

Government of India
Ministry of Finance
Department of Revenue

RAJYA SABHA
STARRED QUESTION NO. 136
TO BE ANSWERED ON TUESDAY, DECEMBER 20, 2022,
AGRAHAYANA 29, 1944 (SAKA)

CESS COLLECTED BY GOVERNMENT AND ITS SHARING WITH STATES

136. DR. JOHN BRITTAS :

Will the Minister of Finance be pleased to state:

- (a) the percentage of cess and surcharges in gross tax revenue of the Centre during the last three years;
- (b) the details thereof;
- (c) whether Government will include revenues from cesses and surcharges as a part of the divisible pool, as per the recommendations of 15th Finance Commission; and
- (d) if not, the reasons therefor?

ANSWER
MINISTER OF FINANCE
(SMT. NIRMALA SITHARAMAN)

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

Statement referred to in reply to RAJYA SABHA Starred Question No. 136 for answer on 20th December, 2022 raised by Dr. John Brittas regarding “Cess collected by Government and its sharing with States”.

(a) & (b) : The percentage of cess and surcharges in gross tax revenue of the Centre during the last three years;

(Rs. In Lakh Crore)

Year	Gross Tax Revenue	Percentage of Cess and Surcharge in Gross Tax Revenue
2019-20	20.10	18.2%
2020-21	20.27	25.1%
2021-22 (RE)	25.16	28.1%

Source: Receipt Budget

(c) & (d): As per provision under Article 270 of the Constitution of India, all taxes and duties referred to in the Union List, except the duties and taxes, surcharge on taxes and duties and any cess levied for specific purposes under any law made by Parliament shall be levied and collected by the Government of India and shall be distributed between the Union and the State. The aforesaid Constitutional provision forms the basis for cess collection and utilization by Union Government.
