

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

RAJYA SABHA
UN-STARRED QUESTION NO. 229
TO BE ANSWERED ON TUESDAY, THE 04 FEB, 2025/ 15 MAGHA, 1946 (SAKA)

CORPORATE TAX COLLECTION

229. Shri Randeep Singh Surjewala

Will the Minister of FINANCE be pleased to state:

- (a) the total corporate tax collection as a percentage of GDP in the last five years, year-wise;
- (b) the instances of corporate tax reduction / relaxation in the last five years along with the rationale behind such moves; and
- (c) the estimated loss of revenue incurred by Government due to the reduction/relaxation in corporate tax in the last five years?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

- (a) The total corporate tax collection as a percentage of GDP in the last five years, year-wise is as under:

(Rs. In Crore)

Financial Year	Corporate Tax	GDP (Current Market Price)	Percentage of Corporate tax to GDP
2019-20	5,56,876	2,00,74,856	2.8%
2020-21	4,57,719	1,98,29,927	2.3%
2021-22	7,12,037	2,35,97,399	3.0%
2022-23	8,25,834	2,69,49,646	3.1%
2023-24 (Provisional)	9,11,055	2,95,35,667	3.1%

Source: Time Series Data as published by the Income Tax Department

(b) With an intent to attract fresh investments, create jobs and stimulate the overall economy the Taxation Laws (Amendment) Act, 2019 inter alia inserted the section 115BAA and section 115BAB in the Income-tax Act, 1961. Section 115BAA reduced the domestic corporate tax rates to 22% (effective rate 25.17% including surcharge and cess) for existing companies not availing any incentive or deduction. Section 115BAB reduced the corporate tax rate for new manufacturing companies to 15% (effective rate 17.16% including surcharge and cess) which have been set up or registered on or after 01.10.2019 and which commence manufacturing or production by 31.03.2024 and do not avail any incentive or deductions.

(c) The estimated revenue foregone due to the tax incentives by way of various deductions in corporate tax in the last five years has been laid before the Parliament as part of Budget Documents and the same is as under:

Financial Year	Total Revenue Forgone (In Rs. Crore)
2018-19	1,03,966.13
2019-20	8,043.07
2020-21	75,218.02
2021-22	96,892.39
2022-23 (Projected)	1,09,333.38

Source: Receipt Budgets
