken several measures to improve litigation management in direct tax matters which, inter-alia, include:

- i. Creation of 100 new posts of Joint Commissioner (Appeals), which are currently fully operational.
- ii. Notification of e-Dispute Resolution Scheme, 2022 (e-DRS) by CBDT, to enable delivery of quick and effective dispute resolution to small taxpayers.
- iii. Upward revision of monetary limits for filing appeals before the ITAT, High Court and Supreme Court to Rs. 60 lakh, Rs.2 crore and Rs.5 crore respectively.
- iv. Administrative measures by CBDT such as identification of old and high demand appeals for early disposal, augmentation of manpower through assignment of additional charges, etc.
- v. Notification of Vivad se Vishwas Scheme, 2024 to reduce litigation and develop trust amongst tax payers.
- vi. Empowering Commissioner (Appeals) to set aside ex-parte assessment orders, vide Finance Act (No. 2), 2024.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
STARRED QUESTION NO. *2

TO BE ANSWERED ON MONDAY, THE 03rd FEBRUARY, 2025/14 MAGHA, 1946 (SAKA)

‘TAX EXEMPTIONS AND BENEFITS’

***2. MS. KANGNA RANAUT:**
SHRI SURESH KUMAR KASHYAP:

Will the Minister of FINANCE be pleased to state: -

- (a) the distribution of tax exemptions and benefits between corporations and individual taxpayers during the last five years;
- (b) the specific policies or measures that have been implemented by the Government to ensure that the middle-class is benefited more from tax exemptions; and
- (c) the details of estimated impact of these measures on middle-class taxpayers?

ANSWER

THE MINISTER OF FINANCE

(SMT. NIRMALA SITHARAMAN)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) IN RESPECT OF LOK SABHA STARRED QUESTION NO. *2 FOR REPLY ON 03.02.2025 REGARDING ‘TAX EXEMPTION AND BENEFITS’ ASKED BY Ms. KANGNA RANAUT AND SHRI SURESH KUMAR KASHYAP.

(a) *the distribution of tax exemptions and benefits between corporations and individual taxpayers during the last five years;*

Reply:

- (i) The direct tax policy through Income-tax Act, 1961 ('the Act'), *inter alia*, provides for tax incentives to promote exports; balanced regional development; creation of infrastructure facilities; employment; rural development; scientific research and development; cooperative sector, encourage savings by individuals and donations for charity. The revenue impact of major tax incentives due to tax exemptions and benefits under the Act in respect of corporates and Individuals/HUFs from FY 2019-20 to FY 2023-24 are tabulated as under:

Table 1: Revenue impact of major tax incentives

Financial Year	For Corporates (in Rs Crore)	For Individuals/HUFs (in Rs Crore)
2019-20	94,109.83	1,55,429.45
2020-21	75,218.02	1,28,244.23
2021-22	96,892.39	1,68,566.30
2022-23	88,109.27	1,96,678.95
2023-24*	98,999.57	2,20,988.47
Total	4,53,329.08	8,69,907.40

Source: Receipt Budget of respective years

**Total Revenue Impact for FY 2023-24 is projected revenue impact.*

- (ii) The total revenue impact of major tax incentives for Individual/HUF taxpayers for last five years is **Rs 8,69,907.40** Crores. In comparison, the total revenue impact of major tax incentives for corporate taxpayers for last five years is **Rs 4,53,329.08** Crores. Therefore, it can be seen that the government has foregone huge revenue benefiting Individuals/HUFs taxpayers.

(b) *the specific policies or measures that have been implemented by the Government to ensure that the middle-class is benefited more from tax exemptions; and*

Reply: The New tax regime was introduced in the Budget 2020-21 to simplify, reduce and make it easy for complying with income tax provisions and also to provide significant relief to the middle-class taxpayers. About 75% of taxpayers have opted for the New tax regime. It is highlighted that one of the objectives of proposals regarding Direct taxes presented in the Budget 2025 is personal income tax reforms with special focus on middle class taxpayers. Some of the measures that would benefit middle class taxpayers are discussed as under.

- **Increase in basic exemption limit:** Under the New tax regime introduced in the Budget 2020-21, the threshold total income limit exempt from income-tax i.e. 'Nil' income tax slab was upto Rs. 2.5 lakh, which was increased to Rs.3 lakh in the Budget 2023-24 and also now proposed to be increased to Rs.4 lakh in the Budget 2025-26.
- **Rebate u/s 87A:** In the Budget 2023-24, the income tax rebate limit was made applicable in the new tax regime. Accordingly, resident individual with total income up to Rs.7 lakh do not pay any income tax due to rebate under the new tax regime. In the Budget 2025-26 presented on 01st February,2025, it has been proposed to further increase the rebate for the resident individual under the new tax regime so that they do not pay tax if their total income is up to Rs. 12 lakh (other than the special rate income). By increasing this limit to Rs.12 lakh, around one crore taxpayers who were earlier required to pay tax varying from Rs.20,000 to Rs.80,000 will be now paying 'Nil' tax. This limit will be Rs. 12.75 lakh for salaried tax payers, due to standard deduction of Rs. 75,000. Marginal relief as provided earlier under the new tax regime is also applicable for income marginally higher than Rs. 12 lakh.
- **Reduction in Income tax rates:** There is a continuous decrease in the personal income tax rates in various income slabs since the introduction of new tax regime in the Budget 2020-21. It has been proposed in the current Budget 2025-26 that the higher tax rate @30% will be made applicable to total income above Rs.24 lakh. Details of income tax rates slab-wise announced in the Budget 2020-21, Budget 2023-24, Budget 2024-25 (July,2024) and Budget 2025-26 are provided in the **Annexure A**.
- **Increase in Standard deduction Limit:** In the Budget 2023-24, the standard deduction of Rs 50,000/- was made available to the salaried persons opting for new tax regime. This limit was increased to Rs.75,000/- in the Budget 2024-25 (July,2024). Similarly, deduction on family pension for pensioners was enhanced from Rs.15,000/- to Rs.25,000/-in the Budget 2024-25(July,2024). This has provided relief to about four crore salaried individuals and pensioners.
- **Exemptions under New Tax regime:** Taxpayers opting for New Tax regime can also avail benefit of certain exemptions which inter-alia include leave encashment upto Rs.25 lakh, increased deduction of employers contribution under NPS, some allowances received by salaried persons like daily allowance, conveyance allowance etc. and gratuity amount. (refer **Annexure B**).
- **Rationalisation of TDS/TCS provisions:** In the current Budget 2025-26, it has been proposed to increase the limit for tax deduction at source in respect of certain income such as interest income for senior citizens and rental income etc (refer **Annexure C**). Further, it was also announced in the current Budget 2025-26 to remove tax collected at Source (TCS) on remittances for education purposes where such remittance is out of a loan taken from a specified financial institution.

- **Tax exemption for Income from Long-Term Capital Gains (LTCG):** For investments in equities and mutual funds, long-term capital gains (gains made on assets held for more than a year) up to Rs 1.25 lakh per financial year are exempted from income tax.
- **Option of tax regimes:** Though the New income tax regime was made the default tax regime in the Budget 2023-24, taxpayers have the option to avail the benefit of the old tax regime. Under the old regime, Individual/ HUF taxpayers are eligible to claim these exemptions/deductions and have a wide range of tax preferences available to them.

Periodically, the Government has reduced tax burden of middle-class taxpayers through changes in income slab and tax rates. The tax rates under the new tax regime are comparatively lower than the tax rates in old regime for the respective income slabs. The new structure proposed in the current Budget will substantially reduce the taxes of the middle class and leave more money in their hands, boosting household consumption, savings and investment. As a result of proposals introduced in the Budget 2025-26, revenue of about ₹ 1 lakh crore in direct taxes will be forgone.

(c) the details of estimated impact of these measures on middle-class taxpayers?

Reply:

- (1) The tax benefits provided under the new tax regime by the Government to individuals are intended to have a multiplier effect in the economy. Tax benefits are specifically designed to ease the financial burden on individuals and households falling within the middle-income bracket that help reduce their tax liability and encourage consumption, savings investments and long-term financial planning. By leveraging the various provisions available under the Income Tax Act, middle-class taxpayers can effectively reduce their tax liability and increase their disposable income, which in turn would increase the purchasing power of the middle class.
- (2) The estimated revenue foregone for the measures introduced in the Budget 2023-24 for the middle-class taxpayers is Rs 35,000 Crore annually and for the measures introduced in the Budget 2024-25 (July,2024) is Rs 7,000 Crore annually. For the measures proposed in the current Budget 2025-26, the estimated revenue of about Rs 1 lakh crore in direct taxes will be forgone.
- (3) The tax exemptions and benefits availed by the individuals/HUFs have progressively increased over the years as evident from the reply in part (a) above. The total revenue impact of major tax incentives for Individual/HUF taxpayers for last five years amounts to Rs 8,69,907.40 Crores. Further, the tax benefits which were earlier granted through the exemptions and deductions (under Chapter VIA) of the Income-tax Act,1961 in the old regime are now in-built into the slab and rate structure as well as some exemptions and deductions such as employers' contribution under NPS, Rebate etc. available under the new tax regime. Therefore, tax benefits by way of slabs and rates under the New tax regime is more than what is available through exemptions and deductions (under Chapter VIA) in the Old regime. This is clearly shown by the number of taxpayers opting for the new tax regime i.e. about 75% of taxpayers paid lesser tax than what they would have paid had they availed the old tax regime with deductions and exemptions. It shows that the greater benefits have been given to middle-class taxpayers.

Annexure A

- (i) A comparison of the tax rates and slabs under the old regime and the new regime introduced in the Budget 2020-21 is as under:-

Taxable Income Slab (Rs)	Existing Tax Rates under old regime	New Tax Rates under new tax regime
Upto 2,50,000	Nil	Nil
From 2,50,001 to 5,00,000	5%	5%
From 5,00,001 to 7,50,000	20%	10%
From 7,50,001 to 10,00,000	20%	15%
From 10,00,001 to 12,50,000	30%	20%
From 12,50,001 to 15,00,000	30%	25%
Above 15,00,000	30%	30%

- (ii) The tax slabs and rates in the new regime were further revised in the Budget 2023-24 for Assessment Year 2024-25 as under:-

Taxable Income (Rs)	Rates
Upto Rs. 3,00,000	Nil
From Rs. 3,00,001 to Rs. 6,00,000	5 %
From Rs. 6,00,001 to Rs. 9,00,000	10 %
From Rs. 9,00,001 to Rs. 12,00,000	15 %
From Rs. 12,00,001 to Rs. 15,00,000	20 %
Above Rs. 15,00,000	30 %

- (iii) The tax rates under the new tax regime were further revised in the Budget 2024-25 (July,2024) w.e.f. Assessment Year 2025-26 as under:

Taxable Income (Rs.)	Rates
Upto Rs. 3,00,000	Nil
From Rs. 3,00,001 to Rs. 7,00,000	5 %
From Rs. 7,00,001 to Rs. 10,00,000	10 %
From Rs. 10,00,001 to Rs. 12,00,000	15%
From Rs. 12,00,001 to Rs. 15,00,000	20 %
Above Rs. 15,00,000	30 %

- (iv) The tax rates under the new tax regime proposed in the current Budget 2025-26 w.e.f. from Assessment Year 2026-27 is proposed to be as under:

Taxable Income (Rs.)	Rates
Upto Rs. 4,00,000	Nil
From Rs. 4,00,001 to Rs. 8,00,000	5 %
From Rs. 8,00,001 to Rs. 12,00,000	10 %
From Rs. 12,00,001 to Rs. 16,00,000	15%
From Rs. 16,00,001 to Rs. 20,00,000	20 %
From Rs. 20,00,001 to Rs. 24,00,000	25%
Above Rs. 24,00,000	30%

- A few examples for calculation of tax benefit to the middle-class tax payers are given in the table below:

Income	Tax on Slabs and rates		Benefit of	Rebate benefit	Total Benefit	Tax after rebate Benefit
	Present	Proposed				
			Rate /Slab	Full upto Rs 12 lacs		
8 lac	30,000	20,000	10,000	20,000	30,000	0
9 lac	40,000	30,000	10,000	30,000	40,000	0
10 lac	50,000	40,000	10,000	40,000	50,000	0
11 lac	65,000	50,000	15,000	50,000	65,000	0
12 lac	80,000	60,000	20,000	60,000	80,000	0
16 lac	1,70,000	1,20,000	50,000	0	50,000	1,20,000
20 lac	2,90,000	2,00,000	90,000	0	90,000	2,00,000
24 lac	4,10,000	3,00,000	1,10,000	0	1,10,000	3,00,000
50 lac	11,90,000	10,80,000	1,10,000	0	1,10,000	10,80,000

Exemptions/tax benefits available under New tax regime:

- (i) **Increase in exemption of Leave encashment limit u/s 10(10AA):** In the Budget 2023-24, the limit of encashment of leave up to 10 months of average salary, at the time of retirement in case of an employee (other than an employee of the Central Government or State Government), was enhanced to **Rs.25 lakh** from Rs.3 lakh.
- (ii) **Deduction under section 80CCD(2)** for employer's (other than the Central Government and State Government) contribution to employee NPS accounts, has been increased from 10% to 14% in the Budget 2024-25 (July,2024).
- (iii) Tax exemptions are available for the following allowances received by the **salaried persons:**
- any travel allowance granted to meet the cost of travel on tour or on transfer;
 - any daily allowance to meet the ordinary daily charges incurred by an employee on account of absence from his normal place of duty, whether granted on tour or for the period of journey in connection with transfer,
 - any conveyance allowance granted to meet the expenditure incurred on conveyance in performance of duties of an office or employment;
 - any such special allowance or benefit, specifically granted to meet expenses wholly incurred in the performance of the duties of an office or employment
 - any such allowance granted to the assessee either to meet his personal expenses at the place where the duties of his office or employment of profit are ordinarily performed by him or at the place where he ordinarily resides, or to compensate him for the increased cost of living, as may be prescribed and to the extent as may be prescribed:
- (iv) Tax exemption in respect of the amount received on voluntary retirement u/s 10(10C) and gratuity u/s 10(10) subject to the limit prescribed.
- (v) **Reduction in surcharge and maximum tax rate:** Highest surcharge under the new regime has been reduced to 25 percent from 37 percent in the Budget 2023-24. This has reduced the maximum rate from 42.74 per cent to 39 per cent.
- (vi) **Annual value of the self-occupied property simplified u/s 23:** Presently taxpayers can claim the annual value of self-occupied properties as 'Nil' only on the fulfilment of certain conditions. Considering the difficulties faced by taxpayers, in the Budget 2025, it has been proposed to allow the benefit of two such self-occupied properties, if the owner occupies it for his own residence or cannot actually occupy it due to any reason.
- (vii) **Increase in limits of certain perquisites:** In the Budget 2025, it has been proposed to increase the limits on the income of the employees for the purpose of calculating perquisites u/s 17 of the Act which will benefit salaried class taxpayers.

Annexure C

Rationalisation of TDS/TCS provision : The increased threshold for TDS rates under various provisions which will have a positive impact are enumerated as follows:-

S. No.	Section of the Act	Present TDS/TCS threshold (in Rs.)	Proposed TDS/TCS threshold (in Rs.)
1	194A – Interest other than Interest on securities	(i) 50,000/- for senior citizen; (ii) 40,000/- in case of others when payer is bank, cooperative society and post office (iii) 5,000/- in other cases	(i) 1,00,000/- for senior citizen; (ii) 50,000/- in case of others when payer is bank, co-operative society and post office (iii) 10,000/- in other cases
2	194-I Rent	2,40,000/- during the financial year	50,000/- per month or part of a month
3	193 – Interest on securities	Nil	10,000/-
4	194- Dividend, for an individual shareholder	5,000/-	10,000/-
5	194K- Income in respect of units of a mutual fund or specified company or undertaking	5,000/-	10,000/-
6	194D – Insurance commission	15,000/-	20,000/-
7	194G – Income by way of commission, prize etc. on lottery tickets	15,000/-	20,000/-
8	194H – Commission or brokerage	15,000/-	20,000/-
9	194J – Fee for professional or technical services	30,000/-	50,000/-
10	194LA – Income by way of enhanced compensation	2,50,000/-	5,00,000/-
11	206C(1G)- Remittance under LRS and overseas tour program package	7,00,000/-	10,00,000/-
(c) <u>No TCS on remittances for education purposes</u>			
It has been proposed to remove TCS on remittances for education purposes, where such remittance is out of a loan taken from a specified financial institution.			

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
STARRED QUESTION NO. *18

TO BE ANSWERED ON MONDAY, FEBRUARY 3, 2025/MAGHA 14, 1946 (SAKA)

TAX COLLECTION AFTER REDUCTION IN CORPORATE TAX RATES

*18. Shri Bhartruhari Mahtab

Shri Balabhadra Majhi:

Will the Minister of FINANCE be pleased to state:

- (a) whether there has been an overall increase in tax collection and foreign investment inflows after reduction in corporate tax rates, if so, the details thereof, year-wise;
- (b) the industry-wise details of tax benefits extended and their impact on economic growth;
- (c) the specific incentives being considered by the Government to attract more international corporations like Apple, Google and Tesla to establish manufacturing unit in the country; and
- (d) the manner in which these initiatives impact tax revenue and economic growth to achieve the India's vision of becoming \$5 trillion economy?

ANSWER

THE FINANCE MINISTER
(SMT. NIRMALA SITHARAMAN)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) in respect of LOK SABHA STARRED QUESTION NO. *18 for reply on 03.02.2025 regarding Tax collection after reduction in corporate tax rates asked by Shri Bhartruhari Mahtab & Shri Balabhadra Majhi.

(a) Yes.

There has been an overall increase in direct tax collections after reduction of the corporate tax rates with effect from AY 2020-21 (except in FY 2020-21 being covid affected year). The year-wise details of the net direct tax collection in the last five years are as under:

(Rs. In Crore)

Financial Year	Net Direct Tax Collection
2019-20	10,50,681
2020-21	9,47,176 [#]
2021-22	14,12,422
2022-23	16,63,686
2023-24	19,60,166*
2024-25 (up to 31.12.2024)	16,14,572*

Source: Pr. CCA (CBDT)

[#]Covid affected Year

*Provisional

The Net Foreign Investment Inflows have increased from USD 44,417 (in Million) in FY 2019-20 to USD 53,105 (in Million) in FY 2023-24 [As per data available on the website of Reserve Bank of India (<https://data.rbi.org.in/>)].

(b) The domestic companies are provided certain tax benefits under different provisions of the Income-tax Act in the Old tax regime which *interalia* are as under:

S.No	Nature of tax benefit
1.	Deduction of export profits to units/undertakings located in SEZs
2.	Deduction/weighted deduction for expenditure on scientific research
3.	Deduction for a specified business with fulfillment of certain conditions related to Petroleum & Natural Gas
4.	Deduction of profits of undertakings engaged in development of infrastructure facilities, generation, transmission and distribution of power and undertakings engaged in revival of power plant or providing telecommunication services
5.	Deduction of profits of industrial undertakings derived from the following- <ul style="list-style-type: none"> • production of mineral oil and natural gas • housing projects • integrated business of handling, storage and transportation of food grains • processing, preservation and packaging of fruits and vegetables • collecting and processing of bio- degradable waste

6.	Deduction for Offshore Banking Units [OBUs] and International Financial Services Centre [IFSC]
7.	Deduction for undertakings setup in North Eastern states and Sikkim
8.	Deduction for employment of new workmen
9.	Deduction for eligible start-ups
10.	Deduction for Dividend received

The total revenue impact on account of tax benefits extended to companies was Rs. 96,892.39 Crores and Rs. 1,09,333.38 Crores (projected) in FY 2021-22 and FY 2022-23 respectively (Source: Receipt Budget 2024-25). The above tax benefits have the impact of making the corporates competitive and encouraging investment and therefore economic growth.

(c) The specific incentives to be provided in the Income-tax Act as considered appropriate form part of the Finance Bill.

(d) In order to create a globally competitive business environment for domestic companies, attract fresh investment and create employment opportunities, section 115BAA and section 115BAB were introduced in Income-tax Act through Taxation Laws (Amendment) Act, 2019. The impact of section 115BAB is reflected in a significant growth of new manufacturing companies from 2,928 in AY 2022-23 to 7,185 in AY 2024-25.

To encourage start-ups, initiatives taken have resulted into an increase in the number of start-ups claiming deduction under section 80IAC from 328 in AY 2022-23 to 877 in AY 2024-25. Further, the number of companies covered under section 80JJAA in respect of employment of new employees has increased from 2,838 in AY 2022-23 to 3,644 in AY 2024-25.

The initiatives taken have led to generation of employment, increase in tax revenue and overall economic growth.

Government of India
Ministry of Finance
Department of Revenue

LOK SABHA

UNSTARRED QUESTION NO. 946

TO BE ANSWERED ON MONDAY, THE 10TH FEBRUARY, 2025/ MAGHA 21, 1946 (SAKA)

'Income Tax Returns'

946. Shri Janardan Singh Sigriwal:

Will the Minister of FINANCE be pleased to state:

- (a) the number of persons who have filed Income Tax Returns during the last five years, State-wise and year-wise;
- (b) the number of persons whose Income Tax Returns amount to zero tax liability during the last five years, State-wise and year-wise;
- (c) whether there is an increase in the number of persons filing Income Tax Returns in the country; and
- (d) if so, the details thereof along with the steps taken by the Government attributed to the said increase?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a) The details are attached as Annexure-A.
- (b) The details are attached as Annexure-B.
- (c) Yes, there is an increase in the number of persons filing Income Tax Returns in the country.
- (d) Steps taken by the Government that can be attributed to the increase in the number of persons filing I-T returns are as follows:
 - **New Form 26AS** - This new form contains all information of deduction or collection of tax at source, specified financial transaction (SFT), and payment of taxes, demand and refund, pending and completed proceedings. Further, details of SFT data in the Form 26AS makes taxpayer aware about their transactions beforehand and encourages them to disclose their true income.

- **Pre-filing of Income-tax Returns-** In order to make tax compliance more convenient, pre-filled Income tax Returns (ITR) have been provided to individual taxpayers. The scope of information for pre-filing includes information such as salary income, bank interest, dividends, etc.
- **Updated Return-** Section 139(8A) of the Income Tax Act facilitates the taxpayer to update his return anytime within two years from the end of the relevant assessment so that he can file an updated return by voluntarily admitting omissions or mistakes and paying an additional tax as applicable. Further, e-verification scheme was launched to allow tax-payers to disclose their unreported or under-reported income in the updated Income Tax Return.
- **Reduction in the Corporate tax rate-** Starting from the Finance Act, 2016, the corporate tax rates have been gradually reduced while phasing out the exemptions and incentives available to the corporates so as to increase the tax base.
- **Simplification of the Personal Income Tax-** Finance Act, 2020 simplified the filing of Income Tax Returns by providing an option to individual taxpayers for paying income-tax at lower slab rates if they do not avail specified exemption and incentive.
- **Black Money Act-** In order to curb the flow of black money stashed abroad, the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (the Black Money Act) has been enacted, it increased the voluntary compliance in filing Income Tax Returns.
- **Benami Law-** The Benami Transactions (Prohibition) Act, 1988 was comprehensively amended by the Benami Transactions (Prohibition) Amendment Act, 2016 to enable confiscation of Benami Property and prosecution of benamidar and the beneficial owner.

- **Expansion of scope of TDS/TCS** - For bringing new tax-payers into the net of income tax department, scope of TDS/TCS was expanded by including huge cash withdrawal, foreign remittance, purchase of luxury car, e-commerce participants, sale of goods, acquisition of immovable property, remittance under LRS, purchase of overseas tour program package etc.

(a) The number of persons who have filed Income Tax Returns during the last five years, state-wise and year-wise is as follows: (Reference - part (a) of Question No. 946)

STATE/UNION TERRITORY DESCRIPTION	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24	FY2024-25
ANDAMAN AND NICOBAR ISLANDS	37,101	41,226	44,901	47,101	51,323	53,180
ANDHRA PRADESH	20,80,288	19,79,366	19,84,319	21,65,161	24,23,186	25,59,092
ARUNACHAL PRADESH	19,642	18,848	18,091	21,581	25,749	27,441
ASSAM	7,76,618	7,68,231	7,73,711	8,16,137	8,96,499	8,99,263
BIHAR	17,19,439	18,96,122	20,11,074	21,54,266	24,00,759	25,13,818
CHANDIGARH	2,65,602	2,66,428	2,67,433	2,77,594	2,94,487	3,00,096
DADRA AND NAGAR HAVELI AND DAMAN & DIU	52,324	53,219	53,559	55,261	58,907	59,861
DELHI	34,83,436	35,34,470	35,33,774	37,06,999	39,76,487	41,06,449
GOA	2,18,697	2,17,944	2,20,219	2,30,569	2,56,246	2,65,900
GUJARAT	64,73,204	69,01,630	71,26,423	74,50,672	80,05,076	82,62,307
HARYANA	24,74,079	25,83,050	27,24,889	29,45,240	31,58,058	32,03,004
HIMACHAL PRADESH	5,26,311	5,07,118	5,27,596	5,63,171	6,54,928	7,03,861
JAMMU & KASHMIR	4,49,249	4,25,456	4,38,770	5,22,517	6,05,126	6,43,197
KARNATAKA	38,18,546	39,25,684	39,80,418	42,58,035	46,74,332	48,96,638
KERALA	16,56,177	17,08,859	17,95,967	19,73,551	22,32,740	23,54,782
LAKSHADWEEP	4,760	3,916	4,072	4,454	4,439	4,558
MADHYA PRADESH	26,06,358	27,45,469	28,38,182	29,93,536	32,21,154	33,88,103
MAHARASHTRA	1,01,34,529	1,05,05,787	1,08,22,870	1,13,91,610	1,23,80,522	1,27,44,181
MANIPUR	52,135	50,372	53,615	64,661	69,386	72,790
MEGHALAYA	33,961	32,465	34,230	40,248	46,260	47,733
MIZORAM	3,808	4,885	5,866	7,371	8,447	9,845
NAGALAND	20,238	20,476	20,707	25,168	29,039	29,853
ODISHA	10,98,781	11,47,974	11,96,655	12,90,397	14,47,758	15,11,269
PUDUCHERRY	97,026	95,911	95,429	1,01,440	1,10,877	1,14,092
PUNJAB	30,73,506	31,05,578	32,84,421	36,09,942	39,45,375	39,64,740
RAJASTHAN	41,35,462	43,80,416	45,55,909	48,48,031	52,55,986	55,14,304
SIKKIM	14,962	13,325	11,917	13,229	16,211	18,470

TAMILNADU	41,82,347	42,07,105	43,01,299	45,90,531	50,33,165	52,13,740
TRIPURA	82,049	78,510	79,879	87,434	99,300	1,05,656
UTTAR PRADESH	60,08,980	64,17,665	66,53,883	71,65,746	79,06,893	83,15,205
WEST BENGAL	40,88,477	42,45,242	43,64,849	45,56,394	49,58,079	51,30,458
CHHATTISGARH	10,41,310	10,75,894	11,01,801	11,60,389	12,59,888	13,08,512
UTTARAKHAND	7,69,055	7,69,961	7,93,801	8,53,992	9,50,680	10,06,883
JHARKHAND	10,76,078	11,12,676	11,35,746	11,95,551	13,16,665	13,68,615
TELANGANA	21,58,703	22,81,927	24,54,797	26,92,185	29,65,650	30,56,867
LADAKH	-	-	-	-	1,465	1,322
OUTSIDE INDIA	55,256	83,183	1,26,311	1,28,882	1,36,437	1,97,331
Total	6,47,88,494	6,72,06,388	6,94,37,383	7,40,09,046	8,08,77,579	8,39,73,416

Note:-

1. Unique PAN (Permanent Account Number) count has been considered for specific FY from Income Tax Returns (ITRs).
2. E-filed ITRs have been considered for the above summary. In case multiple e>Returns were submitted by an assessee, the latest one in the corresponding FY has been taken into consideration.
3. State Description is taken from State Code in the communication address within Part A-General Information of ITR.
4. Outside India – ITR filers who have mentioned State Code as 99 (i.e. State outside India) in the communication address within Part A-General Information of ITR.
5. ITRs filed till 31st Dec'24 have been considered for FY 2024-25.

Annexure -B

(b) The number of persons whose Income Tax Returns amount to zero tax liability during the last five years, state-wise and year-wise is as follows: (Reference - part (b) of Question No. 946)

STATE/UT DESCRIPTION	FY2019- 20	FY2020- 21	FY2021- 22	FY2022- 23	FY2023- 24	FY2024-25
ANDAMAN AND NICOBAR ISLANDS	7,061	24,685	30,374	25,804	25,825	27,828
ANDHRA PRADESH	6,64,299	12,55,518	12,44,688	13,04,819	13,43,528	14,13,529
ARUNACHAL PRADESH	8,249	13,371	13,408	16,014	19,202	20,324
ASSAM	3,25,831	5,59,270	5,72,285	5,80,148	6,18,632	5,95,513
BIHAR	8,95,962	15,06,533	15,98,568	16,75,663	18,42,684	18,79,616
CHANDIGARH	1,14,971	1,79,763	1,81,273	1,78,473	1,80,223	1,80,449
DADRA AND NAGAR HAVELI AND DAMAN & DIU	24,379	41,142	41,837	41,792	43,879	43,339
DELHI	12,32,053	22,58,833	23,13,220	23,18,927	24,27,980	24,25,907
GOA	85,778	1,45,764	1,48,456	1,46,194	1,57,852	1,61,044
GUJARAT	39,27,497	57,67,988	59,26,428	59,91,699	63,79,797	63,56,417
HARYANA	12,17,358	18,95,827	20,14,013	21,16,161	22,09,412	21,46,525
HIMACHAL PRADESH	2,50,497	3,72,753	3,87,749	4,09,425	4,39,800	4,71,292
JAMMU & KASHMIR	1,53,009	2,84,398	3,06,417	3,57,719	3,63,014	3,81,691
KARNATAKA	12,46,799	23,61,785	24,18,829	24,63,232	26,16,153	26,75,258
KERALA	5,93,003	11,19,225	12,23,121	10,81,971	13,28,815	14,45,939
LAKSHADWEEP	797	2,017	1,612	1,761	1,736	1,931
MADHYA PRADESH	13,44,459	21,47,264	22,09,811	22,94,440	23,83,930	24,51,778
MAHARASHTRA	43,15,546	71,49,773	74,65,307	74,45,222	78,96,182	79,22,403
MANIPUR	18,160	35,045	37,467	46,801	47,582	47,725
MEGHALAYA	14,091	22,934	24,639	29,710	34,207	34,066
MIZORAM	1,736	3,690	3,697	5,823	6,884	8,095
NAGALAND	8,955	15,893	16,820	20,505	23,804	23,488
ODISHA	4,33,449	8,21,120	8,56,204	8,94,889	9,87,109	9,72,421
PUDUCHERRY	34,706	61,092	61,625	60,541	63,427	66,214
PUNJAB	16,97,781	25,44,811	27,06,091	28,90,845	30,78,024	30,55,902
RAJASTHAN	22,78,147	35,48,235	37,04,098	38,11,272	40,30,464	41,04,102
SIKKIM	6,450	9,810	9,171	9,905	12,675	14,648
TAMILNADU	13,70,012	26,02,003	27,17,912	27,88,014	29,31,369	30,25,493
TRIPURA	26,837	52,719	54,233	59,160	66,719	67,413
UTTAR PRADESH	28,21,363	47,99,837	49,71,322	52,73,478	57,00,860	58,50,144
WEST BENGAL	20,34,435	32,26,294	32,45,689	32,83,160	35,66,232	35,95,515
CHHATTISGARH	4,93,213	8,08,943	8,14,253	8,62,170	9,07,082	9,10,538
UTTARAKHAND	3,19,379	5,49,791	5,63,874	5,95,630	6,48,715	6,71,045

JHARKHAND	4,39,992	7,70,973	7,76,988	8,05,104	8,68,068	8,75,123
TELANGANA	5,97,781	14,54,606	16,03,945	16,64,019	17,26,452	17,55,876
LADAKH	-	-	-	-	1,203	1,021
OUTSIDE INDIA	32,199	56,211	2,81,517	64,665	75,894	1,15,779
TOTAL	2,90,36,234	4,84,69,916	5,05,46,941	5,16,15,155	5,50,55,414	5,57,95,391

Note:-

1. Unique PAN (Permanent Account Number) count has been considered for specific FY from Income Tax Returns (ITRs).
2. E-filed ITRs have been considered for the above summary. In case multiple e>Returns were submitted by an assessee, the latest one in the corresponding FY has been taken into consideration.
3. State Description is taken from State Code in the communication address within Part A-General Information of ITR.
4. Outside India – ITR filers who have mentioned the State Code as 99 (i.e. State outside India) in the communication address within Part A-General Information of ITR.
5. ITRs filed till 31st Dec'24 have been considered for FY 2024-25.
6. Gross Tax payable column in the ITR has been considered for determining tax liability.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA UNSTARRED QUESTION NO. 1060

ANSWERED ON 10/02/2025

IMPACT OF SUPREME COURT JUDGEMENT ON HUF TAX BENEFITS

1060. Shri Asaduddin Owaisi:

Will the Minister of FINANCE be pleased to state: -

- (a) whether the Government has taken note of the recent Supreme Court judgment endorsing the Madras High Court decision to strike down income tax exemptions for Catholic clergy, emphasizing the secular nature of tax laws;
- (b) if so, whether the Government has assessed the implications of the judgment on the tax treatment of Hindu Undivided Families (HUFs) under the Income Tax Act;
- (c) whether the Government is considering a review of the preferential tax benefits granted to HUFs in light of the principle of uniform applicability of tax laws as emphasized by the judiciary;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the measures being contemplated to ensure equitable tax policies for all communities while safeguarding constitutional guarantees of religious freedom?

ANSWER

**MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a)

The Hon'ble Supreme Court judgement has endorsed the Hon'ble Madras High Court decision dated 20.03.2019 in the case of Union of India vs The Society of Mary Immaculate (Tamil Nadu).

The Hon'ble Madras High Court has held that the State Governments are obligated to deduct tax at source (TDS) under section 192 of the Income-tax Act, 1961 while making payments in the nature of salary directly to the Teachers who are Nuns or Missionaries or members of religious congregations, who render their services in educational institutions run by Christian Religious Institutions.

Further, as per section 10(23C)(v) of the Income-tax Act, exemption from income-tax is provided to income of any trust or institution wholly for public religious purposes or wholly for public religious and charitable purposes, approved by the Principal Commissioner or Commissioner of Income-tax, subject to the condition that the income accruing thereto is properly applied for the objects thereof.

(b)

In view of the reply to part (a), the question does not arise.

(c), (d) & (e)

At present, no review or proposal is under consideration in this regard.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.1148

TO BE ANSWERED ON MONDAY, FEBRUARY 10, 2025

REDUCTION OF IMPORT DUTIES/TAXES ON LIFE-SAVING DRUGS

1148. SHRI BIPLAB KUMAR DEB:
SHRI DINESHBHAI MAKWANA:
DR. HEMANT VISHNU SAVARA:
SHRI LUMBA RAM:
SHRI YOGENDER CHANDOLIA:
SHRI TEJASVI SURYA:
SHRI BIDYUT BARAN MAHATO:
SMT. KRITI DEVI DEBBARMAN:
SHRI DHARAMBIR SINGH:
SHRI RAVINDRA SHUKLA ALIAS RAVI KISHAN::

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has taken any steps to reduce import duties or taxes on lifesaving drugs for Rare diseases and if so, the details thereof;
- (b) whether there is a GST exemption in case of such imports; and
- (c) the detailed process to utilize such exemptions?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) and (b): (i) All drugs, medicines and Food for Special Medical Purposes (FSMP) used for the treatment of rare diseases listed in Annexure 'A' are exempted from basic customs duty and IGST, when imported by

1. individuals for personal use
 2. by Centres of Excellence listed in Annexure B, or any person or institution recommended by any of the Centre of Excellence.
- (ii) In Union Budget 2025-26, life-saving drugs or medicines at Annexure 'C' for rare diseases have been added to List 4 of notification No. 50/2017-Customs, which attracts Nil Basic customs duty.

(c): The procedure prescribed under notification No. 50/2017-Customs is as follows:

(i) For personal imports, the individual has to furnish a form (attached as Annexure 'D') certified by Director General or Deputy Director General or Assistant Director General, Health Services, New Delhi, Director of Health Services of the State Government or the District Medical Officer/Civil Surgeon of the district before Deputy Commissioner of Customs or the Assistant Commissioner of Customs at the time of clearance or gives an undertaking as acceptable to the Deputy Commissioner or the Assistant Commissioner to furnish the said certificate within such period as may be specified by the Deputy Commissioner or the Assistant Commissioner, failing which to pay duty leviable thereon.

(ii) For imports by any person or institution, there has to be recommendation by any of the Centre of Excellence listed in Annexure 'B', certifying that the person (by name) for whom the drugs or medicines [Drugs, Medicines or Food for Special Medical Purposes (FSMP)] are being imported, is suffering from a rare disease (to be specified by name) and requires these drugs or medicines [Drugs, Medicines or Food for Special Medical Purposes (FSMP)] for the treatment of said rare disease.

Annexure A

1. Lysosomal Storage Disorders (LSDs)
2. Adrenoleukodystrophy
3. Severe Combined Immunodeficiency (SCID)
4. Chronic Granulomatous disease
5. Wiskot Aldrich Syndrome
6. Osteopetrosis
7. Fanconi Anemia
8. Laron's Syndrome
9. Tyrosinemia
10. Glycogen storage disorders (GSD) I, III and IV due to poor metabolic control, multiple liver adenomas, or high risk for Hepatocellular carcinoma, or condition of substantial cirrhosis or liver dysfunction, or progressive liver failure
11. Maple Syrup Urine Disease (MSUD)
12. Urea cycle disorders
13. Organic acidemias
14. Autosomal recessive Polycystic Kidney Disease
15. Autosomal dominant Polycystic Kidney Disease
16. Phenylketonuria (PKU)
17. Non-PKU hyperphenylalaninemia conditions
18. Homocystinuria
19. Urea Cycle Enzyme defects
20. Glutaric Aciduria type 1 and 2
21. Methyl Malonic Acidemia
22. Propionic Acidemia
23. Isovaleric Acidemia
24. Leucine sensitive hypoglycemia
25. Galactosemia
26. Glucose galactose malabsorption
27. Severe Food protein allergy
28. GH deficiency
29. Prader Willi Syndrome
30. Turner syndrome

31. Noonan syndrome
32. Acidemias, mitochondrial disorders
33. Acute Intermittent Porphyria
34. Wilson's Disease
35. Congenital Adrenal Hyperplasia
36. Neonatal onset Multisysteminflammatory Disease(NoMID)
37. Gaucher Disease Type I and III
38. Hurler Syndrome [Mucopolysaccharisosis (MPS) Type I]
39. Hunter syndrome (MPS II)
40. Pompe Disease
41. Fabry Disease
42. MPS IVA
43. MPS VI
44. Cystic Fibrosis.
45. Duchenne Muscular Dystrophy
46. Spinal Muscular Atrophy
47. Wolman Disease
48. Hypophosphatasia
49. Neuronal ceroid lipofuscinosis
50. Hypophosphatic Rickets
51. A typical Hemolytic Uremic Syndrome.

Annexure B

- (1) AIIMS, New Delhi
- (2) Centre for Human Genetics, Bengaluru
- (3) Institute of Post Graduate Medical Education and Research, Kolkata
- (4) King Edward Memorial Hospital, Mumbai
- (5) Maulana Azad Medical College, New Delhi
- (6) Nizam Institute of Medical Sciences, Secundarabad
- (7) PGIMR, Chandigarh
- (8) Sanjay Gandhi Post Graduate Institute of Medical Science, Lucknow.

Annexure C

1. Onasemnogene abeparvovec
2. Risdiplam
3. Spesolimab
4. Velaglucerase Alpha
5. Agalsidase Alfa
6. Rurioctocog Alpha Pegol
7. Idursulphatase
8. Alglucosidase Alfa
9. Laronidase
10. Olipudase Alfa
11. Agalsidase Beta
12. Imiglucerase

Annexure D

Form for Drugs/Medicines/FSMP used for treatment of Rare Diseases covered under S. No.607B of the Table.

Certificate No..... of (year) Certified that the medicine.....(name of the Drug/Medicine/FSMP) to be used for the treatment of(patient name), is a Drug/Medicine/ Food for Special Medical Purposes (FSMP) used specifically for treatment of rare disease specified in List 38 and exemption from the payment of customs duty is recommended.

Signature with date of Director General /

Deputy Director General /

Assistant Director General,

Health Services, New Delhi or

Director of Health Services or

District Medical Officer/Civil Surgeon

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UN-STARRED QUESTION NO. 1682

TO BE ANSWERED ON MONDAY, THE 10 MARCH, 2025/ PHALGUNA 19, 1946 (SAKA)

Personal Income Tax Collection

1682. Ms. Sayani Ghosh

Will the Minister of FINANCE be pleased to state:

- (a) the personal income tax collection and percentage of GDP during the last ten years, year-wise;
- (b) the instances of changes in the personal income tax system during the last ten years; and
- (c) the estimated additional funds earned by the Government after changes in personal income tax system during the last ten years?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a) The personal income tax* collected and its percentage to GDP during the last ten years is as under:

(in Rs. Crore)

Financial Year	Personal Income Tax (PIT)*	GDP at Current Market Price	Percentage of PIT to GDP at Current Market Price
2014-15	2,65,772	1,25,41,208	2.1%
2015-16	2,87,637	1,35,67,192	2.1%
2016-17	3,49,503	1,53,62,386	2.3%
2017-18	4,20,084	1,70,98,304	2.5%
2018-19	4,73, 179	1,88,86,957	2.5%
2019-20	4,92,717	2,00,74,856	2.5%

2020-21	4,87,560	1,98,29,927	2.5%
2021-22	6,96,604	2,35,97,399	3.0%
2022-23	8,33,307	2,69,49,646	3.1%
2023-24	10,45,139	2,95,35,667	3.5%

Source: Time Series Data as published by Income-tax Department

* Figures under Personal Income Tax include taxes paid by an individual, Hindu Undivided Family, Firms, associations of persons, body of individuals, local authorities and artificial juridical person.

(b) The new income tax regime introduced by the Finance Act, 2021 has been the most significant change made in the personal income tax* system during the last ten years. Under the new income tax regime, introduced as per section 115BAC of the Income-tax Act, 1961 w.e.f. Assessment Year 2021-22 (Financial Year 2020-21), an individual taxpayer or Hindu Undivided Family is being given an option for taxation either under the old tax regime or the new tax regime. This new tax regime was subsequently made applicable to associations of persons, body of individuals and artificial juridical person from Assessment Year 2024-25. In the old tax regime, various deductions and exemptions are allowed to taxpayers, whereas, in the new tax regime, only limited deductions and exemptions are allowed. Further, the new regime offers lower rates of taxes compared to the old regime for the taxable income which is tabulated for AY 2025-26 as under:

Old Tax Regime			New Tax Regime u/s 115BAC*		
Income Tax Slab	Income Tax Rate	Surcharge	Income Tax Slab	Income Tax Rate	Surcharge
Up to Rs. 2,50,000	Nil	Nil	Up to Rs. 3,00,000	Nil	Nil
Rs. 2,50,001 - Rs. 5,00,000	5% above Rs. 2,50,000	Nil	Rs. 3,00,001 - Rs. 7,00,000	5% above Rs. 3,00,000	Nil
Rs. 5,00,001 - Rs. 10,00,000	Rs. 12,500 + 20% above Rs. 5,00,000	Nil	Rs. 7,00,001 - Rs. 10,00,000	Rs. 20,000 + 10% above Rs. 7,00,000	Nil
Rs. 10,00,001 - Rs. 50,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	Nil	Rs. 10,00,001 - Rs. 12,00,000	Rs. 50,000 + 15% above Rs. 10,00,000	Nil
Rs. 50,00,001 - Rs. 100,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	10%	Rs. 12,00,001 - Rs. 15,00,000	Rs. 80,000 + 20% above Rs. 12,00,000	Nil
Rs. 100,00,001 - Rs. 200,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	15%	Rs. 15,00,001 - Rs. 50,00,000	Rs. 1,40,000 + 30% above Rs. 15,00,000	Nil

Rs. 200,00,001 - Rs. 500,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	25%	Rs. 50,00,001 - Rs. 100,00,000	Rs. 1,40,000 + 30% above Rs. 15,00,000	10%
Above Rs. 500,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	37%	Rs. 100,00,001 - Rs. 200,00,000	Rs. 1,40,000 + 30% above Rs. 15,00,000	15%
			Above Rs. 200,00,001	Rs. 1,40,000 + 30% above Rs. 15,00,000	25%

* Personal Income Tax includes taxes paid by an individual, Hindu Undivided Family, Firms, associations of persons, body of individuals, local authorities and artificial juridical person.

(c) The personal income tax collections are governed by multiple factors including growth of the economy, tax rates, taxpayer base and extent of tax compliance. Therefore, additional funds earned by the Government on account of change in any one factor cannot be estimated in isolation. However, the personal income tax* collection in FY 2014-15 is Rs. 2,65,772 crores and FY 2023-24 is Rs. 10,45,139 crores (increase of 293% over FY 2014-15).

* Personal Income Tax includes taxes paid by an individual, Hindu Undivided Family, Firms, associations of persons, body of individuals, local authorities and artificial juridical person.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA

UNSTARRED QUESTION NO. 1720

TO BE ANSWERED ON MONDAY, MARCH 10, 2025/PHALGUNA 19, 1946 (SAKA)

CURRENT TAX EXEMPTION FRAMEWORK

1720. SHRI DUSHYANT SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has conducted any assessments to identify gaps in the current tax exemption framework, if so, the steps being taken to address the same; and
- (b) the manner in which the Government plans to balance the provision of tax benefits for corporations with the need to enhance disposable income for individual taxpayers particularly the middle class?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) & (b) It is the stated policy of the Government to remove exemptions, deductions and incentives while at the same time reduce the rates of income-tax applicable to corporates and individuals.

In line with the stated policy above, –

- The Taxation Laws (Amendment) Act, 2019, *inter-alia*, inserted section 115BAA in the Act to provide an option for existing domestic companies to pay income-tax at concessional rate of 22% subject to certain conditions including the condition that they do not avail any specified deductions or incentives.
- Finance Act, 2020, *inter-alia*, introduced the new tax regime under section 115BAC of the Act, wherein individual and HUF had an option to pay income-tax at the lower slab rates subject to certain conditions including that they do not avail specified tax exemptions or deductions. The said regime was improved to reduce the tax liability and extended to certain other persons vide Finance Act, 2023.
- Finance Act, 2020, *inter-alia*, abolished Dividend Distribution tax paid by corporates at the rate of 15% thereby relieving them of this tax liability. Now, dividend is taxed in the hands of shareholders at the applicable slab rates leaving more income in the hands of individual taxpayers whose income is chargeable to tax at lower slab rates.

Further, to enhance disposable income for individual taxpayers particularly the middle class, Finance Bill, 2025 has proposed to revise the tax rate structure in the new tax regime which will substantially reduce the tax liability of the middle class and leave more money in their hands.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA

UNSTARRED QUESTION NO. 1748

TO BE ANSWERED ON MONDAY, MARCH 10, 2025/PHALGUNA 19, 1946 (SAKA)

REDUCTION OF TAX RATES FOR SALARIED INDIVIDUALS

1748. SHRI ALOK SHARMA:
SHRI PRAVEEN PATEL AND:
SHRI ANURAG SHARMA:

Will the Minister of FINANCE be pleased to state:

- (a) The manner in which the reduction in tax rates and standard deduction for salaried individuals are likely to benefit the middle class in terms of overall financial relief;
- (b) The measures being taken to monitor the long-term impact of these tax changes on domestic consumption; and
- (c) Whether there is likely to be any additional reforms aiming at lower income groups or those in rural areas who may not fully benefit from the proposed changes, especially with regard to tax rebate?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) The Finance Bill, 2025 has proposed to revise tax rate structure in the new tax regime as follows: -

Total income	Rate of tax
Upto Rs. 4,00,000	Nil
From Rs. 4,00,001 to Rs. 8,00,000	5 per cent
From Rs. 8,00,001 to Rs. 12,00,000	10 per cent
From Rs. 12,00,001 to Rs. 16,00,000	15 per cent
From Rs. 16,00,001 to Rs. 20,00,000	20 p er cent
From Rs. 20,00,001 to Rs. 24,00,000	25 per cent
Above Rs. 24,00,000	30 per cent

Slabs and rates are being changed across the board to benefit all taxpayers. The new structure will substantially reduce the taxes of the middle class and leave more money in their hands, boosting household consumption, savings and investment.

Further, Finance Bill, 2025 has also proposed to increase the rebate for the resident individual under the new regime of an amount equal to the tax payable under the above slabs on income up to Rs. 12,00,000. Marginal relief as provided earlier under the new tax regime is also applicable for income marginally higher than Rs. 12,00,000.

These measures will play a big role in the creation of fair, equitable direct taxation regime that ensures no additional burden of direct taxes on the working and middle-class population of the country.

(b) There are no specific or separate measures to monitor the long-term impact on domestic consumption of these reforms in taxation.

(c) There is no such proposal in this regard. The revised tax structure proposed in the Finance Bill 2025 positively impacts all earning sections of the population and shall benefit all taxpayers.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA

UNSTARRED QUESTION NO. 1803

TO BE ANSWERED ON MONDAY, MARCH 10, 2025/PHALGUNA 19, 1946 (SAKA)

SIMPLIFICATION OF INCOME TAX BILL, 2025

1803. SHRI MUKESHKUMAR CHANDRAKAANT DALAL:

Will the Minister of FINANCE be pleased to state:

- (a) the manner in which the Government plans to ensure that the simplifications do not lead to unintended ambiguities or legal challenges in interpretation;
- (b) whether the Bill impacts revenue collection and taxpayer behaviour;
- (c) whether the simplification exercise align with the broader objectives of tax transparency, ease of doing business and digitisation efforts under faceless assessment and e-filing initiatives, if so, the details thereof; and
- (d) whether the reorganisation of sections require businesses and professionals to undergo new compliance training?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) & (b) The Government announced a comprehensive review of the Income-tax Act, 1961 (the Act). As a consequence of the said review, the Income-tax Bill, 2025 (Bill No. 24 of 2025) has been introduced in the Lok Sabha on 13.02.2025 and referred to the Select Committee of Lok Sabha for examination.

The purpose behind the introduction of the Income-tax Bill was to simplify the existing Income-tax Act, 1961 by making it concise, lucid, easy to read and understand. The simplification exercise was guided by three core principles: -

1. Textual and structural simplification for improved clarity and coherence.
2. No major tax policy changes to ensure continuity and certainty.
3. No modifications of tax rates, preserving predictability for taxpayers

For this purpose, a three-pronged approach was adopted: -

1. Eliminating intricate language to enhance readability.
2. Removing redundant and repetitive provisions for better navigation.
3. Reorganizing sections logically to facilitate ease of reference.

While undertaking the simplification exercise, conscious attempt has been made to minimise the scope of unintended ambiguity, leading to fresh interpretations and litigation. For this purpose, the following measures have been taken among others:

- a. Key words/phrases, especially where courts have given rulings, have been retained with minimal modifications, and language has been simplified by use of short sentences.
- b. Provisions have been made clear to minimize scope for multiple interpretations. The provisos and explanations have been removed and simplified content has been placed as sub-sections and clauses.
- c. Formulae and tables have been used to enhance clarity.
- d. Provisions involving same issues and definitions, which were present in different chapters in the existing Act have been consolidated.

The Income-tax Bill, 2025, thus reflects the Government's commitment to enhance ease of doing business by providing a tax framework that is simple, clear and unambiguous.

While the exercise of simplification carried out may not have a direct or immediate effect on revenue collection *per se*, all amendments proposed up to Finance Bill 2025 have been duly incorporated in the new Income tax bill 2025. Therefore, the Bill stands updated from a policy perspective. Further, it is expected that the changes proposed in the structure of the Bill, and efforts undertaken to make the provisions in the Bill concise, lucid, easy to read and understand (as noted above) shall act as a nudge towards increased taxpayer compliance.

(c) The simplification exercise aims to create a statute of taxation that is accessible to and comprehended by not just tax professionals but informed citizens as well. Ease of paying taxes is an important pillar of ease of doing business. The approach of using clear and lucid language, increased use of tabular format for representation of information and mathematical formulas for easier understanding aims to increase tax certainty, improve ease of paying taxes and enhance ease of doing business. The existing technological reforms undertaken by the department including initiatives like pre-filled ITRs, Annual Information Statement, faceless proceedings, e-filing of various forms etc. are all retained in the Bill.

(d) Reorganisation of sections in the Income-tax Bill, 2025 has been done to facilitate ease of reference and provide a legal framework for implementing direct tax policy that is simple, clear and unambiguous. This reorganisation of sections is not expected to require businesses and professionals to undergo any new compliance training. In fact, it is expected to make compliance easier for the ordinary tax-payer.

Further, with a view to ease understanding of the new Bill, the Notes on clauses to the Income-tax Bill, 2025 explain in detail the various provisions contained in the Bill.

In addition to the above, utility to check section of Income-tax Act, 1961 (as amended by Finance (No. 2) Act, 2024) vis-a-vis corresponding Clause of the Income-tax Bill, 2025, an Income-tax Bill, 2025 navigator and Frequently Asked Questions (FAQs) for the Income-tax Bill, 2025 have been made available in the public domain, and have been appreciated and well-received.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UN-STARRED QUESTION NO. 2721

TO BE ANSWERED ON MONDAY, THE 17th MARCH, 2025
PHALGUNA 26, 1946 (SAKA)

Tax Devolution Policy

2721. Shri Rajesh Verma:

Shri Naresh Ganpat Mhaske:

Dr. Shrikant Eknath Shinde:

Smt. Shambhavi:

Shri Ravindra Dattaram Waikar:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the devolution allocations to State Governments since 2019 and their significance, State-wise and year-wise;
- (b) the measures taken to ensure transparency and accountability in the calculation and distribution of tax devolution to States;
- (c) the mechanisms put in place to address the needs of States with higher developmental gaps;
- (d) whether the Government has any plans to integrate dynamic factors like population growth, environmental sustainability and disaster resilience into the tax devolution framework, if so, the details thereof; and
- (e) whether the Government has any long-term plans to increase consultations with State Governments to develop a more inclusive and participatory approach to tax devolution policy, if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PANKAJ CHAUDHARY)

(a): States' share of Union Taxes and Duties released to the States as per accepted recommendation of Finance Commission, since FY 2019-20 is given below:

State	2019-20	2020-21	2021-22	2022-23	2023-24	(₹ Crore)
						2024-25 (till 10.3.2025)
Andhra Pradesh	28242.39	24460.59	35385.83	38176.74	45710.74	52080.15
Arunachal Pradesh	8987.57	10472.58	14643.90	16689.17	19845.22	22610.55
Assam	21721.44	18629.32	28150.55	29694.26	35330.57	40253.77
Bihar	63406.33	59861.41	91352.62	95509.85	113604.49	129434.93
Chhattisgarh	20205.84	20337.54	28570.86	32358.26	38481.88	43844.17
Goa	2479.85	2296.53	3356.98	3665.19	4359.85	4967.38
Gujarat	20232.09	20218.53	31105.78	33034.00	39283.63	44757.99
Haryana	7111.53	6437.59	9722.16	10378.00	12345.35	14065.65
Himachal Pradesh	4677.56	4753.92	7349.04	7883.98	9374.72	10681.24
Jammu & Kashmir	6801.81	-	-	-	-	-
Jharkhand	20593.04	19712.23	27734.64	31404.12	37352.35	42557.30
Karnataka	30919.00	21694.11	33283.58	34596.18	41192.63	46932.72
Kerala	16401.05	11560.40	17820.09	18260.68	21742.92	24772.38
Madhya Pradesh	49517.61	46922.16	69541.50	74542.85	88665.34	101020.45
Maharashtra	36219.64	36504.01	54318.06	60000.98	71349.75	81292.84
Manipur	4047.77	4271.97	6009.65	6795.08	8087.14	9214.13
Meghalaya	4211.78	4551.63	6580.63	7286.14	8663.22	9870.40
Mizoram	3017.80	3010.55	4222.87	4745.25	5647.47	6434.44
Nagaland	3267.08	3409.25	4875.46	5400.19	6426.82	7322.37
Odisha	30453.25	27542.67	38144.79	42989.33	51143.68	58270.00
Punjab	10345.78	10638.21	15288.79	17163.65	20409.92	23254.04
Rajasthan	36049.14	35575.77	54030.61	57230.78	68063.21	77547.76
Sikkim	2407.69	2308.47	3353.69	3680.28	4382.44	4993.11
Tamil Nadu	26392.40	24924.51	37458.60	38731.24	46072.28	52491.88
Telangana	15987.59	12691.62	18720.54	19668.15	23742.04	27050.25
Tripura	4211.78	4218.45	6077.52	6724.23	7996.82	9111.14
Uttar Pradesh	117818.30	106687.01	160358.05	169745.30	202619.69	230854.62

Uttarakhand	6901.54	6568.72	9906.25	10617.01	12627.75	14387.36
West Bengal	48048.40	44737.01	65540.75	71434.93	84971.79	96812.42
TOTAL	650677.05	594996.76	882903.79	948405.82	1129493.71	1286885.44

Part (b): The devolution of shareable portion of Union Taxes and Duties is made to States in accordance with the accepted recommendations of Finance Commission. As per Article 279(1) of the Constitution of India, '*net proceeds*' calculated for the purposes of devolution is certified by the Comptroller and Auditor-General of India.

Part (c to e): The methodology based on which distribution of net proceeds of taxes between the Union and States is decided by the Finance Commission, as it deems appropriate. During the process of preparing report, Finance Commission consults all stakeholders including the State Governments.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UN-STARRED QUESTION NO. 3723

TO BE ANSWERED ON MONDAY, THE 24th MARCH, 2025
CHAITRA 3, 1947 (SAKA)

Fiscal Inequities in State-Central Tax Revenue Distribution

3723. Shri S Jagathratchakan:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the reduction of Government share of tax revenue allocated to States, particularly Tamil Nadu that contribute significantly to the nation's GDP and the details of the reduction in the percentage of share to States, State-wise;
- (b) the steps taken by the Government to address the disproportionate burden on States caused by underfunded Centrally Sponsored Schemes and disaster management; *and*
- (c) whether the Government considers to increase the States' share in central taxes to 50% as demanded by Tamil Nadu to ensure equitable fiscal federalism and balanced development?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a to c): According to Article 280(3)(a) of the Constitution, the Finance Commission has the mandate to make recommendations on the distribution between the Union and the States of the net proceeds of taxes and the allocation between the States of the respective shares of such proceeds. In this regard, it may be noted that *inter-se* share of Tamil Nadu in the net proceeds of the taxes was increased in the final report of 15th Finance Commission to 4.079% as compared to 4.023% during 14th Finance Commission. Details showing *inter-se* share of States in the net proceeds of the taxes (divisible pool) is given at Annexure 1.

Resource assessment of Union and States is done by the Finance Commission. It is in the process of consulting all stakeholders. Every State has the right to make its representation to the Finance Commission. Further, the centrally sponsored schemes and financing of disaster management is jointly financed by the Union and State Governments.

*Annexure 1***Statement showing *Inter-se* share of States in the net proceeds of the taxes**

State	Share (%) (15th FC Final report) [FY 2021-22 to FY 2025-26]	Share (%) (14th FC report) [FY 2015-16 to FY 2019-20]
Andhra Pradesh	4.047	4.305
Arunachal Pradesh	1.757	1.370
Assam	3.128	3.311
Bihar	10.058	9.665
Chhattisgarh	3.407	3.080
Goa	0.386	0.378
Gujarat	3.478	3.084
Haryana	1.093	1.084
Himachal Pradesh	0.830	0.713
Jharkhand	3.307	3.139
Karnataka	3.647	4.713
Kerala	1.925	2.500
Madhya Pradesh	7.850	7.548
Maharashtra	6.317	5.521
Manipur	0.716	0.617
Meghalaya	0.767	0.642
Mizoram	0.500	0.460
Nagaland	0.569	0.498
Odisha	4.528	4.642
Punjab	1.807	1.577
Rajasthan	6.026	5.495
Sikkim	0.388	0.367
Tamil Nadu	4.079	4.023
Telangana	2.102	2.437
Tripura	0.708	0.642
Uttar Pradesh	17.939	17.959
Uttarakhand	1.118	1.052
West Bengal	7.523	7.324
Jammu & Kashmir *	-	1.854
Total	100.00	100.00

* The State of Jammu & Kashmir was reorganized into two Union Territories, Jammu & Kashmir and Ladakh, w.e.f., October, 2019.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UN-STARRED QUESTION NO. 3738
TO BE ANSWERED ON MONDAY, THE 24th MARCH, 2025
CHAITRA 3, 1947 (SAKA)

Share of Federal Tax Rates for States

3738. Shri V K Sreekandan:

Ms. S Jothimani:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the Government is seeking any cut in the federal tax revenues received from States and if so, the details thereof;
- (b) whether it is also true that the Government may recommend that the share to be reduced to 40% from the current 41%;
- (c) whether a swing of 1% in the States' share of tax revenues will provide about Rs. 350 billion to the Government based on the expected tax collections for the current year;
- (d) whether the Government held any discussions with the State Governments in this regard and if so, the details thereof; and
- (e) whether the Government is aware that such a cut will impact negatively on States' revenue and if so, the steps proposed to compensate States for their loss of revenue?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a to e): According to Article 280(3)(a) of the Constitution, the Finance Commission has the mandate to make recommendations on the distribution between the Union and the States of the net proceeds of taxes and the allocation between the States of the respective shares of such proceeds. For preparing its report, the Finance Commission consults all stakeholders, which includes among others, the Union and State Governments. It also examines wide range of indicators while assessing the resource requirements of the Union and the States. The 16th Finance Commission has not yet submitted its report.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO. 3742

TO BE ANSWERED ON MONDAY, MARCH 24, 2025/ CHAITRA 3, 1947 (SAKA)
ENCOURAGEMENT FOR VOLUNTARY COMPLIANCE BY TAXPAYERS

3742. SHRI CHAMALA KIRAN KUMAR REDDY:
SHRI EATALA RAJENDER:
SMT. D K ARUNA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is encouraging voluntary compliance and taking steps towards “Sabka Saath, Sabka Vikas, Sabka Vishwas and Sabka Prayas” and also brought in updated return facility for voluntary compliance by taxpayers who had omitted to report their correct income and the Government trust in taxpayers was proved right;
- (b) if so, the details of the number of taxpayers voluntarily updated their income by paying additional tax and propose to extend the time-limit from the current limit of two years, to four years to file updated returns for any assessment year; and
- (c) if so, the details thereof and the present status thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) Yes, vide Finance Act, 2022, Government has introduced the provision of updated return by inserting the sub-section (8A) in the section 139 of the Income-tax Act, 1961 so as to encourage voluntary compliance and taking forward the concept of Sabka Sath, Sabka Vikas, Sabka Vishwas and Sabka Prayas.

Further tax-payers have also shown the faith in government’s initiative where large number of tax-payers have filed the updated returns who had omitted to report their correct income.

(b) The total number of updated e>Returns submitted for AY 2021-22 (*upto 31-Mar-2024*), and AY 2022-23, 2023-24 and 2024-25 (*upto 28-Feb-2025*) is as following:

Summary on updated e>Returns		Total number of updated e>Returns	Total tax paid u/s 140B (Rs. Crore)
S#	AY	UNIQ PANS	TAX 140B AMT
1	AY 2021-22	17,24,498	1,799.76
2	AY 2022-23	40,07,494	3,940.14
3	AY 2023-24	29,79,444	2,946.90
4	AY 2024-25	4,64,817	431.20
<i>Note : The latest updated e>Returns of AY 2021-22 (upto 31-Mar-2024) and AY 2022-23 to AY 2024-25 (upto 28-Feb-2025) have been taken into consideration.</i>			

(c) Vide Finance Bill, 2025, Government has proposed to amend the section 139(8A) of the Income-tax Act, 1961 so that tax-payers may file updated returns up to 4 years from the relevant assessment year by paying additional income-tax. Earlier, tax-payers could file the updated returns upto 2 years from the relevant assessment year.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UN-STARRED QUESTION NO. 3754

TO BE ANSWERED ON MONDAY, MARCH 24, 2025/CHAITRA 3, 1947 (SAKA)

TAX REVENUE COLLECTED FROM TAMIL NADU

3754. Ms. S Jothimani:

Will the Minister of FINANCE be pleased to state:

- (a) the total tax revenue collected from Tamil Nadu since 2019, including direct and indirect taxes;
- (b) the contribution of Tamil Nadu to the total GST collection in the country and the annual growth trend in GST revenue from the State;
- (c) the amount of GST compensation paid to Tamil Nadu after the implementation of GST Act and whether any dues remain pending for payment; and
- (d) the measures taken by the Government to address concerns raised by the State Government of Tamil Nadu regarding GST revenue shortfall and fiscal federalism?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): The details of Direct Tax collection from the state of Tamil Nadu are as under:

(Rs. in Crore)

F.Y.	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25 (upto 28.02.2025)
Direct Taxes	69,809.31	61,122.33	88,438.33	1,07,063.82	1,27,067.17	1,07,938.07

However, in case of Indirect Taxes State-wise data is not maintained.

(b): GST Collection of Tamil Nadu from FY 2019-20 to FY 2024-25(till Feb, 2025):

(Rs In Crore)

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25(Till Feb,2025)
Gross GST Collection in Tamil Nadu	74,430	69,121	85,492	1,04,377	1,21,329	1,19,320
Total Net GST Collection	11,73,648	11,09,511	14,92,232	18,38,167	19,92,985	19,82,281
% Growth in Collection	5.5%	-7.1%	23.7%	22.1%	16.2%	

(c): Centre has released the entire amount of provisionally admissible GST compensation to the States/UTs for loss of revenue arising on account of implementation of Goods and Services Tax for five years i.e., from 1st July, 2017 to 30th June, 2022. Final Compensation arising out of reconciliation of provisional figures with audited figures is released immediately on receipt of AG's certificate. Final/balance compensation has also been released to Tamil Nadu for FY 2017-18 to FY 2022-23. Hence, no amount is pending to be released to the State of Tamil Nadu. Details of GST compensation released to Tamil Nadu for FY 2017-18 to FY 2022-23 and details of loan disbursed to Tamil Nadu for FY 2020-21 and FY 2021-22 in lieu of GST compensation is as under.

Details of GST Compensation and back to back loan released to State of Tamil Nadu (for the year):

(Rs. in crore)

Financial Year	For FY 2017-18	For FY 2018-19	For FY 2019-20	For FY 2020-21	For FY 2021-22	For FY 2022-23 (April-June, 2022)	Total
GST compensation	1018	5366.39	11423.19	16963.32	11698.29	4863.50	51332.69
Back to back loan	-	-	-	6241	8095	-	14336
Total	1018	5366.39	11423.19	23204.32	19793.29	4863.50	65668.69

(d): On the recommendation of the GST Council, Group of Ministers (GoM) has been constituted to analyse State-wise revenue trends and suggest policy recommendation for GST revenue augmentation and analyse impact of economic and other factors on GST revenue.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.70

TO BE ANSWERED ON MONDAY, FEBRUARY 3, 2025

GST ON INSURANCE PREMIUM

**70. SHRI S VENKATESAN:
SHRI SACHITHANANTHAM R:**

Will the Minister of FINANCE be pleased to state:

- (a) the recommendations of GoM constituted by GST Council on the issue of insurance premiums which endangers social security of the ordinary people and insurance penetration to the common masses;
- (b) whether any decision has been taken in the last meeting of the GST Council on this issue; and
- (c) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a), (b) & (c): During the 55th meeting of the GST Council held on 21st December, 2024 in Jaisalmer, the Convener of the Group of Ministers (GoM) on Life and Health Insurance sought more time for finalizing the GoM's recommendations and placing the same before the GST Council. The Council agreed to give more time to GoM to finalize its recommendations.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.137

TO BE ANSWERED ON MONDAY, FEBRUARY 3, 2025

EXEMPTION OF GST TO TIRUMALA TIRUPATI DEVASTHANAM

137. SHRI MADDILA GURUMOORTHY:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has exempted the Tirumala Tirupati Devasthanam from GST in the interest of Devotees;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor and GST collected during the last five years?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) & (b): GST rates and exemptions are prescribed on the recommendations of the GST Council, which is a Constitutional body comprising of members from the Centre and the States/UTs. Certain exemptions from GST are available to all religious institutions, including the Tirumala Tirupati Devasthanam, such as on:-

- (I) supply of prasadam
- (II) conduct of any religious ceremony;
- (III) renting of precincts of a religious place meant for general public, owned or managed by an entity registered as a charitable or religious trust under section 12AA of the Income-tax Act, 1961 or a trust or an institution registered under sub clause (v) of clause (23C) of section 10 of the Income-tax Act or a body or an authority covered under clause (23BBA) of section 10 of the said Income-tax Act, as below:
 - a) Renting of rooms where charges are less than one thousand rupees per day;
 - b) Renting of premises, community halls, kalyanmandapam or open area, and the like where charges are less than ten thousand rupees per day;
 - c) Renting of shops or other spaces for business or commerce where charges are less than ten thousand rupees per month.

(c): The GST collected from Tirumala Tirupati Devasthanam (PAN AAATT4126G) for last five years is as follows:

Financial Year	GST Paid in Cash (Rs. Crores)
2024-25 (upto 31st December,2024)	36.28
2023-24	32.95
2022-23	32.15
2021-22	15.58
2020-21	14.70

Source: GSTN

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UNSTARRED QUESTION NO-138

TO BE ANSWERED ON MONDAY, THE 03RD FEBRUARY, 2025, MAGHA 14, 1946 (SAKA)

Payment of GST and Cess to Jharkhand

†138. Shri Rajesh Ranjan:

Will the Minister of FINANCE be pleased to state:

(a) whether the outstanding amount of one lakh thirty six thousand crores towards share of Jharkhand State in the form of GST and other cess has not been paid till date;

(b) if so, the reasons therefor; and

(c) the date by which the GST and cess is likely to be released to Jharkhand?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a):- There is no outstanding amount payable to the State of Jharkhand with respect to State's share of GST and other Cess. Central Government has already released entire amount of GST compensation of about Rs. 13,749 crore, including the back-to-back loan released at the time of COVID-19 pandemic, to the State of Jharkhand as per the mandate of Constitution.

(b) & (c):- Does not arise in view of reply to (a) above.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.147

TO BE ANSWERED ON MONDAY, FEBRUARY 3, 2025

GST LEVIED BY NBEMS

147. DR. BACHHAV SHOBHA DINESH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that National Board of Examinations in Medical Sciences (NBEMS) has collected GST of an amount of 51 crore from candidates of Diplomate of National Board (DNB) and Rs. 11.5 crore from Foreign Medical Graduates (FMG), if so, the details thereof;

(b) whether the Government has stopped levying the GST as per directions of Court, if so, the details thereof;

(c) whether the Government has refunded the GST collected from the above candidates, if so, the details thereof along with amount collected and number of candidates traced and amount along with interest refunded;

(d) the details of the GST collected along with breakup of amount with NBEMS and amount transferred to hospitals, hospital-wise; and

(e) whether the Government has instituted an enquiry to review the issue, if so, the details thereof including findings of the investigation and if not, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a): As per the information provided by the Ministry of Health and Family Welfare, NBEMS has collected an amount of Rs. 39 crores from DNB/DrNB candidates and Rs 29 crore from FMGE candidates as GST on the course fee payment.

(b): As per the information provided by the Ministry of Health and Family Welfare, the NBEMS has stopped collecting/levying the GST, in compliance of the Hon'ble High Court order dated 1.11.2023.

(c) & (d): The Ministry of Health and Family Welfare has informed that:

(i) NBEMS has started processing the refunds of GST which was collected by them from the candidates.

(ii) The data regarding the details of refund processed and the breakup of the amount collected/transferred, is being compiled by NBEMS.

(e): The Ministry of Health and Family Welfare stated that no enquiry on this issue has been instituted.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA UNSTARRED QUESTION NO. 996
ANSWERED ON MONDAY, FEBRUARY 10, 2025/MAGHA 21, 1946 (SAKA)

Decline in GST Revenues from West Bengal

996. Shri Saumitra Khan:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that share of West Bengal in national GST collections has decreased from 4.6% in 2019-20 to 4% in 2024-25;
- (b) the factors that have contributed to this decline in West Bengal;
- (c) the measures are being implemented to address the decline in GST collections from West Bengal and to enhance the State's revenue performance;
- (d) whether the Government has conducted any assessments to understand the impact of this revenue decline on West Bengal's fiscal health and public expenditure and if so, the details thereof; and
- (e) the manner in which the Government plans to support West Bengal in improving GST compliance and expanding its tax base to reverse the downward trend in revenue collections?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): Yes Sir. However, the GST collections in the State of West Bengal from 2019-20 to 2024-25 has been increasing, as detailed below:

Gross GST Collection (in Rs. Crore)	FY 19-20	FY 20-21*	FY 21-22	FY 22-23	FY 23-24	FY 24-25 (up to Jan 2025**)
Revenue	43,386	39,694	47,899	58,060	62,613	55,268
Growth %	9.1%	-8.5%	20.7%	21.2%	7.8%	6.7%

* growth impacted due to Covid-19

** comparative with corresponding period

GST revenues are dependent on various factors including the general conditions of the economy and the pattern of consumption in the State. However, no specific study for West Bengal has been undertaken in this regard.

(c): The Government, on the recommendations of the GST Council, undertakes several measures for reforms in GST from time to time, as detailed in reply to part (e) below.

(d): This does not arise in light of the afore-mentioned data.

(e): The Government, on the recommendations of the GST Council, has taken several measures for reforms in GST. These, inter-alia, include measures for improving tax compliance such as mandating e-way bill, ITC matching, e-invoice for B2C suppliers, deployment of artificial intelligence and machine-based analytics, Aadhaar authentication for registration, calibrated action on non-filers, stop filers, targeted assessment-based action on risky tax payer, etc.

Further, regular action is taken to detect fake firms through data analytics and other intelligence by the Central and State authorities. Till now, 2 National Conference of Enforcement Chiefs of State and Central GST Formations have been held in respect of activities being undertaken by the enforcement formations and the importance of maintaining ease of doing business. As a measure to track down and take action against masterminds, there are sufficient legal provisions in the CGST Act which are as under: -

- i. Punishment for tax evaded or the amount of ITC wrongly availed or utilised or the amount of refunds wrongly taken;
- ii. Suspension / Cancellation of registration of taxpayers involved in fake ITC cases;
- iii. Blocking of ITC in electronic credit ledger;
- iv. Provisional attachment of property / bank accounts, etc. for the recovery of Government dues.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.1072

TO BE ANSWERED ON MONDAY, FEBRUARY 10, 2025

EXEMPTION OF GST ON HEALTH & LIFE INSURANCE PREMIUM

1072. SHRI M K RAGHAVAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any plan to exempt health and life insurance premiums from GST to encourage insurance penetration among the middle and lower-income groups;
- (b) if so, the details thereof;
- (c) whether the Government conducted any studies to assess the impact of GST on the affordability and accessibility of insurance policies; and
- (d) if so, the details thereof?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) & (b): GST rates and exemptions on all services and goods are prescribed on the recommendations of the GST Council which is a Constitutional body comprising of members from both the Union and State/UT Governments.

The issue of GST on health and life insurance was placed before the GST Council in its 54th Meeting held on 09th September 2024 at New Delhi. After detailed deliberations, the GST Council recommended to constitute a Group of Ministers (GoM) to holistically look into the issues pertaining to GST on life insurance and health insurance. Accordingly, a Group of Ministers (GoM) on Life and Health Insurance was constituted under the Convenorship of Sh. Samrat Chaudhary, Hon'ble Deputy CM, Bihar.

During the 55th meeting of the GST Council held on 21st December 2024 in Jaisalmer, the Convener of the Group of Ministers (GoM) on Life and Health Insurance sought more time for finalizing the GoM's recommendations and placing the same before the GST Council. The Council agreed to give more time to GoM to finalize its recommendations.

(c) & (d): Health insurance policies catering to the needs of economically weaker sections of the society and differently abled persons, such as Ayushman Bharat PM-JAY, Rashtriya Swasthya Bima Yojana (RSBY), Universal Health Insurance Scheme, Jan Arogya Bima Policy, and Niramaya Health Insurance Scheme are given exemption from GST. These schemes cover a large number of people who benefit from the GST exemption. E.g. more than 36.5 crore* Ayushman cards have already been created since the inception of the Ayushman Bharat (PM-JAY) scheme. Similarly, various life insurance policies such as Pradhan Mantri Jeevan Jyoti Bima Yojana, Varishtha Pension Bima Yojana, Pradhan Mantri Jan Dhan Yojana, and Pradhan Mantri Vaya Vandan Yojana are also exempt from GST. These schemes cover a large number of people who benefit from the GST exemption. E.g. More than 20 crore** gross enrolments have happened under the Pradhan Mantri Jeevan Jyoti Bima Yojana.

These policies are primarily providing insurance coverage to the economically weaker sections of the society.

* Source: PMJAY dashboard (<https://dashboard.pmjay.gov.in>)

** Source: DFS dashboard (<https://dfs.dashboard.nic.in>)

**Government of India
Ministry of Finance
Department of Revenue**

**LOK SABHA
UN-STARRED QUESTION No. 1081**

TO BE ANSWERED ON MONDAY, FEBRUARY 10, 2025/ MAGHA 21, 1946 (SAKA)

“SIMPLIFICATION OF GST STRUCTURE”

1081. SMT. PRATIMA MONDAL:

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government has failed to address the “unease of doing business” created by a punitive GST regime with up to 100 different tax rates, which has resulted in a staggering 2.01 lakh crore in GST evasion and uncovered 18,000 fraudulent entities, severely impacting MSMEs; and
- (b) The steps being taken by the Government to simplify the GST structure and provide relief to MSMEs struggling with compliance burdens

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

Part (a): No Sir, GST regime has ensured ease of doing business in the country.

- i. GST rates are prescribed on the recommendations of the GST Council which comprise representatives of Union and State/UT governments. At present, GST structure has 4 main slabs – 5%, 12%, 18% and 28%. Three special rates of 3%, 1.5% and 0.25% are applicable on gold, silver, diamond & Jewellery; cut and polished diamonds and rough diamonds respectively. Further, GST Compensation Cess is applicable only on tobacco and tobacco products, aerated drinks and vehicles, etc. at varying rates.

- ii. Two Special drives have been undertaken against fake registrations during May, 2023 to August, 2023 and August, 2024 to October, 2024 respectively by the Central and State GST Authorities. The details of GST evasion cases unearthed during the special drive are placed as Annexure-I and evasion detected by Central GST formations during the period 2021-22 to 2024-25 (upto December, 2024) is placed at Annexure-II.

Further, guidelines have been issued regarding “Ease of Doing Business” while conducting investigations to all field formations under CBIC vide Instruction No. 01/2023-24-GST(Inv.) dated 30.03.2024 which is available on CBIC website.

Part (b):

A Group of Ministers (GoM) on Rate Rationalization has been constituted by the GST Council in its 45th Meeting and one of the Terms of Reference include review of current tax slab rates.

Further, some of the major initiatives / policy measures / reforms undertaken by Government, on the recommendations of the GST Council, with a view to encourage Micro, Small and Medium Enterprises (MSMEs) in the country are as follows:

- (i) No registration is required for Inter-State and Intra-State supply of services upto Rs.20 lakh in a year (Rs.10 lakh for the states of Manipur, Mizoram, Nagaland and Tripura) and for Intra-State supply of goods upto Rs. 40 lakh in a year (Rs. 20 lakh in the states of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Puducherry, Sikkim, Telangana, Tripura and Uttarakhand).
- (ii) Composition scheme has been formulated for small businessmen being supplier of goods and supplier of restaurant services. Under the scheme, person with turnover up to Rs. 1.5 crore (Rs. 75 lakhs in States of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttarakhand) needs to pay tax equal to 1% (in case of supplier of goods) or 5% (in case of supplier of restaurant services) on his turnover and needs to file his returns annually with quarterly payment of tax. Such taxpayers do not have to maintain elaborate accounts and records and instead of monthly statements and returns, they are required to file quarterly challan and only one return on annual basis.
- (iii) Composition scheme has also been formulated for supplier of services. Under the scheme, person with turnover up to Rs. 50 lakh needs to pay tax equal to 6% on his turnover and needs to file his returns annually with quarterly payment of tax.

(iv) A scheme of quarterly return filing and monthly payment (QRMP) has been introduced where small taxpayers with turnover up to Rs. 5 crore have an option to file returns on quarterly basis, instead of monthly return.

(v) Filing of NIL GST monthly return in FORM GSTR-3B through SMS has been enabled. Similar facility has been enabled for FORM GSTR-1 and FORM GST CMP-08.

(vi) Retrospective amendment w.e.f. 01.07.2017 has been made in respect of Section 16(4) of Central Goods and Services Tax Act, 2017 to increase the time limit to avail input tax credit in respect of any invoice or debit note pertaining to the financial years 2017-18, 2018-19, 2019-20 and 2020-21, through any GSTR 3B return filed upto 30.11.2021.

(vii) Section 128A has been inserted in Central Goods and Services Tax Act, 2017, leading to waiver of interest and penalties for demand notices issued under Section 73 of the CGST Act for the fiscal years 2017-18, 2018-19 and 2019-20, in cases where the taxpayer pays the full amount of tax demanded in the notice upto 31.03.2025.

Annexure-I

Special Drives against fake registration and fake ITC

1st Special Drive (May, 2023 – August, 2023)

	No. of GSTINs identified for verification	No of Non-existing GSTINs found	Action Taken				Total Amount recovered from GSTINs (Rs. in Cr.)	No. of Arrests made
			No. of GSTINs suspended	No. of GSTINs Cancelled	ITC Blocked under Rule 86 A (Rs. in Cr.)	Total Amount of evasion of tax/ITC detected (Rs. in Cr.)		
State	48198	11417	6135	6116	6162.71	9021.16	221.82	0
Centre	28655	10391	4191	5808	597.42	15335.91	60.17	8
Total	76853	21808	10326	11924	6760.13	24357.07	281.99	8

2nd Special Drive (August, 2024 – October, 2024)

	No. of GSTINs identified for verification	No of Non-existing GSTINs found	Action Taken				Total Amount recovered from GSTINs (Rs. in Cr.)	No. of Arrests made
			No. of GSTINs suspended	No. of GSTINs Cancelled	ITC Blocked under Rule 86 A (Rs. in Cr.)	Total Amount of evasion of tax/ITC detected (Rs. in Cr.)		
State	45027	40258	8044	4978	1650.25	6429.30	31.15	0
Centre	29033	28135	10375	6125	2800.99	18916.89	33.67	19
Total	74060	68393	18419	11103	4451.24	25346.19	64.82	19

Annexure-II

Year wise total GST evasion including ITC frauds detected Pan India
for the period 2021-22 to 2024-25 [upto December, 2024] by Central
GST Formations

Total Number of GST Offence Cases*				
Period: April 2021 to December 2024				
Period	No. of Cases	Detection	Recovery	No. of Arrest
		(In Rs. Cr.)	(In Rs. Cr.)	
2021-22	12574	73238	25157	342
2022-23	15562	131613	33226	190
2023-24	20582	230332	31758	223
2024-25 (upto December 24)	23675	188415	20128	132
Total	72393	623598	110269	887

****The GST evasion figures include the figures of ITC fraud cases***

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
STARRED QUESTION NO. *91

TO BE ANSWERED ON MONDAY, FEBRUARY 10, 2025

IMPACT OF GST ON LEASED PROPERTIES

***91. SMT. SAJDA AHMED:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any plan to roll back imposition of GST on leased properties as it gives the financial burden on tenants and property owners;
- (b) whether the Government has conducted any studies or consultations to assess the economic impact of GST on leased properties, if so, the details thereof; and
- (c) the steps taken by the Government to survey and maintain accurate data on leased properties across the country?

ANSWER

MINISTER OF FINANCE
SHRIMATI NIRMALA SITHARAMAN

(a), (b) and (c): A statement is placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED QUESTION
NO. 91 RAISED BY SMT. SAJDA AHMED FOR 10TH FEBRUARY, 2025 ON IMPACT
OF GST ON LEASED PROPERTIES

(a) and (b): GST rates or exemption is prescribed based on the recommendation of the GST Council, which is a constitutional body having representatives of both Centre and States. GST is leviable on renting/leasing of property @ 18% since the introduction of GST in 2017. GST Council in its 54th meeting had recommended bringing the levy of GST on renting/leasing of non- residential (commercial) property under reverse charge basis. Earlier this was taxable under forward charge basis. Accordingly, an entry at Sl. No. 5AB was inserted in Notification No. 13/2017-CT(R) dated 28.06.2017 vide Notification No. 09/2024-CT(R) dated 08.10.2024 . Later on it was represented that this change is causing additional burden on registered assesseees who have opted for Composition Scheme, as they are not entitled to claim ITC of such GST paid.

Accordingly, the matter was deliberated in detail in 55th GST Council meeting held on 21.12.2024. The Council recommended that assesseees working under composition levy should be excluded from the scope of Sl. No. 5AB of the Notification No. 13/2017-CT(R) dated 28.06.2017. Accordingly, Notification No. 07/2025 – CT(R) dated 16.01.2025 was issued to exclude composition taxpayers from the requirement of paying GST on reverse charge basis on such services of renting/leasing of immovable property received from unregistered persons.

(c) : The data about the properties leased across the country is not maintained by the Central Government.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.1690
TO BE ANSWERED ON MONDAY, MARCH 10, 2025

EXEMPTION FROM GST TO AUTISM CENTRES

1690. MS. S JOTHIMANI:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that Autism Centres, which are providing education, care and counselling to children with autism without any profits are not exempted from GST;
- (b) whether it is a fact that only healthcare services extended to terminally ill individuals and persons with severe mental or physical disability are considered charitable organisations and exempted from GST;
- (c) whether it is a fact that severe disability means disability with eighty per cent or more of one or multiple organs;
- (d) whether it is a fact that autism does not fall under the category of severe disability; and
- (e) whether the Government proposes to expand the definition of charitable organisations to include organisations providing services to persons with autism such as Autism Centres?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) & (b): Under the Goods and Services Tax (GST) framework, exemptions are provided in Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017 as under:

- i. Services provided by an educational institution to its students, faculty and staff; [SI No. 66]
“educational institution” means an institution providing services by way of,-
 - (i) pre-school education and education up to higher secondary school or equivalent;
 - (ii) education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;
 - (iii) education as a part of an approved vocational education course;
- ii. Services by an entity registered under section 12AA [or 12AB] of the Income-tax Act, 1961 (43 of 1961) by way of charitable activities. [SI No. 1]
“charitable activities” means activities relating to -
 - (i) public health by way of, -

(A) care or counselling of

(I) terminally ill persons or persons with severe physical or mental disability;

(II) persons afflicted with HIV or AIDS;

(III) persons addicted to a dependence-forming substance such as narcotics drugs or alcohol; or

(B) public awareness of preventive health, family planning or prevention of HIV infection;

(i) advancement of religion , spirituality or yoga;

- (ii) advancement of educational programmes or skill development relating to, -
 - (A) abandoned, orphaned or homeless children;
 - (B) physically or mentally abused and traumatized persons; (C) prisoners; or
 - (D) persons over the age of 65 years residing in a rural area;
- (iii) preservation of environment including watershed, forests and wildlife;
- iii. Services by way of health care services by a clinical establishment, an authorised medical practitioner or para-medics; [SI No. 74]

“clinical establishment” means a hospital, nursing home, clinic, sanatorium or any other institution by, whatever name called, that offers services or facilities requiring diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognised system of medicines in India, or a place established as an independent entity or a part of an establishment to carry out diagnostic or investigative services of diseases;

“health care services” means any service by way of diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognised system of medicines in India and includes services by way of transportation of the patient to and from a clinical establishment, but does not include hair transplant or cosmetic or plastic surgery, except when undertaken to restore or to reconstruct anatomy or functions of body affected due to congenital defects, developmental abnormalities, injury or trauma;

- iv. Services provided by rehabilitation professionals recognised under the Rehabilitation Council of India Act, 1992 (34 of 1992) **by way of rehabilitation, therapy or counselling and such other activity as covered by the said Act** at medical establishments, educational institutions, rehabilitation centers established by Central Government, State Government or Union territory or an entity registered under section 12AA [or 12AB] 123 of the Income-tax Act, 1961 (43 of 1961). [SI No. 74A]

(c) & (d): As per the information provided by Department of Empowerment of Persons with Disabilities, Section 2(r), 2(s) and 2(t) of the RPwD Act 2016 define the “person with benchmark disability”, “person with disability” and “person with disability having high support needs”. Further, as per Schedule to RPwD Act 2016, “autism spectrum disorder” means a neuro-developmental condition typically appearing in the first three years of life that significantly affects a person's ability to communicate, understand relationships and relate to others, and is frequently associated with unusual or stereotypical rituals or behaviours. As per the Guidelines for assessing the extent of specified disabilities dated 14.03.2024 issued by the Department of Empowerment of Persons with Disabilities, the diagnosis of Autism Spectrum Disorder (ASD) is being carried out as under:

The diagnosis of ASD is being established by the DSM-5-based AIIMS-modified INCLIN diagnostic tool for ASD. The Indian Scale of Assessment of Autism is utilized for the calculation of disability among children ≥ 6 years.

Disability Calculation:

Children <6years

All children with ASD in the age group <6 years is assessed and given the disability of 60 to 79% (Moderate Autism). They are re-assessed at the age of ≥ 6 years for severity-based disability calculation as per Indian Scale of Assessment of Autism.

Children/ adolescents ≥ 6 years

The severity-based disability calculation for autism spectrum disorder will be based on the Indian Scale of Assessment of Autism. The disability levels will be as per Table 1.

Serial Number	Indian Scale of Assessment of Autism Score	Disability Percentage
1	Mild Autism (ISAA Score 70 to 106)	40 to 59% disability
2	Moderate Autism (ISAA Score (107 to 153)	60 to 79% disability
3	Severe Autism (ISAA Score >153)	$\geq 80\%$ disability

(e): With regard to the exemptions provided under GST, the rates and exemptions are decided based on the recommendations of the GST Council, which is a constitutional federal body comprising representatives from the Central and State Governments. There is no such recommendation of GST Council.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA UNSTARRED QUESTION NO. 1725

ANSWERED ON MONDAY, THE 10th March, 2025 / PHALGUNA 19, 1946 (Saka)

GST Collection and GST Revenue

1725. SHRI ADHIKARI DEEPAK DEV:

DR. D. PURANDESWARI:

Will the Minister of FINANCE be pleased to state:

- (a) the details of GST collected during the last three years, State/year-wise;
- (b) the details of growth in Goods and Services Tax (GST) revenue collection since its implementation and the manner in which it has contributed to strengthening the country's fiscal health, year-wise;
- (c) the details of the States with highest growth in GST collection and the measures taken by the Government to support underperforming States;
- (d) the details of the key sectors contributing significantly to GST revenue and the way the Government is ensuring their sustained growth;
- (e) the details of the measures taken by the Government to curb tax evasion ensuring GST regime compliance and the steps taken to resolve technical issues faced by taxpayers on the GST portal to ensure seamless compliance; and
- (f) whether the Government have encountered challenges in achieving higher GST collection, if so, the details of the challenges being faced and the steps taken to address the challenges?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- (a): The details of gross Goods and Services Tax (GST) collection on all supplies (Domestic + Imports) during the last three financial years are given as per **Annexure A**.
- (b): The details of growth of GST collection since implementation is as per the table below:

	Gross Revenue (in Rs. Crores)	% Growth (y-o-y)
2017-18*	7,40,650	
2018-19	11,77,368	\$
2019-20	12,22,116	3.80%
2020-21	11,36,805	-7.00%
2021-22	14,83,291	30.50%
2022-23	18,07,680	21.90%
2023-24	20,18,249	11.60%
2024-25 (upto Feb 25)	20,12,720	\$

* 9 months only as GST implemented w.e.f. 1st July, 2017

\$ Y-o-Y growth not comparable

GST, true to its motto of One Nation, One Tax has contributed to strengthening of the country's fiscal health. It has catalysed the formalization of the economy as reflected in the increase in taxpayer base and taxable revenue base. It has delivered several benefits to the businesses such as the removal of cascading taxes, streamlined credit flows, reduced logistical time and cost, and the creation of a unified national market.

(c): The details of the State-wise growth in GST collection in the 11 months upto February for the FY 2023-24 in comparison to FY 2024-25 are given in **Annexure B**.

The Government has taken various measures for reforms in GST, as detailed in reply to part (e) below. In addition, the GST Council has reconstituted a Group of Ministers (GoM) of States to suggest suitable measures/Policy intervention for course correction for revenue augmentation particularly for the States suffering high revenue shortfall.

(d): Estimated sector-wise information on the available data was presented before the GST Council held in December 2024. In order to get more accurate analysis of sectoral revenue and for other GST data, the GST Council has re-constituted a Group of Ministers (GoM) of States which, inter-alia, would review the sector-wise analysis and identify and recommend sectors specific issues that need policy intervention or enforcement measures.

(e): As a measure to track down and take action against masterminds, there are sufficiently deterring legal provisions in the CGST Act which are as under:

- i. Punishment for tax evaded or the amount of ITC wrongly availed or utilised or the amount of refund wrongly taken;
- ii. Suspension / Cancellation of registration of taxpayers involved in fake ITC cases;
- iii. Blocking of ITC in electronic credit ledger;
- iv. Provisional attachment of property / bank accounts, etc. for the recovery of Government dues;

Moreover, regular action is taken to detect fake firms through data analytics and other intelligence by the Central and State authorities. Till now, 2 National Conference of Enforcement Chiefs of State and Central GST Formations have been held in respect of activities being undertaken by the enforcement formations and the importance of maintaining ease of doing business.

Further, the Government, on the recommendations of the GST Council, has taken several reforms in GST including measures to resolve technical issues faced by taxpayers on the GST portal to ensure seamless compliance. These measures have improved the GST compliance and increased the GST collection. These inter-alia include: -

(i) Structural changes like calibration of GST rates for correcting inverted duty structure and pruning of exemptions;

(ii) Measures for improving tax compliance such as mandating e-way bill, ITC matching, mandating e-invoice, deployment of artificial intelligence and machine-based analytics, aadhaar authentication for registration, calibrated action on non-filers, stop filers, targeted assessment-based action on risky tax payer, integration of e-way bill with fast tag etc.

(iii) System based analytical tools and system generated red flag reports are being shared with Central as well as State Tax authorities to take action against tax evaders.

(iv) Moreover, to deal with technical issues, GSTN has taken the following measures: -

- a) Call Centre and IVR based system have been set up to resolve Taxpayers complaints.
- b) Where a large section of taxpayers are affected, GSTN after examination and investigation of the grievances, share the identified issue with the IT Grievance Redressal Committee along with suggested solution for redressal of the problem.
- c) Based on the decisions and directions of the IT Grievance Redressal committee, GSTN implement the decision to resolve the technical issue.
- d) Return filling period is also extended, wherever required.

(f): Yes, Sir. The Government have encountered various challenges in achieving higher GST collection. Some of the challenges were complexity and compliance burden; technology and infrastructure readiness; ITC verification; multiple registrations across States; etc. However, with time, the Government on the recommendations of GST Council has taken several reforms in GST. These measures have improved the GST compliance and increased the GST collection, as detailed in part (e) above.

State/UT-wise Financial Year-wise Gross GST Collection

Rs in Crores

State Code	State	FY 2022-23	FY 2023-24	FY 2024-25 (Till Feb' 25)
		Total	Total	Total
1	Jammu and Kashmir	5,246	6,704	6,580
2	Himachal Pradesh	8,778	9,956	9,523
3	Punjab	20,949	24,061	24,550
4	Chandigarh	2,365	2,771	2,675
5	Uttarakhand	16,845	19,231	18,928
6	Haryana	86,668	1,02,914	1,08,714
7	Delhi	55,843	66,445	70,863
8	Rajasthan	45,458	50,174	49,286
9	Uttar Pradesh	87,970	1,01,693	1,02,256
10	Bihar	16,548	18,021	17,609
11	Sikkim	3,156	3,707	3,714
12	Arunachal Pradesh	1,023	1,308	1,027
13	Nagaland	566	711	597
14	Manipur	615	670	642
15	Mizoram	419	500	466
16	Tripura	884	1,053	1,034
17	Meghalaya	2,076	2,260	1,924
18	Assam	13,710	15,602	15,707
19	West Bengal	58,060	62,613	61,065
20	Jharkhand	32,019	34,738	33,533
21	Odisha	49,442	54,748	55,119
22	Chhattisgarh	31,968	34,874	33,462
23	Madhya Pradesh	36,232	42,174	40,899
24	Gujarat	1,14,221	1,25,168	1,24,654
25	Daman and Diu	3	3	2
26	Dadra and Nagar Haveli	3,771	4,333	4,023
27	Maharashtra	2,70,346	3,20,117	3,28,321
29	Karnataka	1,22,822	1,45,266	1,46,066
30	Goa	5,520	6,475	6,466
31	Lakshadweep	21	45	18
32	Kerala	27,371	30,677	30,280
33	Tamil Nadu	1,04,377	1,21,329	1,19,320
34	Puducherry	2,373	2,636	2,614
35	Andaman and Nicobar Islands	373	428	431
36	Telangana	51,831	59,942	57,586
37	Andhra Pradesh	40,232	44,298	40,791
38	Ladakh	333	481	497
97	Other Territory	2,609	2,615	2,252
99	Center Jurisdiction	1,941	2,506	2,985
	GST Collection (Domestic)	13,24,985	15,23,248	15,26,476
	Imports	4,82,695	4,95,001	4,86,244
	Total GST Collection	18,07,680	20,18,249	20,12,720

**Growth of Gross GST revenue (domestic) collected from the States in 11 months of FY
2024-25**

Rs in Crores

State Code	State/UT	2023-24 (till Feb, 2024)	2024-25 (till Feb, 2025)	Growt h
27	Maharashtra	292429	328321	12%
29	Karnataka	132252	146066	10%
24	Gujarat	113776	124654	10%
33	Tamil Nadu	110312	119320	8%
6	Haryana	93369	108714	16%
9	Uttar Pradesh	92606	102256	10%
7	Delhi	60625	70863	17%
19	West Bengal	57140	61065	7%
36	Telangana	54543	57586	6%
21	Odisha	49639	55119	11%
8	Rajasthan	45376	49286	9%
23	Madhya Pradesh	38200	40899	7%
37	Andhra Pradesh	40216	40791	1%
20	Jharkhand	31495	33533	6%
22	Chhattisgarh	31731	33462	5%
32	Kerala	28079	30280	8%
3	Punjab	21971	24550	12%
5	Uttarakhand	17501	18928	8%
10	Bihar	16029	17609	10%
18	Assam	14058	15707	12%
2	Himachal Pradesh	9104	9523	5%
1	Jammu and Kashmir	6103	6580	8%
30	Goa	5910	6466	9%
26	Dadra and Nagar Haveli	3881	4023	4%
11	Sikkim	3404	3714	9%
99	Center Jurisdiction	2286	2983	30%
4	Chandigarh	2533	2675	6%
34	Puducherry	2415	2614	8%
97	Other Territory	2419	2252	-7%
17	Meghalaya	2047	1924	-6%
16	Tripura	933	1034	11%
12	Arunachal Pradesh	1140	1027	-10%
14	Manipur	601	642	7%
13	Nagaland	629	597	-5%
38	Ladakh	440	497	13%
15	Mizoram	450	466	4%
35	Andaman and Nicobar Islands	396	431	9%
31	Lakshadweep	43	18	-58%
25	Daman and Diu	2	2	-22%

LOK SABHA
UNSTARRED QUESTION NO. 1758
TO BE ANSWERED ON MONDAY, MARCH 10, 2025/PHALGUNA 19, 1946 (SAKA)

GST AND OTHER TAXES RECEIVED FROM STATES

1758. SHRI RAJMOHAN UNNITHAN

Will the Minister of FINANCE be pleased to state:

- (a) the details of GST, direct, indirect and other tax contributions received by the Government from each State during the last five years, State-wise;
- (b) the details of funds allocated to each State based on central taxes collected during the last five years;
- (c) whether any proposal to change the tax allocation formula are being considered by the Government as it is being requested by various States; and
- (d) if not, the reasons therefor?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): The details of direct tax collection during the last five years from F.Y.2019-20 to 2023-24 State – wise are enclosed at **Annexure ‘A’**.

Net Central Indirect Tax during the last five financial years are as follow:

(Rs. In Crore)

Financial Year	Total Net Central Indirect Taxes [Customs Duty+Union Excise Duty +Service Tax +GST]
2019-20	9,53,515
2020-21	10,74,809
2021-22	12,89,662
2022-23	13,81,935
2023-24	14,96,114
State wise data is not maintained by Central Board of Indirect Taxes w.r.t. Custom Duty, Union Excise Duty, Service Tax recovery.	

The details of Gross CGST collection from FY-2019-20 to 2023-24 State-wise are enclosed at **Annexure ‘B’**

(b) to (d): The details of States’ Share of Union Taxes and Duties released to the State since 2019-20 to 2023-24 are enclosed at **Annexure ‘C’**.

The inter-se share of States in the net proceeds of shareable taxes of the Union is decided on the basis of the recommendation of the Finance Commission in terms of Article 280 of the Constitution.

The Details of Direct tax collection during the last five years from F.Y. 2019-20 to 2023-24

(Rs. In Crore)

States/UT	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Andhra Pradesh	42,730.45	40,314.07	56,663.27	57,324.09	26,066.46
Arunachal Pradesh	241.48	182.06	233.34	293.90	233.98
Assam	4,723.02	4,550.89	5,688.45	8,111.38	7,510.93
Bihar	5,723.48	5,381.96	7,396.60	6,845.32	6,692.73
Jharkhand	6,637.17	5,581.39	7,031.06	9,213.47	10,500.59
Goa	2,170.29	2,655.27	2,879.41	3,379.19	3,867.43
Gujarat	49,517.69	46,863.55	71,642.27	85,018.91	93,300.72
Haryana	27,824.12	24,492.81	37,729.33	45,649.85	70,947.31
Himachal Pradesh	2,482.26	2,322.74	3,072.86	3,537.79	3,150.17
Jammu Kashmir					
Karnataka	1,08,973.15	1,16,254.58	1,68,678.09	2,08,168.88	2,34,098.39
Kerala	15,164.10	14,515.59	19,562.02	23,983.26	23,966.92
Madhya Pradesh	18,698.24	13,283.23	18,137.83	19,484.78	20,086.99
Chhattisgarh	5,008.88	4,451.08	7,782.70	8,747.52	13,534.13
Maharashtra	3,84,258.21	3,31,969.03	5,24,497.65	6,05,268.35	7,61,716.30
Manipur	139.11	417.65	310.50	383.13	323.12
Meghalaya	1,101.54	999.73	1,063.86	1,608.82	1,800.73
Mizoram	42.28	44.07	90.14	105.36	81.78
Nagaland	134.77	176.91	292.70	295.44	344.10
Delhi	1,49,613.12	1,20,120.94	1,77,824.22	2,21,522.20	2,03,197.06
Odisha	13,581.03	10,257.99	15,587.24	19,590.40	20,865.54
Punjab	11,703.85	10,491.10	15,981.11	17,271.44	17,215.00
Rajasthan	16,507.93	17,539.35	25,215.64	30,609.56	30,551.42
Sikkim	400.26	291.82	384.10	365.17	287.83
Tamil Nadu	69,809.31	61,122.33	88,438.33	1,07,063.82	1,27,067.17
Tripura	292.02	488.73	424.19	481.39	417.38
Uttar Pradesh	26,990.00	26,735.17	34,719.83	37,983.05	48,333.44
Uttarakhand	3,406.16	3,088.27	4,208.44	4,632.19	15,861.49
West Bengal	40,628.71	40,310.24	53,774.61	55,560.62	60,374.64
Telangana	14,045.81	15,853.93	27,184.95	35,433.56	84,439.24
State Sub-total	10,22,548.46	9,20,756.48	13,76,494.77	16,17,932.86	18,86,832.99
Andaman Nicobar	116.17	67.88	88.86	96.18	79.88
Chandigarh	2,668.12	1,868.01	3,574.08	3,939.81	3,972.80
Daman and Diu	264.40	548.34	985.00	344.18	440.48
Dadar N. Haveli	269.65			669.78	518.50
Puducherry	805.41	611.86	991.78	1,268.68	1,273.44
Ladakh	-	0.02	-0.06	0.01	-1.54
Lakshadweep	20.36	20.77	28.79	33.52	39.79
Jammu Kashmir	1,318.29	1,036.83	1,778.40	2,036.10	1,965.17
UT Sub-total	5,462.4	4,153.71	7,446.85	8,388.26	8,288.52
C.T.D.S.	22,669.70	22,266.20	28,480.83	37,365.35	40,547.83
Foreign (see Note-1)					26,122.34
Unapportioned (see Note-2)					31.64
Grand Total	10,50,680.56	9,47,176.37	14,12,422.45	16,63,686.47	19,61,823.31

Gross CGST Collection from FY 2019-20 to 2023-24

(Rs. In crore)

	Gross CGST Collection	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
1	Jammu and Kashmir	1,060.28	950.91	1,377.95	1,532.43	2,079.45
2	Himachal Pradesh	1,207.39	1,178.03	1,381.13	1,669.33	1,873.87
3	Punjab	3,674.19	3,489.68	4,586.58	5,058.05	5,794.97
4	Chandigarh	386.88	302.05	365.85	461.03	525.60
5	Uttarakhand	2,518.83	2,263.47	2,577.59	3,315.23	3,860.72
6	Haryana	9,560.00	8,795.09	11,269.30	13,729.55	15,812.91
7	Delhi	9,248.94	7,195.51	9,291.80	11,322.86	13,254.20
8	Rajasthan	8,946.30	8,318.07	10,230.93	11,984.11	13,710.28
9	Uttar Pradesh	14,257.76	13,506.33	16,875.67	19,808.73	23,823.75
10	Bihar	3,255.02	3,208.46	3,792.71	4,553.12	5,024.62
11	Sikkim	145.35	141.95	188.07	223.85	317.08
12	Arunachal Pradesh	223.52	258.33	263.69	385.11	509.49
13	Nagaland	100.02	145.51	140.87	175.28	242.04
14	Manipur	157.43	146.85	211.20	226.03	249.98
15	Mizoram	81.81	79.73	117.92	150.65	180.72
16	Tripura	237.52	273.74	293.96	332.64	387.05
17	Meghalaya	231.50	222.46	294.25	396.86	490.69
18	Assam	3,050.08	2,986.34	3,640.88	4,000.82	4,738.58
19	West Bengal	12,612.66	11,784.20	14,500.77	17,654.81	19,266.56
20	Jharkhand	4,005.64	3,735.90	5,040.93	5,879.89	6,309.17
21	Odisha	6,534.36	6,555.59	10,826.71	11,798.62	13,822.59
22	Chhattisgarh	4,446.30	4,650.13	5,846.83	6,318.08	6,890.19
23	Madhya Pradesh	6,413.15	6,308.85	7,280.45	8,427.82	10,336.14
24	Gujarat	21,499.68	20,217.30	26,933.68	31,404.70	34,753.23
25	Daman and Diu	113.47	38.41	0.87	0.48	0.52
26	Dadra and Nagar Haveli	203.59	273.93	410.56	502.17	511.72
27	Maharashtra	50,682.64	44,847.35	59,243.41	72,879.87	86,257.70
29	Karnataka	19,824.22	18,187.23	22,696.88	28,448.13	33,321.41
30	Goa	1,050.73	781.75	1,031.24	1,508.60	1,817.52
31	Lakshadweep	8.18	5.69	8.03	8.05	15.97
32	Kerala	6,080.61	5,727.98	7,100.49	9,278.57	10,804.91
33	Tamil Nadu	19,185.22	17,712.41	22,015.04	27,360.95	31,693.04
34	Puducherry	244.95	210.58	229.19	303.21	333.36
35	Andaman and Nicobar Islands	131.31	95.70	122.16	138.70	156.78
36	Telangana	9,406.34	8,821.71	10,930.05	12,841.56	15,512.62
37	Andhra Pradesh	6,534.33	6,327.97	7,844.39	9,584.78	10,686.65
38	Ladakh	-	41.14	75.63	122.44	187.91
97	Other Territory	121.67	129.57	99.54	135.96	156.44
99	Center Jurisdiction	0.11	-	-	-	-
	Grand Total	2,27,441.98	2,09,915.90	2,69,137.20	3,23,923.07	3,75,710.43

**States' Share of Union Taxes and Duties Released to the State since 2019-20 to 2023-24
(Rs. In Crore)**

Sl.	State	2019-20	2020-21	2021-22	2022-23	2023-24
1	Andhra Pradesh	28242.39	24460.59	35385.83	38176.74	45710.74
2	Arunachal Pradesh	8987.57	10472.58	14643.90	16689.17	19845.22
3	Assam	21721.44	18629.32	28150.55	29694.26	35330.57
4	Bihar	63406.33	59861.41	91352.62	95509.85	113604.49
5	Chhattisgarh	20205.84	20337.54	28570.86	32358.26	38481.88
6	Goa	2479.85	2296.53	3356.98	3665.19	4359.85
7	Gujarat	20232.09	20218.53	31105.78	33034.00	39283.63
8	Haryana	7111.53	6437.59	9722.16	10378.00	12345.35
9	Himachal Pradesh	4677.56	4753.92	7349.04	7883.98	9374.72
10	Jammu & Kashmir	6801.81	0.00	0.00	0.00	
11	Jharkhand	20593.04	19712.23	27734.64	31404.12	37352.35
12	Karnataka	30919.00	21694.11	33283.58	34596.18	41192.63
13	Kerala	16401.05	11560.40	17820.09	18260.68	21742.92
14	Madhya Pradesh	49517.61	46922.16	69541.50	74542.85	88665.34
15	Maharashtra	36219.64	36504.01	54318.06	60000.97	71349.75
16	Manipur	4047.77	4271.97	6009.65	6795.08	8087.14
17	Meghalaya	4211.78	4551.63	6580.63	7286.14	8663.22
18	Mizoram	3017.80	3010.55	4222.87	4745.25	5647.47
19	Nagaland	3267.08	3409.25	4875.46	5400.19	6426.82
20	Odisha	30453.25	27542.67	38144.79	42989.33	51143.68
21	Punjab	10345.78	10638.21	15288.79	17163.65	20409.92
22	Rajasthan	36049.14	35575.77	54030.61	57230.79	68063.21
23	Sikkim	2407.69	2308.47	3353.69	3680.28	4382.44
24	Tamil Nadu	26392.40	24924.51	37458.60	38731.24	46072.28
25	Telangana	15987.59	12691.62	18720.54	19668.15	23742.04
26	Tripura	4211.78	4218.45	6077.52	6724.23	7996.82
27	Uttar Pradesh	117818.30	106687.01	160358.05	169745.30	202619.69
28	Uttarakhand	6901.54	6568.72	9906.25	10617.01	12627.75
29	West Bengal	48048.40	44737.01	65540.75	71434.93	84971.79
	TOTAL	650677.05	594996.76	882903.79	948405.82	1129493.71

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA UNSTARRED QUESTION NO. 1837
ANSWERED ON MONDAY, MARCH 10, 2025/PHALGUNA 19, 1946 (SAKA)

GST Revenue Collected from A & N Islands

1837: Shri Bishnu Pada Ray:

Will the Minister of FINANCE be pleased to state:

- (a) the total amount of GST revenue accrued from all the sources in the Andaman & Nicobar Islands including the Hotel and Tourism Industry, during the last five years, year-wise;
- (b) whether the GST collected from the Andaman & Nicobar Islands is credited to the Consolidated Fund of India;
- (c) if so, the details thereof;
- (d) whether any portion of the GST revenue collected from the Islands is allocated or utilized for the development and welfare of the Islands; and
- (e) if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): Gross GST Collection (Domestic) in the Andaman & Nicobar Islands including the Hotel and Tourism Industry, during the last five years, year-wise is as follows:

Financial Year	Amount (in Rs. Crores)
2020-21	255
2021-22	332
2022-23	373
2023-24	428
2024-25 (till Feb, 2025)	431

** Under the head CGST, UTGST/SGST, IGST and Cess*

(b) & (c): Yes Sir. The details of the Net UTGST collections from Andaman & Nicobar Islands is as follows:

Financial Year	Amount* (in Rs. Crores)
2019-20	192
2020-21	129
2021-22	169
2022-23	183
2023-24	190

** Finance Accounts Gol*

(d) & (e): The allocation or utilization of portion out of the GST revenue collected from A & N island is not maintained.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.2662
TO BE ANSWERED ON MONDAY, MARCH 17, 2025

GST HIKE ON AGRICULTURAL PUMP-SETS

2662. SHRI SELVAGANAPATHI T.M.:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the manufacturers of the agricultural pump-sets have been badly hit during the last three years due to the hike in the Goods and Services Tax rates on their product;
- (b) whether it is also a fact that the sales of pump sets has been slided by 10% of the total agriculture pump sets sales after the introduction of 12% GST;
- (c) whether it is also true that the pump set manufacturers had problems in claiming refund of input tax credit as the rate of GST has been increased to 18% from 12%; and
- (d) if so the steps proposed to be taken by the Government in this regard?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): A reference received from manufacturers association has stated that increase in GST rate from 12% to 18% on water pump sets has led to reduction in sales by organized pump manufacturers.

(b): No such information has been brought to the notice of Central Government.

(c) & (d): GST rates are prescribed based on the recommendation of the GST Council which is a constitutional body comprising of representatives from Union and State Governments/UTs. The GST Council in its 47th meeting, held in June 2022, accepted the recommendation of the Group of Ministers on Rate Rationalization to increase the GST rate from 12% to 18% to correct inversion in duty structure. Since, the GST rate on both pumps and their parts are at 18%, the issue of refund does not arise.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.2692
TO BE ANSWERED ON MONDAY, MARCH 17, 2025

GST ON JEEVAN RAKSHAK LIFE INSURANCE POLICIES

†2692. SHRI PUSHPENDRA SAROJ:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to abolish 18 per cent GST imposed on the premium of 'Jeevan Rakshak' life insurance policies; and
- (b) whether the Government proposes to include the amount of premium being deposited for 'Jeevan Rakshak' life insurance policies (medical) under section 80 of the Income Tax Act?

ANSWER
**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a): GST rates and exemptions on all services and goods are prescribed on the recommendations of the GST Council which is a Constitutional body comprising of members from both the Union and State/UT Governments.

The issue of GST on health and life insurance was placed before the GST Council in its 54th meeting held on 09th September 2024 in New Delhi. After detailed deliberations, the GST Council recommended to constitute a Group of Ministers (GoM) to holistically look into the issues pertaining to GST on life insurance and health insurance. Accordingly, a Group of Ministers (GoM) on Life and Health Insurance was constituted under the Convenorship of Sh. Samrat Choudhary, Hon'ble Deputy CM, Bihar.

During the 55th meeting of the GST Council held on 21st December 2024 in Jaisalmer, the Convenor of the Group of Ministers (GoM) on Life and Health Insurance sought more time for finalizing the GoM's recommendations and placing the same before the GST Council. The Council agreed to give more time to the GoM to finalize its recommendations.

(b): There is no such proposal under consideration. Deduction in respect of health insurance premia is already allowed under Section 80D of the Income-Tax Act, 1961.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.2699

TO BE ANSWERED ON MONDAY, MARCH 17, 2025

REDUCTION GST ON HEALTH AND LIFE INSURANCE POLICIES

2699. SHRI RAMASAHAYAM RAGHURAM REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the steps taken/to be taken by the Government to ensure that any reduction of 18% of GST on health insurance will be effectively passed on to consumers, rather than being retained by insurance companies;
- (b) whether the Government has any plan to reinstate or strengthen anti-profiteering measures to ensure that tax benefits are reflected in reduced premiums for health insurance policies;
- (c) if so, the details thereof;
- (d) whether the Government plans to address the potential revenue loss for States resulting from a reduction in GST on health insurance;
- (e) if so, the details thereof; and
- (f) the measures being considered by the Government to balance this loss with the need for consumer relief?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a): An effective regulatory framework in the form of regulations on insurance products and master circulars issued thereon is in place to monitor insurance products, which includes designing insurance products and setting insurance premiums. GST, at applicable rates, is collected separately in addition to insurance premium. As the GST rates are applicable over and above the insurance premium, if the GST rate is reduced, it is expected to benefit the policyholder directly especially in a competitive market with many insurers.

(b): GST rates and exemptions on all services and goods are prescribed on the recommendations of the GST Council which is a Constitutional body comprising of members from both the Union and State/UT Governments.

The issue of GST on health and life insurance was placed before the GST Council in its 54th Meeting held on 9th September, 2024 at New Delhi. After detailed deliberations, the GST Council recommended to constitute a Group of Ministers (GoM) to holistically look into the issues pertaining to GST on life insurance and health insurance. Accordingly, a Group of Ministers (GoM) on Life and Health Insurance was constituted under the Convenorship of Sh. Samrat Choudhary, Hon'ble Deputy CM, Bihar.

During the 55th meeting of the GST Council held on 21st December, 2024 in Jaisalmer, the Convenor of the Group of Ministers (GoM) on Life and Health Insurance sought more time for finalizing the GoM's recommendations and placing the same before the GST Council. The Council agreed to give more time to GoM to finalize its recommendations.

In absence of any recommendation of the GST Council, no comments can be offered on tax benefits for health insurance policies.

(c), (d), (e) & (f): Does not arise in view of reply to (b) above.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO.3789

TO BE ANSWERED ON MONDAY, MARCH 24, 2025/CHAITRA 3, 1947 (SAKA)

**REDUCTION OF GST ON HIGHER EDUCATION AND STUDENT
AFFORDABILITY**

3789. SHRI VISHALDADA PRAKASHBAPU PATIL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that reducing GST rates on higher education and educational payments could significantly alleviate the financial burden on students;
- (b) if so, whether the Government has considered to reduce GST on higher education and related payments to the slabs 12%, 5% or 0%;
- (c) if not, the reasons for maintaining the current GST rates on educational services; and
- (d) whether any consultations has been made with stakeholders regarding GST reforms for the education sector particularly addressing the financial burden on students of tier-2 and tier-3 cities such as Sangli where access to higher education is already constrained by economic factors?

ANSWER
**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a), (b), (c) & (d): GST rates and exemptions are prescribed based on the recommendations of the GST Council, which is a Constitutional body comprising members from both the Union and State/UT Governments. Any decision regarding change in rates/exemptions or otherwise is made only after GST Council's deliberative process. Currently, no differential GST rates based on category of cities are in effect.

At present various exemptions provided under the GST framework to education sector are as under:

A. Notification No. 12/2017 - Central Tax (Rate) dated 28.06.2017

1. SI No. 66:

a. Services provided by an educational institution to its students, faculty and staff;

b. Services by an educational institution by way of conduct of entrance examination.

c. The following services provided *to* an educational institution:

i. Services relating to admission to, or conduct of examination by, such institution;

ii. If provided to pre-school or upto higher secondary school:

- Transportation of students, faculty and staff;
- Catering, including mid-day meals scheme sponsored by the Central Government, State Government or Union territory;
- Security or cleaning or housekeeping services performed in such educational institution;

iii. Supply of online educational journals or periodicals (provided to higher educational institution);

“educational institution” has also been defined as an institution providing services by way of,-

(i) pre-school education and education up to higher secondary school or equivalent;

(ii) education as a part of a curriculum for obtaining a qualification recognised by any law for the time being in force;

(iii) education as a part of an approved vocational education course;

2. Sl No. 66A: Services of affiliation provided by a Central or State Educational Board or Council or any other similar body, by whatever name called, to a school established, owned or controlled by the Central Government, State Government, Union Territory, local authority, Governmental authority or Government entity.

B. Notification No. 02/2017 - Central Tax (Rate) dated 28.06.2017 provide exemption to various items which are as under:

1. Printed books, including Braille books
2. Newspapers, journals and periodicals, whether or not illustrated or containing advertising material
3. Children's picture, drawing or colouring books
4. Slate pencils and chalk sticks
5. Slates

At present, there is no recommendation from the GST Council regarding exemption or clarification for any other educational service.

Government of India
Ministry of Finance
Department of Revenue

LOK SABHA
UN-STARRED QUESTION NO. 3808

To be answered on Monday, March 24, 2025/ Chaitra 3, 1947 (Saka)

NATIONAL BENCH OF GST APPELLATE TRIBUNAL(GSTAT)

3808. Shri Pradyut Bordoloi:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has completed the process of appointing all the members of the National Bench of the GST Appellate Tribunal (GSTAT) and operationalising it and if not, the reasons therefor;
- (b) the details and the number of States that have not yet operationalised the State benches of their GSTATs;
- (c) the details and the number of GST appeals pending for the last five years; and
- (d) whether the Government has set any timelines for the establishment of the State benches of GSTATs in all the States?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): The Principal Bench and State Benches of the Goods and Services Tax Appellate Tribunal (GSTAT) have been notified. The President, GSTAT has been appointed w.e.f. 06.05.2024. Work towards early operationalization is in progress

(c): GSTAT has not started accepting appeals.

(d): After the benches are constituted, GSTAT would commence operations.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA

UNSTARRED QUESTION No. 3854

TO BE ANSWERED ON MONDAY, MARCH 24, 2025/CHAITRA 3, 1947 (SAKA)

GST COMPLIANCE CONCERNS OF MSMES AND SMALL TAXPAYERS

3854. SMT. POONAMBEN HEMATBHAI MAADAM:

Will the Minister of FINANCE be pleased to state:-

- (a) whether the Government has taken any steps to address the compliance concerns of MSMEs and small taxpayers under GST;
- (b) if so, the details thereof;
- (c) whether the Government has taken any steps to simplify and streamline GST procedures to facilitate trade and commerce in the country; and
- (d) if so, the details thereof and the manner in which these steps promote ease of doing business?

ANSWER

THE MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (d): Yes, Government on the recommendations of GST Council, has proactively taken several measures from time to time to reduce the compliance burden of taxpayers, to simplify the GST and to promote ease of doing business in the country. Some of the major policy measures undertaken/being taken by the Government in this regard are as under:

- (i) The threshold limit of annual turnover for registration under GST for entities engaged in supply of goods has been increased to Rs. 40 lakhs (other than some special category States) effective from April 1, 2019, which was initially Rs. 20 lakhs. This ensures that no GST compliance is required by such small units below the above threshold turnover and no GST is required to be paid by such units upto the said threshold turnover.

- (ii) The threshold limit of annual turnover for supply of goods under composition scheme has been increased to Rs. 1.5 crore (other than some special category States) effective from 1st April 2019, which was initially Rs. 75 lakhs. Such taxpayers under composition scheme are required to file a return on annual basis, thus reducing their compliance burden substantially.
- (iii) A scheme of quarterly return filing and monthly payment (QRMP) has been introduced where small taxpayers with turnover up to Rs. 5 crores have an option to file returns on quarterly basis, instead of monthly return
- (iv) Functionality for filing of NIL GST monthly return through SMS has been created for benefit of taxpayers.
- (v) Refund process has been made completely electronic with the process of filing, processing and sanction of refund done completely electronically.
- (vi) To reduce compliance burden on small taxpayers, exemption has been provided from filing annual return to taxpayers having annual Aggregate Turnover upto Rs. 2 crores.
- (vii) To facilitate and ease return filing process, an auto-generated return with editing facility is being provided to the taxpayers on the portal based on details of the outward supplies furnished by the taxpayer and their suppliers.
- (viii) A new option has been provided to allow the amendment of outward supplies of goods or services for current tax period.
- (ix) UPI, Credit Card and IMPS have been provided as additional modes for payment of GST to facilitate taxpayers and to further encourage digital payment.
- (x) To facilitate small taxpayers in making supply of goods through e-commerce operators (ECOs), the requirement of mandatory registration for intra-state supply of goods through ECOs has been waived off with effect from 01.10.2023 subject to fulfillment of certain conditions.
- (xi) Retrospective amendment w.e.f. 01.07.2017 has been made to increase the time limit to avail input tax credit in respect of any invoice or debit note pertaining to the financial years 2017-18, 2018-19, 2019-20 and 2020-21, through any GSTR 3B return filed upto 30.11.2021.

(xii) Section 128A has been inserted in Central Goods and Services Tax Act, 2017, leading to waiver of interest and penalties for demand notices issued under Section 73 of the CGST Act for the fiscal years 2017-18, 2018-19 and 2019-20, in cases where the taxpayer pays the full amount of tax demanded in the notice upto 31.03.2025.

(xiii) Amendment has been made in Section 107 and Section 112 of Central Goods and Services Tax Act, 2017, for reducing the amount of pre-deposit required to be paid for filing of appeals under GST.

(xiv) To reduce burden of late fee on smaller taxpayers, late fee structure has been rationalized, from June, 2021 tax period onwards, by aligning the upper cap of late fee with tax liability/turnover of the taxpayer.

(xv) Decriminalization of certain offences have been carried out in Central Goods and Services Tax Act, 2017.
