

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

LOK SABHA UNSTARRED QUESTION NO. 32
TO BE ANSWERED ON MONDAY, THE 14TH SEPTEMBER, 2020
BHADRAPADA 23, 1942 (SAKA)

GST COMPENSATION

32: Shri Bholu Singh, Shri Raja Amareshwara Naik, Shrimata Sangeeta Kumar Singh Deo, Shir Thirunavukkarasar SU, Shri Vinod Kumar Sonkar, Shri K. Muraleedharan, Dr. Jayanta Kumar Roy, Dr. Sukanta Majumdar, Shri Uttam Kumar Reddy Nalamada, Shrimati Kanimozhi Karunanidhi:

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

- a) whether there is a shortfall in revenue collection including Goods and Services Tax (GST) collection due to lockdown in the country;
- b) if so, the details thereof along with the details of the proposal of financial package to the States for meeting revenue shortfall in GST;
- c) whether the GST Council has met recently and if so, the details thereof along with the decision taken therein;
- d) whether the Government has provided GST compensation to the States including Karnataka and Kerala;
- e) if so, the details of GST compensation paid as well as pending GST Compensation dues to different States during the last two years and the current year, State-wise and the reasons for not paying these dues;
- f) whether the Government has any plan to resolve the issue of pending GST compensation cess to the States; and
- g) if so, the steps being taken by the Government in this regard along with the time by which GST compensation dues are likely to be cleared and if not, the reasons therefor?

ANSWER

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

(a) & (b): The month-wise gross Goods and Services Tax collection for FY 2018-19, 2019-20 and FY 2020-21 (till August, 2020) are as under:

(in Rs. Corore)

Month	2018-19	2019-20	2020-21 (till Aug,20)
April	103459	113865	32174
May	94016	100289	62151
June	95610	99939	90917
July	96483	102082	87422
August	93960	98202	86499
September	94442	91916	
October	100710	95379	
November	97637	103491	
December	94726	103184	
January	102503	110818	
February	97247	105361	
March	106577	97590	
Total	1177368	1221604	359163
Average	98114	101843	71833

The average gross GST collection in the FY 2020-21 has shown declining trend as compared to the previous Financial Year. This may be attributed to the COVID Pandemic induced Lockdown and relief measures extended to the taxpayers by the Government by way of waiving the interest, late fee and extending the return filing dates.

(c) to (g): As per provisions in Section 7 of the GST (Compensation to States) Act, 2017 loss of revenue to the States shall be calculated and released at the end of every two months' period, for 5 years. Accordingly, admissible GST compensation for the period April, 2019 to March, 2020 has been released to all States/ UTs including Karnataka and Kerala. Due to short GST Compensation Cess collection in the current financial year, GST compensation is yet to be paid for the period April-July, 2020, as per details in Annexure.

Accordingly, issue of pending GST compensation and future course of action to meet the GST compensation shortfall has been discussed in 41st GST Council meeting on

27.08.2020 wherein States were given two options to meet their GST compensation shortfall for current FY from market borrowing.

It was also decided that States will give their preference views thereon. Thereafter on finalization of scheme, the states can chose either Option 1 or Option 2 and accordingly, their compensation, borrowing, repayment etc will be dealt as per their individual choice.

Details of GST Compensation

(Rs. in crore)

S.No	Name of State/UT	GST Compensation released for FY 2019-20	Provisional GST Compensation due for FY 2020-21
(1)	(2)	(5)	(6)
1	Andhra Pradesh	3028	4627
2	Arunachal Pradesh	0	0
3	Assam	1284	2149
4	Bihar	5464	4493
5	Chattisgarh	4521	2827
6	Delhi	8424	6931
7	Goa	1093	987
8	Gujarat	14801	11563
9	Haryana	6617	5841
10	Himachal Pradesh	2477	1623
11	J & K	3281	2104
12	Jharkhand	2219	2475
13	Karnataka	18628	13763
14	Kerala	8111	7077
15	Madhya Pradesh	6538	5863
16	Maharashtra	19233	22485
17	Manipur	0	53
18	Meghalaya	157	255
19	Mizoram	0	6
20	Nagaland	0	27
21	Odisha	5122	3633
22	Puducherry	1057	564
23	Punjab	12187	6959
24	Rajasthan	6710	6312
25	Sikkim	0	69
26	Tamil Nadu	12305	11269
27	Telangana	3054	5424
28	Tripura	293	259
29	Uttar Pradesh	9123	11742
30	Uttarakhand	3375	2235
31	West Bengal	6200	7750
	Total	165302.00	151365.00