

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
UNSTARRED QUESTION NO-532
ANSWERED ON – 07.02.2023

TAX COLLECTED FROM TOBACCO PRODUCTS

532. DR. ANBUMANI RAMADOSS:

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

- (a) whether the Union Government will increase Tax for all tobacco products and include it as one of the components of the agenda in the next GST Council meeting;
- (b) if so, the details thereof; and
- (c) the details of total amount of Central Tax collected on tobacco products in the last three financial years?

ANSWER

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

(a) and (b): The duty of excise on tobacco products are reviewed in the budget taking all relevant aspects into account. Vide clause 153 of the Finance Bill, 2023, it is proposed to amend the Seventh Schedule to the Finance Act, 2001, to increase the rate of National Calamity Contingent Duty (NCCD), a duty of excise, on specified cigarettes by about 16%. As regards the GST rates/Compensation Cess rate, it is prescribed on the recommendation of the GST Council, which is a constitutional body comprising of representatives from the States/UTs and Centre. At present, there is no recommendation from the GST Council in this regard.

(c): The details of total central goods and services tax (central tax) paid by suppliers registered for supply of tobacco products is provided in the Table below:

(Approx. values in Rs. Crore)

FY 2019-20	FY 2020-21	FY 2021-22
18175.47	17078.72	19328.81

Source: GSTN

Note: These figures include CGST on all supplies made by such suppliers.
