

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA**

**UNSTARRED QUESTION NO. 4749  
TO BE ANSWERED ON FRIDAY 23<sup>rd</sup> March, 2018  
[2 Chaitra 1940 (SAKA)]**

**‘Study on Cess and Surcharge’**

**No. 4749, SHRI B. VINOD KUMAR:**

Will the MINISTER OF FINANCE be pleased to state:

- (a) whether the Fifteenth Finance Commission will commission legal studies on the cesses and surcharge levied by the Union Government, if so, the details thereof;
- (b) whether the Fifteenth Finance Commission has suggested the ratio of States / UTs share in direct tax and GST collected by the Centre, if so, the details thereof;
- (c) whether cesses and surcharge levied by the Centre are not included in the divisible pool; and
- (d) if so, the details thereof along with the timeframe given to submit the report?

**ANSWER**

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

(a, b and d) Constitution of Fifteenth Finance Commission was notified vide Gazette of India, Extraordinary Part II-Section 3, Sub-section (ii) bearing S. O. 3755(E) dated 27<sup>th</sup> November, 2017. The Gazette notification contains terms of reference including distribution between the union and the States of the net proceeds of taxes, date of submission of report etc.

(c) As per Constitution, cess and surcharges levied for specific purpose are not included in the divisible pool.

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