

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
UNSTARRED QUESTION NO-2303
ANSWERED ON – 21.03.2023

TAXATION ON CIGARETTES

2303. SHRI BHUBANESWAR KALITA:

Will the Minister of **FINANCE** be pleased to state:-

- (a) whether it is a fact that globally the taxation on cigarettes is uniform without any consideration for length since this makes the tax analysis complex and irrational;
- (b) whether Government is considering any proposal to rationalize classification of cigarettes based on filter length for tax purpose as a single product without differential taxes on filter and cigarette length; and
- (c) if so, the details thereof?

ANSWER

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

- (a): As per WHO Technical Manual on Tobacco Tax Policy and Administration (2021), India, Nepal and Sri Lanka have adopted length based taxation structure on cigarettes.
- (b): There is no such proposal under consideration.
- (c): Does not arise in view of reply to part (b) above.
