

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

LOK SABHA

UNSTARRED QUESTION NO.1330

TO BE ANSWERED ON FRIDAY THE 9TH FEBRUARY, 2018
MAGHA 20, 1939 (SAKA)

INCLUSION OF CLEAN ENVIRONMENT CESS IN GST FUND

1330. SHRI DEEPENDER SINGH HOODA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has assessed the impact of the inclusion of the Clean Environment Cess into the GST Compensation Fund on India's commitments to the 2015 Paris Agreement, given that the Cess was part of India's Intended Nationally Determined Contribution (INDC) pledge for the Agreement;
- (b) if so, the details thereof;
- (c) the reasons for including the Clean Environment Cess in to the GST Compensation Funds;
- (d) whether the Government has planned an alternative source to fund the National Clean Energy and Environment Fund and if so, the details thereof; and
- (e) the total amount collected under the Clean Environment Cess as on November 2017 and the percentage of this amount allocated to the National Clean Energy and Environment Fund during 2014-17?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

(a) & (b): No sir.

(c): With the rollout of GST clean Environment Cess was abolished along with other cesses and surcharges on the Central excise duty and Service tax. New levy of Compensation Cess under GST has been levied on certain goods and services under section 8 of the CGST Act, 2017 to compensate the revenue losses occurred to the States because of the implementation of GST in the country. GST rates including compensation cess have been prescribed to retain the incidence of the tax as it was in pre-GST regime.

(d): There is no proposal to fund the National Clean Energy and Environment fund. However, the Scheme/Projects which were previously funded from NCEEF Fund, have been decided to be funded from normal budgetary support, if continued.

(e): Total amount collected under the Clean Environment Cess is available upto 31.3.2017. Details showing the amount collected from Clean Environment Cess and the percentage of this amount allocated to National Clean Energy and Environment Fund are as follows:

Year	Clean Environment Cess	National Clean Energy and Environment Fund	allocation to NCEEF (in %)
2014-15	5393.46	4700.00	87%
2015-16	12675.60	100.00	1%
2016-17	26117.25	6466.75	25%
