

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

RAJYA SABHA
UNSTARRED QUESTION NO. 2622
ANSWERED ON 12/08/2025

Revenue shortfall to States

2622 DR. KANIMOZHI NVN SOMU:

Will the Minister of FINANCE be pleased to state:

- (a) whether Tamil Nadu, like several other States, has experienced a significant revenue shortfall since the implementation of the Goods and Services Tax (GST);
- (b) if so, the steps being taken by the Union Government to address the revenue deficit faced by Tamil Nadu, particularly for sectors such as healthcare, education and infrastructure;
- (c) whether any financial assistance or compensation is being provided to the State for the shortfall in GST revenue; and
- (d) if not, the reasons for not providing such assistance, whether Government intends to review its support measures to ensure equitable growth across all States, including Tamil Nadu?

ANSWER

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

(a) & (b): No. The growth of GST collection of the State of Tamil Nadu is given below: -

Financial Year	Tamil Nadu GST Collection (Gross SGST + IGST settlement)	
	Amount (in Rs. Crores)	Growth (%)*
2018-19	41,767	-
2019-20	41,369	-1%
2020-21	37,910	-8%
2021-22	48,916	29%
2022-23	58,194	19%
2023-24	65,834	13%
2024-25	75,856	15%

* Compound annual growth rate (CAGR) is 10.46%.

(c) & (d): Central government has released the entire amount of GST compensation to the States/UTs including Tamil Nadu for loss of revenue arising on account of implementation of Goods and Services Tax for five years i.e., from 1st July, 2017 to 30th June, 2022.
