

**Government of India
Ministry of Finance
Department of Revenue**

**LOK SABHA
STARRED QUESTION NO. *226
TO BE ANSWERED ON FRIDAY, MARCH 17, 2017
PHALGUNA 26, 1938 (SAKA)**

REVENUE GENERATED THROUGH CESS

*226: SHRI ANANTKUMAR HEGDE:

Will the Minister of Finance be pleased to State:

- (a) whether there has been a substantial increase in the total revenue generated through cess and surcharge during the financial year 2016-17 as compared to 2014-15;
- (b) if so, the details of the revenue generated through cess and surcharge during the same period and the estimated revenue likely to be generated in the financial year 2017-18; and
- (c) the details including the rates of the new cess and surcharge levied during the last two years?

**ANSWER
FINANCE MINISTER
(SHRI ARUN JAITLEY)**

(a) to (c): A Statement is laid on the table on the House.

Statement as referred to in reply to Starred Question No. *226 to be answered on 17th March, 2017 in Lok Sabha on the subject of Revenue Generated through Cess

- (a) The total revenue generated through Cess and Surcharge during financial year 2014-15 was Rs. 119276.65 crore which has increased to Rs. 265661.61 crore in financial year 2016-17*.
- (b) The details of the revenue generated through cess and suchrage during the same period is as under:-

(Rs. in Crore)

Financial Year	2014-15	2016-17*
Cess + Surcharge	119276.65	265661.61

(* Actual Revenue for the current fiscal year till 31st March, 2017 is yet to be realized)

The estimated revenue likely to be generated through Cess and Surcharge in the financial year 2017-18 is Rs. 282211.98 crore.

- (c) The detail of the new cess/surcharge under direct and indirect tax levied during the last two years is at annexure.

Annexure as referred to in reply to part (c) of Starred Question No. 226 to be answered in Lok Sabha on 17.03.2017

The detail of the new cess/surcharge under direct and indirect tax levied during the last two years.

Direct Tax

(i) Under the Income Declaration Scheme, 2016 (the Scheme), a surcharge under the name Krishi Kalyan Cess was levied @ 25 percent of the tax i.e @ 7.5 of the undisclosed income declared under the Scheme.

(ii) The Taxation Laws (Second Amendment) Act, 2016 enacted on 15.12.2016 has amended the provisions of section 115BBE of the Income-tax to levy a surcharge at the rate of 25 percent of tax along with the applicable cess.

(iii) Vide the Taxation Laws (Second Amendment) Act, 2016, the Taxation and Investment Regime for Pradhan Mantri Garib Kalyan Yojana, 2016 (PMGKY) has been introduced under which a surcharge under the name Pradhan Mantri Garib Kalyan Cess at the rate of 33 percent of tax is levied.

(iv) "Education Cess on income-tax" at two percent and "Secondary and Higher Education Cess on income-tax" at one per cent, are levied by the Union every year through the Finance Act. Originally, the education cess was introduced in the tax proposals of budget 2004 and secondary and higher education cess was introduced in the tax proposals of budget 2007.

(v) The Finance Bill, 2017 has proposed to levy a new surcharge for FY 2017-18 (AY 2018-19) in case of an individual, Hindu undivided family, association of person, body of individual or artificial juridical person at the rate of ten percent of such tax, where the taxable income exceeds fifty lakh rupees but does not exceed one crore rupees.

Indirect Tax

(i) The Swachh Bharat Cess has been levied with effect from 15.11.2015 on all taxable services which are not exempt or in Negative List at the rate of 0.5%.

(ii) The infrastructure Cess has been levied with effect from 01.03.2016 at the rates of 1%, 2.5% & 4% as a duty of central excise.

(iii) The Krishi Kalyan Cess has been levied with effect from 01.06.2016 on all taxable services which are not exempt or in Negative List at the rate of 0.5%.
