

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

LOK SABHA

UNSTARRED QUESTION NO.2275

TO BE ANSWERED ON MONDAY THE 2nd DECEMBER, 2019
AGRAHAYANA 11, 1941(SAKA)

TAX REVENUES

**2275. SHRI BALLI DURGA PRASAD RAO:
DR. T. R. PARRIVENDHAR:
SHRI SRIDHAR KOTAGIRI:
SHRI A. GANESHAMURTHI:**

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that despite Goods and Services Tax (GST) being in place for more than two years now, the desired result in tax revenues has not been achieved and if so, the details thereof;

(b) whether this is true that in spite of curbing evasion and widening the tax net, the situation is far more serious and if so, the steps taken in this regard;

(c) whether the Government is considering to totally exempt Goods and Services Tax (GST) on power electric vehicles to encourage produce and use of electric vehicles to cut down air pollution across the country;

(d) if so, the details thereof and if not, the reasons therefor; and

(e) whether the Government will also take necessary steps to reduce the current GST 18 per cent to 12 per cent for artificial thread so as to increase the chances of sale of Indian apparel in the American market and if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a): The GST revenue has shown an increasing trend in the last two years. As against monthly average collections of Rs 89,885 crores in the year 2017-18, the monthly average collection in the year 2018-19 was Rs 98,114 crores

(b): Concerted efforts have been made to improve tax compliance. These include implementation of e-way bill, targeted action on compliance verification, enforcement based on risk assessment, implementation of electronic invoice system, tax collection at source and tax deduction at source etc. Further, certain decisions such as linking of Aadhar with registration of taxpayers and incentivizing digital payment modes have been taken in the GST Council.

(c): Based on the recommendations of the 36th GST Council meeting dated 27.07.2019, the rate of GST on power electric vehicles was reduced from 12% to 5% (with effect from 01.08.2019). Further, there is no proposal to totally exempt power electric vehicles from GST at the present.

(d): Does not arise in view of (c) above

(e): The GST rate structure on all goods of the textile value chain was deliberated at length during the 15th meeting of the GST Council held on 03.06.2017. Based on the pre-GST tax incidence, the Council recommended 18% GST rate on man-made and artificial filaments and yarns. However, based on the recommendations of the 22nd GST Council meeting dated 6th October 2017, the GST rate on man-made fibre yarns was reduced from 18% to 12%. The same was notified vide notification no. 34/2017-Central Tax (Rate) dated 13th October 2017.
