

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

LOK SABHA UNSTARRED QUESTION NO. 56
TO BE ANSWERED ON MONDAY, THE 3RD FEBRUARY, 2020
MAGHA 14, 1941 (SAKA)

GST Compensation

56: Shri Natarajan P.R., Shri Balashowry Vallabhaneni, Shri Arvind Ganpat Sawant, Shri A. Ganeshamurthi, Shri K. Navaskani, Shri A.K.P. Chinraj, Shri Balubhau Alias Suresh Narayan Dhanorkar:

Will the Minister of **FINANCE** be pleased to state:

- a) whether many States are suffering high revenue shortfall since implementation of the Goods and Services Tax (GST) and if so, the details thereof since its implementation, State-wise and monthwise;
- b) the details of GST reimbursement cess/compensation paid to the State Governments including that becoming due to the States as on date from its inception, State-wise including Maharashtra and year-wise along with the details of GST compensation pending to be paid to each States, month-wise along with the reasons therefor and the time-frame fixed in this regard;
- c) whether it is true that the Union Government has released Rs. 35,298 crore to compensate various States for revenue losses due to implementation of GST for two months for August and September, 2019 and still has to pay compensation for the months of October and November, 2019;
- d) if so, the details thereof along with the names of such States including Tamil Nadu to which amount has been released including the share/percentage of each State;
- e) whether any timeline has been fixed for the clearance of pending payments to the States and continuance of such refunds to the States in future and if so, the details thereof;
- f) whether many States have also been demanding for extending the period of GST compensation paid to the States beyond 2020 and if so, the details thereof and the decision taken in this regard along with the proposal, if any, to increase the GST compensation cess to the States in future;
- g) whether the collection of revenue under GST has been achieved as estimated at the time of its inception and if so, the details of estimated demand, collection and balance as on date along with the details of arrears of GST collection from any companies/corporates as on date, company/ corporate-wise; and
- h) whether the Government is considering restructuring of GST slabs and rates and new mechanism to handle revenue shortfall and the GST compensation to States and if so, the details thereof?;

ANSWER

**MINISTER OF STATE IN MINISTRY OF FINANCE
(Shri Anurag Singh Thakur)**

(a) to (e): As per provisions in Section 7 of the GST (Compensation to States) Act, 2017 loss of revenue to the States shall be calculated and compensation for loss of revenue to the State shall be provisionally calculated and released at the end of every two months' period and shall be finally calculated for every financial year after receipt of final revenue figures as audited by the Comptroller and Auditor General of India, for 5 years. For providing such compensation to the States, compensation cess is being levied on certain luxury and demerit goods as per provisions in Section 8 of the GST (Compensation to States) Act, 2017, and compensation cess is being credited into a non-lapsable Fund known as Goods and Services Tax Compensation Fund which forms part of the Public Account of India. Accordingly, total GST compensation of Rs. 48785.35 cr, Rs. 81141.41 cr and Rs. 81043 cr has been released to States/ UTs for FY 2017-18, 2018-19 and 2019-20 respectively as per details given in Annexure-I, Annexure-II and Annexure-III.

(f): As per GST (Compensation to States) Act, 2017, the provisions for compensating loss arising on account of implementation of GST have been made for 5 years till 30th June, 2022.

(g) The details of central Goods and Services Tax (GST) revenue collection and Targets (RE) during FY 2017-18, FY 2018-19 and FY 2019-20 till December, 2019 are tabulated below as:-

(Amount in Crore)

Tax Head	F.Y 2017-18		F.Y 2018-19		F.Y 2019-20	
	RE	Actual	RE	Actual	BE	Actual [April-December] (Provisional)
CGST	221400	203261	503900	457534	526000	368052
IGST	161900	176688	50000	28948	28000	5,423
GST (Comp. Cess)	61331	62612	90000	95081	109343	70534
Total	444631	442561	643900	581563	663343	444009

(h): The GST rate with regard to goods & services is determined by the GST council as and when required. Presently no such proposal is under consideration with the Government.

Details of GST Compensation released to States/ UTs for FY 2017-18.

(Rs. in Crore)

S. No.	Name of State/UT	GST compensation released for July and Aug 2017	GST compensation released for Sep and Oct 2017	GST compensation released for Nov and Dec 2017	GST compensation released for Jan and Feb 2018	GST compensation released for March 2018	Final GST compensation released for FY - 2017-18	Total (Rs. In Crore)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Andhra Pradesh	116	266	0	0	0		382
2	Arunachal Pradesh	15	0	0	0	0		15
3	Assam	338	331	15	202	94	0.39	980.39
4	Bihar	692	1054	373	922	99		3140
5	Chhattisgarh	253	562	219	449	106		1589
6	Delhi	115	42	0	0	169		326
7	Goa	68	35	99	50	29		281
8	Gujarat	1402	880	252	1153	590		4277
9	Haryana	476	325	0	398	262		1461
10	Himachal Pradesh	0	0	539	336	184		1059
11	J & K	367	314	127	329	23		1160
12	Jharkhand	313	489	94	369	103		1368
13	Karnataka	1189	2082	859	2116	1289	134.59	7669.59
14	Kerala	810	395	0	567	330		2102
15	Madhya Pradesh	433	908	0	1170	157		2668
16	Maharashtra	0	834	0	654	1589		3077
17	Manipur	24	0	0	0	0		24
18	Meghalaya	52	38	20	14	16		140
19	Mizoram	0	0	0	0	0		0
20	Nagaland	0	0	0	0	0		0
21	Odisha	333	687	306	693	245	84.08	2348.08
22	Puducherry	44	122	58	109	52	2.29	387.29
23	Punjab	1138	960	740	1199	581		4618
24	Rajasthan	1205	706	0	687	301		2899
25	Sikkim	0	0	0	6	0		6
26	Tamil Nadu	530	102	0	0	0	386	1018
27	Telangana	7	162	0	0	0		169
28	Tripura	31	43	14	41	20		149
29	Uttar Pradesh	190	1330	0	604	308		2432
30	Uttarakhand	223	460	183	417	149		1432
31	West Bengal	441	567	0	600	0		1608
	Total	10805	13694	3898	13085	6696	607.35	48785.35

Details of GST Compensation released to States/UTs for FY 2018-19**(Rs. in Crore)**

S. No.	Name of State/UT	GST compensation released for April- May, 2018	GST compensation released for June- July, 2018	GST compensation released for Aug- Sept, 2018	Arrears of GST Compensation	GST compensation released for Oct- Nov, 2018	GST compensation released for Dec.18- Jan, 2019	GST compensation released for Feb- March, 2019	Final GST compensation released for FY 2018-19	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)		(10)
1	Andhra Pradesh	0	0	0	0	0	0	0		0
2	Arunachal Pradesh	0	0	0	0	0	0	0		0
3	Assam	0	3	106	0	86	177	83		455
4	Bihar	325	633	498	0	508	508	326		2798
5	Chhattisgarh	257	549	448	0	388	513	437		2592
6	Delhi	0	1034	963	0	974	1042	1172		5185
7	Goa	28	150	107	0	113	49	55		502
8	Gujarat	174	1380	446	0	2237	1322	1668		7227
9	Haryana	0	588	555	0	882	533	1358		3916
10	Himachal Pradesh	225	354	315	0	330	293	418		1935
11	J & K	147	415	292	0	282	303	228		1667
12	Jharkhand	76	312	247	0	171	120	172		1098
13	Karnataka	792	2497	1899	0	2240	2037	3036	-35.86	12465.14
14	Kerala	67	780	1033	0	195	479	978		3532
15	Madhya Pradesh	130	718	558	288	560	455	593		3302
16	Maharashtra	0	1470	931	0	2782	1558	2622		9363
17	Manipur	0	0	0	0	0	0	0		0
18	Meghalaya	0	14	11	0	10	22	9		66
19	Mizoram	0	0	0	0	0	0	0		0
20	Nagaland	0	0	0	0	0	0	0		0
21	Odisha	282	686	629	0	791	757	640		3785
22	Puducherry	79	123	98	0	124	116	141		681
23	Punjab	944	1466	1306	0	1454	1378	1691		8239
24	Rajasthan	106	596	579	242	113	239	405		2280
25	Sikkim	0	0	0	0	0	0	0		0
26	Tamil Nadu	0	308	77	1470	525	771	1673		4824
27	Telangana	0	0	0	0	0	0	0		0
28	Tripura	2	41	32	0	37	23	37		172
29	Uttar Pradesh	0	0	0	0	0	0	0		0
30	Uttarakhand	265	497	425	0	338	363	554		2442
31	West Bengal	0	316	367	0	553	741	638		2615
	Total	3899	14930	11922	2000	15693	13799	18934		81141.14

Details of GST Compensation released to States/UTs for FY 2019-20

(Rs. in Crore)

S. No.	Name of State/UT	GST compensation released for April- May, 2019	GST compensation released for June- July, 2019	GST compensation released for Aug - Sept, 2019	Total
(1)	(2)	(3)	(4)	(5)	(6)
1	Andhra Pradesh	0	529	925	1454
2	Arunachal Pradesh	0	0	0	0
3	Assam	34	239	412	685
4	Bihar	568	739	1247	2554
5	Chhattisgarh	598	703	896	2197
6	Delhi	1043	1525	2324	4892
7	Goa	135	244	252	631
8	Gujarat	1795	2203	2863	6861
9	Haryana	917	1508	1054	3479
10	Himachal Pradesh	359	419	463	1241
11	J & K	334	470	835	1639
12	Jharkhand	180	496	436	1112
13	Karnataka	2459	3221	3669	9349
14	Kerala	862	1284	1597	3743
15	Madhya Pradesh	720	934	1508	3162
16	Maharashtra	1800	3835	4406	10041
17	Manipur	0	0	0	0
18	Meghalaya	0	21	55	76
19	Mizoram	0	0	0	0
20	Nagaland	0	0	0	0
21	Odisha	623	922	1041	2586
22	Puducherry	154	190	184	528
23	Punjab	1504	1902	2228	5634
24	Rajasthan	626	1191	1558	3375
25	Sikkim	0	0	0	0
26	Tamil Nadu	1574	1565	1898	5037
27	Telangana	175	700	1036	1911
28	Tripura	22	46	66	134
29	Uttar Pradesh	234	1447	2408	4089
30	Uttarakhand	361	511	672	1544
31	West Bengal	712	1112	1265	3089
	Total	17789	27956	35298	81043