GOVERNMENT OF INDIA MINISTRY OF FINANCE DEPARTMENT OF REVENUE

LOK SABHA UNSTARRED QUESTION NO. 3998 TO BE ANSWERED ON FRIDAY, THE 4th JANUARY, 2019 PAUSHA 14, 1940 (SAKA)

GST Cess for Flood Rehabilitation

3998. SHRI MULLAPPALLY RAMACHANDRAN:

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

- (a) whether the Government is considering the proposal to impose Cess on Goods and Services Tax (GST) for funding flood rehabilitation activities in Kerala; and
- (b) if so, the details thereof and the decision taken thereon?

ANSWER

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

(a) to (b): Kerala government has proposed to raise funds by imposing cess on sale of goods and services under GST by the state government to meet the flood situation in the State. Accordingly, the matter has been discussed in 30th GST council meeting held on 28th September, 2018. As per recommendation of GST Council a Group of Ministers (GoM) has been constituted to examine modalities for revenue mobilization for natural calamities and disasters. Shri Sushil Kumar Modi, Hon'ble Deputy Chief Minister, Government of Bihar is the Convener and Finance Ministers of States of Assam, Kerala, Maharashtra, Odisha, Punjab and Uttarakhand are Member of this GoM. As per discussion/deliberation of GoM on 15.10.2018, a set of questionnaire has been prepared and sent to all States seeking views/suggestions on this issue with a view to decide a holistic course of action for mobilization of additional revenue to help the State in case of natural calamity and disaster in GST regime. Representatives of States expressed their views during the meeting of GOM. Views of States have been sought on certain specific issues and Gujarat and Karnataka have sent their views formally.
