

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

LOK SABHA

UNSTARRED QUESTION NO. 486

TO BE ANSWERED ON MONDAY, JULY 24, 2023/SRAVANA 5, 1945 (SAKA)

SETTING UP OF GST APPELLATE TRIBUNAL

486. ADV. A.M. ARIFF:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government intends to expedite the setting up of GST Appellate Tribunal to protect the interests of the State Government and if so, the details thereof;
- (b) whether the Government has taken note of the finding of the 15th Finance Commission that while 62.4 per cent of the expenditure commitments are borne by the State Governments, 62.7 per cent of the total receipts are taken away by the Union Government;
- (c) if so, whether the Government intends to enhance the GST revenue sharing from the present 50:50 to 60:40 between States and Union as recommended by several expert committees;
- (d) if not, the reasons therefor; and
- (e) the details of the shortfall/excess as on 31st March 2023 in State revenues compared to 31st March 2017 as a result of GST implementation in each of the States?

ANSWER

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

(a): Yes. Recently, the GST Council in its 50th Meeting held on 11th July, 2023 has made various recommendations for expeditious setting up of GST Appellate Tribunal (GSTAT) such as the provisions of Finance Act, 2023 pertaining to GSTAT to be notified with effect from 01.08.2023, recommendation of the Goods and Services Tax Appellate Tribunal (Appointment and Conditions of Service of President and Members) Rules, 2023, Chief Secretary of Maharashtra to be a Member of ScSC to be constituted for nominating Technical Member (State) and to start the State Benches of GSTAT in a phase wise manner. Accordingly, the work related to notifying the said provisions of Finance Act, 2023 and the constitution of Principal Bench and State Benches of GSTAT, is in progress.

(b): The Government has examined the recommendations of 15th Finance Commission.

(c): There is no such proposal under consideration.

(d): As per the recommendations of the 15th Finance Commission of vertical share of 41% of the divisible pool of taxes for the States for 2021-22 to 2025-26, in addition to the distribution of the amount of IGST in the ratio of 50:50, 41% of Centre's GST is devolved to states. Accordingly, States are receiving more than 70% of the revenue from GST sharing. In addition, the Union also finances many other grants/transfers to the State for disaster relief, local bodies, revenue deficit grants, State specific grants and other grants through various Centrally Sponsored Schemes and Central Sector Schemes.

(e): The details are placed at Annexure-I.

SGST Revenue including Regular and Ad-hoc IGST Settlement				
State Code	State	FY 2016-17 (Rs. In Crores)	FY 2022-23 (Rs. In Crores)	Shortfall/Excess in State Revenues (%)
1	Jammu and Kashmir	5,434	7,272	34%
2	Himachal Pradesh	4,193	5,543	32%
3	Punjab	17,072	19,422	14%
4	Chandigarh	1,664	2,124	28%
5	Uttarakhand	5,656	7,554	34%
6	Haryana	17,363	30,952	78%
7	Delhi	19,134	28,284	48%
8	Rajasthan	19,561	35,014	79%
9	Uttar Pradesh	38,062	66,052	74%
10	Bihar	14,387	23,384	63%
11	Sikkim	280	839	200%
12	Arunachal Pradesh	292	1,623	456%
13	Nagaland	292	964	230%
14	Manipur	396	1,439	264%
15	Mizoram	215	892	314%
16	Tripura	899	1,463	63%
17	Meghalaya	725	1,490	105%
18	Assam	6,823	12,639	85%
19	West Bengal	22,911	39,052	70%
20	Jharkhand	7,308	11,490	57%
21	Odisha	12,596	19,613	56%
22	Chhattisgarh	8,387	11,417	36%
23	Madhya Pradesh	17,475	27,825	59%
24	Gujarat	32,896	58,009	76%
25	Daman and Diu *	735		
26	Dadra and Nagar Haveli *	873	1,183	-26%
27	Maharashtra	68,975	1,29,129	87%
29	Karnataka	41,204	65,579	59%
30	Goa	2,487	3,593	44%
31	Lakshadweep	-	47	0%
32	Kerala	19,176	29,188	52%
33	Tamil Nadu	33,956	58,194	71%
34	Puducherry	1,249	1,161	-7%
35	Andaman and Nicobar Islands	118	484	309%
36	Telangana	18,364	38,008	107%
37	Andhra Pradesh	15,816	28,589	81%
38	Ladakh	-	517	0%
	Grand Total	4,56,977	7,70,027	69%

* Dadra and Nagar Haveli and Daman and Diu got merged on 9th Dec 2019