

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
STARRED QUESTION NO. *265

TO BE ANSWERED ON FRIDAY, THE 5th JANUARY, 2018
15 PAUSHA, 1939 (SAKA)

Compensation to States

*265 : SHRI B.VINOD KUMAR :

Will the Minister of FINANCE be pleased to state:

- (a) the amount of revenue received by the Government through Cess imposed on luxury goods that is payable to compensate the States; and
- (b) the manner in which the Government plans to compensate the States, which incurred revenue losses under Goods and Services Tax (GST) regime in cases the losses exceed the estimates that have been set out?

ANSWER

FINANCE MINISTER
(SHRI ARUN JAITLEY)

(a) to (b) : A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (b) OF LOK SABHA
STARRED QUESTION NO. *265 FOR ANSWER ON 5th JANUARY, 2018**

- (a) The month-wise details of revenue collected by the Government through Goods and Services Tax(GST) compensation cess is as follows:

(Amount in Rs. Crore)

Month	Collection
August	7201
September	7850
October	8014
November	7160
December	7848
Total	38073

- (b) The Goods and Services Tax (Compensation to States) Act, 2017 was passed by the Parliament to provide for compensation to the States for the loss of revenue arising on account of implementation of the Goods and Services Tax (GST). As per Section 4 of the said Act, financial year 2015-16 has been taken as the base year of calculating compensation amount payable to States for loss of revenue during transition period. The projected nominal growth rate of revenue subsumed for a state during the transition period shall be 14% per annum. The base year revenue for a State shall be the sum of revenue collected by State and Local Bodies during base year on account of taxes which are subsumed into GST namely, VAT, Sales Tax, Purchase Tax, Central Sales Tax, Taxes on Luxuries, Taxes on Advertisement, Entry Tax, Duties of Excise on Medicinal & Toilet Preparations & any Cess or Surcharge or Fee leviable by the State Government.

On the recommendation of the GST Council, a cess is being levied on specified demerit and luxury goods, like tobacco and tobacco products, pan masala, aerated waters, motor vehicles etc. over and above the peak GST rate of 28%.

The revenue loss due to implementation of GST to the states for month of July to October has been estimated Rs. 24,500 crore and the same amount has been released to the States as compensation to make up for the loss of revenue on bimonthly basis for month of July-August, 2017 and September-October, 2017 as per details given in Annexure.

Details of GST Compensation released to States as on 30.11.2017

S. No.	Name of State/UT	GST compensation released for July and Aug 2017 (Rs. in Crore)	GST compensation released for Sep and Oct 2017 (Rs. in Crore)	Total (Rs. In Crore)
(1)	(2)	(3)	(3)	(4)
1	Andhra Pradesh	116	266	382
2	Arunachal Pradesh	15	0	15
3	Assam	338	331	669
4	Bihar	692	1054	1746
5	Chattisgarh	253	562	815
6	Delhi	115	42	157
7	Goa	68	35	103
8	Gujarat	1402	880	2282
9	Haryana	476	325	801
10	Himachal Pradesh	0	0	0
11	J & K	367	314	681
12	Jharkhand	313	489	802
13	Karnataka	1189	2082	3271
14	Kerala	810	395	1205
15	Madhya Pradesh	433	908	1341
16	Maharashtra	0	834	834
17	Manipur	24	0	24
18	Meghalaya	52	38	90
19	Mizoram	0	0	0
20	Nagaland	0	0	0
21	Odisha	333	687	1020
22	Puducherry	44	122	166
23	Punjab	1138	960	2098
24	Rajasthan	1205	706	1911
25	Sikkim	0	0	0
26	Tamil Nadu	530	102	632
27	Telangana	7	162	169
28	Tripura	31	43	74
29	Uttar Pradesh	190	1330	1520
30	Uttarakhand	223	460	683
31	West Bengal	441	567	1008
	Total	10806	13694	24500

- Total Rs. 24500 crore has been released to States as on 30.11.2017 towards GST Compensation.
