

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS
RAJYA SABHA
STARRED QUESTION NO. *58

TO BE ANSWERED ON TUESDAY 07th FEBRUARY, 2023
[18 MAGHA, 1944 (SAKA)]

‘Sharing of Union Taxes with States’

No. *58. Shri V. Vijayasai Reddy:

Will the MINISTER OF FINANCE be pleased to refer to the answer to Unstarred Question 3739 given in the Rajya Sabha on 5th April, 2022 and state:

- (a) the details of formula recommended by the 15th Finance Commission for sharing Union taxes with States;
- (b) the details of taxes, under the above formula, shared by the Union Government with the State of Andhra Pradesh since 2018-2019, year-wise;
- (c) the details of Cesses, Additional Excise Duty and other taxes imposed by the Union Government since 2014-15, year-wise and tax-wise;
- (d) whether Cesses, Additional Excise Duty and similar other taxes are not shared with States; and
- (e) if not, the reasons therefor?

Answer

FINANCE MINISTER

(SMT. NIRMALA SITHARAMAN)

(a) to (e) : A Statement is placed on the Table of the House.

Statement referred to in reply to Rajya Sabha Starred Question No.*58 for answer on February 7th, 2023 raised by Shri V. Vijayasai Reddy regarding 'Sharing of Union Taxes with States' :

- (a) : The 15th Finance Commission has recommended vertical share of 41% of the divisible pool of taxes for the State during the award period. To arrive at the *inter se* shares of States in the devolution, the horizontal devolution formula as recommended in report for the period from 2020-21 to 2025-26 is as under :

Criteria	Weight (%)
Population	15.0
Area	15.0
Forest and ecology	10.0
Income distance	45.0
Tax and Fiscal efforts	2.5
Demographic performance	12.5
	100

Inter se share of States in the devolution, the horizontal devolution formula has been recommended as under :

Sl.No.	State	Share (per cent)
1	Andhra Pradesh	4.047
2	Arunachal Pradesh	1.757
3	Assam	3.128
4	Bihar	10.058
5	Chhattisgarh	3.407
6	Goa	0.386
7	Gujarat	3.478
8	Haryana	1.093
9	Himachal Pradesh	0.830
10	Jharkhand	3.307
11	Karnataka	3.647
12	Kerala	1.925
13	Madhya Pradesh	7.850
14	Maharashtra	6.317

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Sl.No.	State	Share (per cent)
15	Manipur	0.716
16	Meghalaya	0.767
17	Mizoram	0.500
18	Nagaland	0.569
19	Odisha	4.528
20	Punjab	1.807
21	Rajasthan	6.026
22	Sikkim	0.388
23	Tamil Nadu	4.079
24	Telangana	2.102
25	Tripura	0.708
26	Uttar Pradesh	17.939
27	Uttarakhand	1.118
28	West Bengal	7.523
	TOTAL	100.00

(b) : The details of taxes shared with the State of Andhra Pradesh as per 15th Finance Commission's recommendations is as under -

(₹ in crore)

	2020-21	2021-22	2022-23 (RE)	2023-24 (BE)
Andhra Pradesh	24,460.59	35,385.83	38,176.74	41,338.02

Similarly, share of taxes released to Andhra Pradesh during 2018-19 and 2019-20, as per approved recommendations of 14th Finance Commission, was ₹ 32,787.03 crore and ₹ 28,242.39 crore respectively.

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- (c) : Details of net tax revenue, including Cesses, additional excise duty and other taxes, accrued to Central Government are given in Annexure.
- (d & e) : As per provisions 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 States. The aforesaid Constitutional provision forms the basis for cess collection and utilization for Union Government.

Annexure

Details of net tax revenue, including Cesses, additional excise duty and other taxes, accrued to Central Government

(₹ crore)

	Actuals							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
0005-Central Goods and Services Tax				193591.9	269569.3	309429.3	279883.2	338383.9
				9	8	1	7	6
0007-Union Territory Goods and Services Tax				1635.10	2778.76	3034.98	2764.20	3990.76
0008-Integrated Goods and Services Tax				108690.4	13943.88	9125.21	7251.43	2119.08
				4				
0009-Goods and Services Tax Compensation Cess				62611.59	95080.71	95553.09	85191.91	104768.6
								6
0020-Corporation Tax -	310689.	293486.	289484.6	364936.3	398731.0	335024.0	278002.5	443651.7
Cesses	72	72	2	6	1	5	7	6
Others	12212.29	12704.00	13998.55	16305.15	24057.56	20888.00	17795.16	27140.05
	298477.4	280782.7	275486.0	348631.2	374673.4	314136.0	260207.4	416511.7
	3	2	7	1	5	5	1	1
0021-Taxes on Income other than Corporation Tax	173943.	169456.	204761.3	234026.1	266607.8	306669.4	286362.5	410207.4
Cesses	30	72	0	9	7	9	9	5
Others	7773.20	8445.19	10265.63	12276.71	17120.09	18243.10	18026.39	25592.28
	166170.1	161011.5	194495.6	221749.4	249487.7	288426.3	268336.2	384615.1
	0	3	7	8	8	9	0	7
0023-Hotel Receipts Tax	0.94	0.59	0.48	0.50	0.44	1.26	0.30	0.25
0024-Interest Tax	5.58	5.31	4.98	4.45	3.19	2.09	2.36	3.96
0026-Fringe Benefit Tax	-8.27	-45.82	-66.89	-93.29	-31.59	-135.27	-181.86	-54.98
Cesses	0.23	0.75	0.06	0.03	0.00	0.00	0.00	0.00
Others	-8.50	-46.57	-66.95	-93.32	-31.59	-135.27	-181.86	-54.98

Annexure

Details of net tax revenue, including Cesses, additional excise duty and other taxes, accrued to Central Government

(₹ crore)

	Actuals							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
0028-Other Taxes on Income and Expenditure	8.00	0.97	15163.19	10887.53	-1363.49	63.26	4.68	0.57
Cesses			710.64	1454.15	0.16	4.12	0.00	0.01
Income Declaration Scheme, 2016			8192.13	7104.89	5.95	45.95	0.12	0.38
Expenditure Tax Act, 1987			3283.54	2316.35	9.03	13.18	4.55	2.08
Others			2976.88	12.14	-1378.63	0.01	0.01	-1.90
0029-Land Revenue	2.97	21.02	3.54	4.08	9.89	17.27	9.20	9.93
0030-Stamps and Registration Fee	157.61	159.96	183.17	205.37	218.93	298.78	238.08	301.79
0031-Estate Duty	0.22	0.67	0.67	0.84	1.12	1.70	1.38	1.74
0032-Taxes on Wealth	766.31	1039.79	-262.97	68.76	-57.37	8.46	10.47	-47.61
0033-Gift Tax	0.50	0.01	0.00	0.00	0.00	0.00	0.00	0.00
0034-Securities Transaction Tax	7398.15	7350.11	8998.12	11881.40	11527.50	12374.23	16926.99	23191.03
0035-Taxes on Immovable Property other than Agricultural Land								0.04
0036-Commodities Transaction Tax	0.01	0.00	0.00	0.01	0.00	0.00	1.89	0.02
0037-Customs	133257.64	129089.59	141299.95	61052.92	63830.53	67955.21	103221.26	134648.73
Cesses	4741.97	5588.45	5978.83	3017.15	1791.00	5827.08	9266.85	30386.52
	128515.6	123501.1	135321.1					104262.2
Other Duties	7	4	2	58035.77	62039.53	62128.13	93954.41	1
0038-Union Excise Duties	158118.09	219431.30	284494.25	186877.43	195118.13	210691.62	369694.35	354841.13

Annexure

Details of net tax revenue, including Cesses, additional excise duty and other taxes, accrued to Central Government

(₹ crore)

	Actuals							
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Cesses	57023.64	104399.58	125975.52	103417.16	130467.36	138936.79	251776.13	269570.49
Additional duty of Excise	16531.30	18610.92	22136.05	28348.46	31175.46	37415.98	79356.00	90546.12
Other Taxes	84563.15	96420.80	136382.68	55111.81	33475.31	34338.85	38562.22	-5275.48
0039-State Excise	531.76	782.51	713.58	780.00	1077.21	1135.53	874.19	1223.94
0040-Taxes on Sale, Trade, etc.	2238.00	2593.55	2865.16	1706.49	1079.73	1077.90	988.54	1329.40
0041-Taxes on Vehicles	166.74	187.82	209.78	217.82	218.90	231.48	192.49	323.30
0042-Taxes on Goods, Passengers	9.08	9.80	10.78	11.25	13.52	12.93	3.92	9.33
0043-Taxes and duties on Electricity	22.10	22.96	30.14	34.41	31.09	26.30	23.64	22.88
0044-Service Tax	118828.02	125276.70	158289.83	6061.89	25.68	6029.11	-1004.89	-10932.81
Cesses	4729.42	5264.16	20259.40	7156.78	411.70	101.89	35.84	19.53
Others	114098.60	120012.54	138030.43	-1094.89	-386.02	5927.22	-1040.73	-10952.34
0045-Other Taxes and Duties on Commodities and Services	1190.83	827.83	1784.05	984.71	596.26	754.29	1644.12	2929.20
Cesses	1163.57	1167.31	1406.27	380.31	52.10	25.84	23.59	19.20
Others	27.26	-339.48	377.78	604.40	544.16	728.45	1620.53	2910.00
Grand Total	907327.30	949698.11	1107967.73	1246178.24	1319011.28	1359382.28	1432107.08	1810923.51

Note: The details of taxes, given above, are net of assignment to States.