

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION No. 4612**

**TO BE ANSWERED ON FRIDAY, THE 23RD MARCH, 2018
2, CHAITRA, 1940 (SAKA)**

TAX ON TRANSPORTERS

4612. SHRI PRABHAKAR REDDY KOTHA:

Will the Minister of **FINANCE** be pleased to state:

- (a) whether the Government is planning to bring heavy vehicle transporters under Income Tax net and bring a suitable bill to this effect;
- (b) if so, the details thereof;
- (c) whether the association of heavy vehicle transporters are vehemently opposing the proposal, if so, the details thereof; and
- (d) the measures being taken by the Government to solve the problems of heavy vehicle transporters?

ANSWER

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

(a) & (b) Vide clause 16 of Finance Bill, 2018, Government has proposed to tax the owners of heavy vehicle (not owning more than 10 vehicles) who opt for presumptive scheme under section 44AE of the Income-tax Act, 1961 ('the Act') at a different rate. It is proposed to amend Section 44AE of the Act so as to provide that for a heavy goods vehicle, the profits and gains shall be deemed to be an amount equal to one thousand rupees per ton of gross vehicle weight or unladen weight, as the case may be, for every month or part of a month during which the heavy goods vehicle is owned by the assessee in the previous year or an amount claimed to have been actually earned from such vehicle, whichever is higher.

This amendment is proposed to come into effect from 1st April, 2019 (i.e. assessment year 2019-20 onwards).

(c) & (d) Madam, some representations have been received for withdrawing the proposal. These representations were examined and not found feasible.
