GOVERNMENT OF INDIA MINISTRY OF FINANCE DEPARTMENT OF REVENUE

LOK SABHA

UNSTARRED QUESTION NO.3566

TO BE ANSWERED ON MONDAY THE 16TH MARCH, 2020 PHALGUNA 26, 1941 (SAKA)

REVIEW OF COMPENSATION CESS ON TOBACCO PRODUCTS

3566. SHRI KRUPAL BALAJI TUMANE:

Will the Minister of FINANCE be pleased to state:

- (a) whether there is a difference in the tax collections of pre-GST and post GST from all tobacco products;
- (b) if so, the details thereof;
- (c) whether the Government proposes to review compensation cess imposed on all tobacco products; and
- (d) if so, the details thereof and if not, the reasons therefor?

<u>ANSWER</u>

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

- (a) and (b): In pre-GST regime, there were several taxes and levies, including VAT, which varied from state to state. Hence, comparing collections for two periods is not feasible.
- **(c) and (d)**: GST rates and Cess on goods are fixed on the basis of the recommendations of the GST Council. At present there is no proposal to review compensation cess imposed on tobacco products by GST Council.
