

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA

**UNSTARRED QUESTION NO. 1915
TO BE ANSWERED ON MONDAY 19th DECEMBER, 2022
[AGRAHAYANA 28, 1944 (Saka)]**

‘SHARE OF DIVISIBLE POOL OF TAXES’

No.1915. Shrimati Mala Rajya Laxmi Shah:

Shri Kunwar Pushpendra Singh Chandel :

Will the Minister of FINANCE be pleased to state :

- (a) whether the Government proposes to raise the share of States in the divisible pool of taxes consequent upon restructuring of Goods and Services Tax (GST) and if so, the details thereof;
- (b) whether the Government is making special efforts to provide loans at cheaper rates to the States so that capital may be available to the States for their expenditure and if so, the details thereof;
- (c) whether the Government has issued any guidelines to the States to bring austerity in their expenditure and if so, the details thereof;
- (d) whether the Government has started any special audit plan regarding the receipts and expenditure of the States; and
- (e) if so, the details thereof ?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a): No Madam / Sir. Share of States in divisible pool of taxes is decided based on the approved recommendations of Finance Commission. The 15th Finance Commission has recommended the share of States in divisible pool as 41% from FY 2019-20, and the same is being implemented.

(b): In order to enhance the future productive capacity of the economy that results in a higher rate of economic growth, Union Government had launched the “Scheme for Special Assistance to States for Capital Expenditure” in the financial year 2020-21. Under the scheme, financial assistance is provided to the State Governments in the form of 50-year interest free loan. An amount of ₹11,830 crore during the financial year 2020-21 and ₹14,186 crore during the financial year 2021-22 was released to State Governments.

For the financial year 2022-23 Government has outlined an allocation of ₹ 1 lakh crore including an incentive amount of ₹ 25,000 crore, in the six reform centric areas viz., Pradhan Mantri Gati Shakti related Expenditure, supplemental funding for priority segment of Pradhan Mantri Gram Sadak Yojana (PMGSY) including States' share of PMGSY, Incentive for Digitisation, Capital Projects on Optical Fibre Cable, Urban Reforms and Disinvestment of State Public Sector Enterprises (SPSEs) & Asset Monetization.

(c)-(d): No Madam / Sir.

(e): Does not arise.
