

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

LOK SABHA

UNSTARRED QUESTION NO.181

TO BE ANSWERED ON MONDAY THE 14TH SEPTEMBER, 2020
BHADRAPADA 23, 1942 (SAKA)

EXCISE DUTY ON TOBACCO

181. DR. SUJAY RADHAKRISHNA VIKHE PATIL:
SHRI DHARYASHEEL SAMBHAJIRAO MANE:
SHRI HEMANT SRIRAM PATIL:
DR. SHRIKANT EKNATH SHINDE:
SHRI UNMESH BHAIYYASAHEB PATIL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is planning to increase compensation cess or central excise on cigarettes, bidis and smokeless tobacco;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the total amount of tax collected from cigarettes, bidis and smokeless tobacco from central excise and cess during the last three years;
- (d) whether the tax collected from tobacco is being used to fund the health programmes/schemes; and
- (e) 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) and (b): GST rates on goods, including compensation cess rates are fixed on the basis of the recommendations of the GST Council. As regards central excise duty, there is no proposal to increase duty at present.

(c): The total tax collected under central excise and cess for Tobacco Products, is as under:
(in Rs Crore)

	2017-18	2018-19	2019-20
Total Tax Collection*	6569	1234	1610

Source: DG Systems, EDW

*From July 2017, the Central Excise Duty collected on tobacco produced has been subsumed in GST.

(d) and (e): Taxes collected from tobacco, similar to taxes collected from other sources together form part of the overall Gross Tax Revenues (GTR) of the Government of India and are used to fund all schemes and programmes of the Government. In Budget 2020-21, an amount of ₹67,111.8 cr has been allocated to fund the requirements of the Ministry of Health and Family Welfare. This will be met from both capital and revenue receipts of the Government of India.
