

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UNSTARRED QUESTION NO. 1561

TO BE ANSWERED ON MONDAY 1st JULY, 2019 ASHADHA 10, 1941 [SAKA]

RE-INTRODUCTION OF WEALTH TAX

1561. SHRI SUSHIL KUMAR SINGH

Will the Minister of FINANCE be pleased to state:-

- (a) whether the Government is planning to re-introduce the wealth tax which was abolished in the Union Budget 2016-17 and if so, the details thereof;
- (b) whether the abolition of wealth tax was beneficial for the country and if so, the details thereof;
- (c) the details of wealth tax collected from the financial years 2011-12 to 2015-16, year-wise;
- (d) the details of revenue loss, if any, caused due to the abolition of the wealth tax in fiscal years 2016-17, 2017-18, 2018- 19 respectively; and
- (e) the amount of additional surcharge of 2% collected from the super-rich with taxable income above Rs. 1 crore annually from the financial years 2016-17 to 2018-19, year-wise?

ANSWER

FINANCE MINISTER

(SMT. NIRMALA SITHARAMAN)

(a)&(b) Various Proposals/ Representations/ Suggestions relating to the amendments in tax laws are examined at the time of the preparation of the Finance Bill and the outcome of the same is reflected in the Finance Bill tabled before the Parliament. The Wealth Tax was abolished by Finance Act, 2015 for simplification of tax procedures and ease of doing business, as it was found to be a tax with high cost of collection and low yield.

(c) The details of wealth tax collected from the financial year 2011-12 to 2015-16 are as under:

(Rs. in crores)
(rounded off)

Financial Year	Amount collected under Wealth Tax
2011-12	787
2012-13	844
2013-14	1007

2014-15	1086
2015-16	1079

*Source: Receipt Budget

(d) There was no revenue loss as the wealth tax was replaced with an increase in the rate of existing surcharge by 2% in case of all persons (except a foreign company) having total income of more than Rs. 1 crore.

(e) Separate data with respect to amount of additional surcharge collected from super-rich with taxable income above Rs. 1 crore is not maintained. However, the details of total amount of surcharge collected in Direct Tax Collections are as under:

(Rs. in crores)
(rounded off)

Financial Year	Amount collected As Surcharge in Direct Tax Collection
2016-17	22,409
2017-18	24,612
2018-19*	29,701

***Provisional**

Source: Receipt Budget/Pr. CCA, CBDT
