

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA

UNSTARRED QUESTION NO. 4268

ANSWERED ON TUESDAY, THE 27th MARCH, 2023/ 6 Chaitra, 1945 (*Saka*)

Rise in the Collection of Cess and Surcharges

4268. SHRI V.K. SREEKANDAN:

Will the Minister of FINANCE be pleased to state

- a) Whether there has been a rise in the collection of cess and surcharges levied by the Government of various products during the five-year period between 2017-18 and 2022-23 and if so, the details thereof;
- b) the details of the amount spent/allocated for financing of centrally sponsored schemes out of the cess collected during the said period; and
- c) the details of the amount spent/allocated out of the surcharge collected and spent during the said period?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

- a) The details of collection of Cess and Surcharges levied by the Government during the five-year period from 2017-18 to 2022-23 are given in Annexure 'A'. The total amount of Cess and Surcharge grew by 63.74% from 2017-18 to 2022-23 (RE). It may be mentioned that the collections under GST Compensation Cess grew by 107.6% from 2017-18 to 2022-23 (RE). The GST Compensation Cess is fully transferred to the Stats/UTs;
- b) The details of the amount spent/allocated for financing of Centrally Sponsored Schemes out of the Cess collected during the said period are given in Annexure 'B'. However, in the case of GST Compensation Cess, the proceeds of the Cess leviable is initially credited to the Consolidated Fund of India, in terms of Article 266 of the Constitution of India, and the funds are provided to the States/UTs through GST Compensation Fund created in Public Account of India as per provisions of the GST Compensation Act, 2017. In the year 2022-23, despite the collection of ₹ 1,15,650 crore (till February 2022), a total amount of ₹ 1,49,168 was released to the states/UTs. Further, during the FY(s) 2020-21 and 2021-22, the Union Government decided to borrow an amount of ₹ 1.1 lakh crore and ₹ 1.59 lakh crore to meet the shortfall in GST Compensation Cess collections and transferred the amount to the States as back-to-back loan to strengthen the States' resources;
- c) The Surcharges levied by the Government are not meant for any specific purpose. These are used, in general, for various activities of the Government including public health, subsidies, education, interest payments, defence etc.

Annexure 'A'

Details of collection of Cess and Surcharge levied by the Government							
		(₹ crore)					
Sl. No.	Name of the levy	Actuals 2017-18	Actuals 2018-19	Actuals 2019-20	Actuals 2020-21	Actuals 2021-22	Revised Estimates 2022-23
SURCHARGE							
1	Surcharge under Corporation Tax	21439.48	25448.59	19053.92	14078.57	15890.31	80288.46
2	Surcharge under Taxes on Income	3211.77	4291.69	5236.92	5537.78	7922.88	75961.53
3	Surcharge under Fringe Benefit Tax	0.00	0.01	0.00	0.33	0.00	0.00
4	Social Welfare Surcharge under Customs	1221.88	8871.19	8796.12	13447.39	16945.06	17000.00
	Total Surcharge (1 to 4)	25873.13	38611.48	33086.96	33064.07	40758.25	173249.99
CESSES							
A.	GST Compensation Cess	62611.59	95080.71	95553.09	85191.91	104768.66	130000.00
B.	Other Cesses (excluding GST Compensation Cess)						
1	Health and Education Cess	0.00	41177.44	39131.10	35821.55	52732.33	62500.01
2	Krishi Kalyan Cess	4266.84	168.89	40.13	10.61	7.24	0.00
3	National Calamity Contingent Duty	2938.44	1797.80	2380.40	5098.81	7074.87	8000.00
4	Primary Education Cess	21117.31	97.40	81.48	61.85	15.44	0.00
5	Secondary & Higher Educatio Cess	10538.80	34.24	27.97	11.42	2.50	0.00
6	Health Cess	0.00	0.00	0.00	-13.52	31.02	20.00
7	Agriculture Infrastructure and Development Cess	0.00	0.00	0.00	0.00	76950.68	73500.00
8	Cesses on Exports	384.56	1690.23	5759.14	9214.64	1457.10	2100.00
9	Road and Infrastructure Cess*	83132.29	110847.16	122424.32	235782.55	195986.96	58200.00
10	Infrastructure Cess	903.90	6.36	0.94	-0.07	0.00	0.00
11	Cess on Crude Oil	13579.21	17814.23	14062.49	10894.44	19353.84	21000.00
12	Cess on Bidi	32.60	-0.03	0.02	0.00	0.01	0.00

Annexure 'B'							
Amount Spent/allocated for Centrally Sponsored Scheme through Cess Related Reserve Funds							
(₹ crore)							
S.No	Centrally Sponsored Scheme financed from CESS	2017-18	2018-19	2019-20	2020-21	2021-22	RE 2022-23
1	Central Road and Infrastructure Fund	14819.36	16477.45	18745.72	35609.37	36396.44	42239.52
2	Prarambhik Shiksha Kosh	19091.94	24850.99	26848.35	30168.34	31788.25	38000.00
3	Pradhan Mantri Swasthya Suraksha Nidhi	0.00	...	...	15505.24	16244.08	13721.97
4	Rashtriya Swahhata Kosh	3068.00	....	....	...	...	.....
5	Madhyamik and Uchchtar Shiksha Kosh	...	4946.05	5510.00	2911.28	3750.00	4000.00
	Total	36979.30	46274.49	51104.07	84194.23	88178.77	97961.49

* Madhyamik and Uchchtar Shiksha Kosh(MUSK) and Pradhan Mantri Swasthya Suraksha Nidhi (PMSSN) are expected to be operationalised from this fiscal. The figures given upto 2021-22 are Revised Estimate for the respective years.