

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE

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LOK SABHA

UNSTARRED QUESTION NO.4021

TO BE ANSWERED ON FRIDAY THE 9<sup>TH</sup> DECEMBER, 2016  
AGRAHAYANA 18, 1938 (SAKA)

WIDENING OF TAXATION SYSTEM

**4021. SHRI SULTAN AHMED:**

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to introduce Indirect Tax System envisaging taxation of products/services;
- (b) if so, the details thereof;
- (c) the percentage of population in India under tax net and percentage of it actually paying taxes;
- (d) whether the Government has any proposal/ measures to bring everyone under the tax net; and
- (e) if so, the details thereof and steps taken thereon?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SANTOSH KUMAR GANGWAR)

**(a) & (b): The Constitution has been amended by the Constitution (One Hundred and First Amendment) Act, 2016] empowering the Parliament and the Legislature of every State to make laws with respect to Goods & Service Tax imposed by the Union or by such State.**

**The proposed goods and services tax will replace a number of indirect taxes being levied by the Union or the State Governments and remove multiplicity and cascading taxes and result in a common national market for goods and services.**

**(c) & (d): The burden of Indirect Taxes, which are in the nature of a consumption tax, is borne by consumers who consume goods & services.**

**(e): Does not arise in view of reply to (c) and (d) above.**

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