

GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
DEPARTMENT OF FOOD AND PUBLIC DISTRIBUTION

LOK SABHA  
UNSTARRED QUESTION NO. 1390  
TO BE ANSWERED ON 25<sup>th</sup> JULY, 2017

UNIFORM TAXATION ON MSPs

1390. SHRI JANARDAN SINGH SIGRIWAL:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether steps have been taken by the Government to bring various States on board for a uniform taxation on various Minimum Support Prices (MSPs) ;
- (b) if so, the details of the solution proposed and the list of States which are against the idea of uniform taxation on MSP;
- (c) if not, the reasons therefor; and
- (d) the amount foregone in subsidy due to higher taxation in the last three years and the details of various States which have high tax policy on MSP?

A N S W E R

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(SHRI C. R. CHAUDHARY)

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(a), (b) & (c): Goods and Service Taxes (GST) was implemented w.e.f. 1<sup>st</sup> July, 2017. It reduces the total taxes levied on Minimum Support Price (MSP) of foodgrains. States levy various taxes on procurement of foodgrains undertaken for Central Pool within their jurisdiction. The total tax rate before and after implementation of GST is enclosed as Annexure-A.

(d): Since, taxes are paid on procurement of foodgrains for the Central Pool; hence these taxes are a part of the Food Subsidy. The statutory charges paid to various states, on operation of procurement of wheat/paddy for last three years is enclosed at Annexure-B. Details of taxes levied in various States on MSP of foodgrains is enclosed as Annexure-A.

ANNEX REFERRED TO IN REPLY TO PARTS (a) to (d) OF UNSTARRED QUESTION NO 1390 TO BE ANSWERED ON 25<sup>TH</sup> JULY, 2017 IN LOK SABHA.

## Food Corporation of India

Statutory Taxes Rate of differenet States/Uts for 2016-17

(Figure are in percentage of MSP unless otherwise mentioned)

State	Wheat								RICE							
	Market Fee	RD Fee/ APMC Cess	Nirashrit Shulk/ Mapari Charges	VAT	ID Fee	Arhatia/ Socities Commission	Total taxes pre-GST	Total taxes post GST	Market Fee	RD Fee/ APMC Cess	Nirashrit Shulk/ Mapari Charges	VAT	ID Cess	Arhatia/Socities Commission	Total taxes pre-GST	Total taxes post GST
Punjab	2.00	2.00		5.00	3.00	2.50	14.50	6.50	2.00	2.00		5.00	3.00	2.50	14.50	6.50
Haryana	2.00	2.00		5.00		2.50	11.50	6.50	2.00	2.00		5.00		2.50	11.50	6.50
U.P. #	2.00	0.50		4.00		Rs.27/Qtl (1.77%)	8.27	4.27	2.00	0.50		4.00		Rs.32/Qtl (2.12%)	8.62	4.62
M.P.	2.00		0.20	5.00		Rs.27/Qtl (1.77%)	8.97	3.97	2.00		0.20	5.00		Rs.32/Qtl (2.12%)	9.32	4.32
Bihar				4.00		Rs.27/Qtl (1.77%)	5.77	1.77				4.00		Rs.32/Qtl (2.12%)	6.12	2.12
Rajasthan	1.60					2% on MSP & Rs.27/Qtl (1.77%)	5.37	5.37	1.60					2% on MSP & Rs.27/Qtl (1.77%)	5.37	5.37
Uttrakhand	2.50			5.00			7.50	2.50	2.50			5.00		-	7.50	2.50
Delhi	1.00					2.00	3.00	3.00							-	-
Gujrat	1.00						1.00	1.00	1.00						1.00	1.00
Jhrakhand	-					2.50	2.50	2.50	1.00					2.50	3.50	3.50
Maharashtra	1.05		Rs.2.75/ qtl (0.18%)				1.23	1.23	1.05		0.18			Rs.32/Qtl (2.12%)	3.35	3.35
Himachal Pradesh	1.00			4.00			5.00	1.00	1.00			4.00			5.00	1.00
J & K							-	-							-	-
West Bengal	0.50					Rs.27/Qtl (1.77%)	2.27	2.27	0.50					Rs.32/Qtl (2.12%)	2.62	2.62
Andhra Pradesh	1.00			5.00			6.00	1.00	1.00	5.00		5.00		Rs.32/Qtl (2.12%)	13.12	3.12
Assam	1.00						1.00	1.00	1.00					Rs.32/Qtl (2.12%)	3.12	3.12
Chhattishgarh	2.00		0.20				2.20	2.20	2.00		0.20	5.00		Rs.32/Qtl (2.12%)	9.32	4.32
Karnataka							-	-	1.50					-	1.50	1.50
Kerala				-			-	-	7.00					-	7.00	7.00
Orissa				5.00			5.00	-	2.00			5.00		Rs.32/Qtl (2.12%)	9.12	4.12
Puducherry							-	-							-	-
Tamilnadu							-	-							-	-
Telangana								-	1.00	5.00		5.00		Rs.32/Qtl (2.12%)	13.12	3.12

# In UP the APMC cess is 0.5%



**Annexure-B**

ANNEX REFERRED TO IN REPLY TO PART (d) OF UNSTARRED QUESTION NO 1390 TO BE ANSWERED ON 25<sup>TH</sup> JULY, 2017 IN LOK SABHA.

**Statutory Taxes & levies paid to State Governments/UTs on Central Pool Procurement**

(Amount in crore)

**Wheat**

Sl. No.	RMS (Rabi Marketing Season)	Amount
1.	RMS 2014-15	4498
2	RMS 2015-16	4623
3.	RMS 2016-17	4245

**Rice/Paddy**

Sl. No.	KMS (Kharif Marketing Season)	Amount
1.	KMS 2014-15	7143
2	KMS 2015-16	8326
3.	KMS 2016-17*	9412

\* Based on Procurement K MS 2016-17 (as on 31.05.2017)