

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

RAJYA SABHA
UN-STARRED QUESTION NO. 1817
ANSWERED ON-04.08.2026

GST COMPENSATION RELEASED TO KARNATAKA

1817. Shri Ajay Makan:

Will the Minister of Finance be pleased to state:

- (a) the amount of GST compensation released to Karnataka up to the end of the compensation period and any amount that remains pending;
- (b) the estimated annual revenue shortfall to Karnataka following cessation of GST compensation;
- (c) whether any successor mechanism to protect the States' revenues is under consideration; and
- (d) the steps taken to address the resulting fiscal stress on the States?

ANSWER

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

- (a) The details of GST Compensation released to Karnataka for the period of FY 2017-18 to FY 2022-2023 (up to June 2022) is as per **Annexure**.
- (b) No such data is maintained by the Ministry of Finance.
- (c) No such proposal is under consideration.
- (d) Does not arise in view of the reply to (b) and (c) above.

‘Annexure’ in respect of part (a) of Rajya Sabha Un-starred Q. No. 1817 for answer on 04.08.2026 regarding “GST Compensation released to Karnataka”.

(Rs in crore)

S.No	Name of State/UT	GST compensation released for FY 2017-18	GST compensation released for FY 2018-19	GST compensation released for FY 2019-20	GST compensation released for FY 2020-21	GST compensation released for FY 2021-22	GST compensation released for FY 2022-23	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1.	Karnataka	7670	12465	18463	31708	27988	7966	106260

#Note: As per Section 10 (3) of The Goods and Services Tax (Compensation to States) Act, 2017, 50% of the amount remaining unutilised in the Compensation Fund at the end of the transition period, was distributed to States / UTs in the ratio of their respective SGST/UTGST revenue in the last year of transition period. Accordingly, an amount of ₹ 505.4830 Crores was released to the State of Karnataka as its share.