

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA

UNSTARRED QUESTION NO- 992

TO BE ANSWERED ON MONDAY, JULY 26, 2021/ SRAVANA 4, 1943 (SAKA)

GST REVENUES

992. DR. KALANIDHI VEERASWAMY:

Will the Minister of FINANCE be pleased to state:

- (a) the details of Goods and Services Tax (GST) revenues collected within the country during the last three years and the current year including Tamil Nadu;
- (b) the details of the refund made so far to Tamil Nadu;
- (c) the details of pending compensation dues to Tamil Nadu along with the reasons for its pendency; and
- (d) the time by which it is likely to be cleared?

ANSWER

**THE MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) The details of gross Goods and Services Tax (GST) collected on domestic transactions during the last three years and the current year including Tamil Nadu are as under:

| Year | Amount (Rs. In crore) |
|------------------|------------------------------|
| 2018-19 | 8,76,794 |
| 2019-20 | 9,44,398 |
| 2020-21 | 8,65,842 |
| 2021-22(Apr-Jun) | 2,52,921 |

(b) The Union of India does not make any payment to any State under the head GST refund.

(c) & (d) The GST compensation cess levied under Section 8 of the GST (Compensation to States) Act, 2017 is transferred into a non-lapsable Fund known as GST Compensation Fund which forms part of the Public Account of India as provided in Section 10(1) of the act. The States are being compensated for any loss of revenue arising on account of implementation of GST for five years out of the Compensation Fund as per Section 10(2) of the said Act. GST compensation for financial years 2017-18, 2018-19 and 2019-20 has already been paid to all States including Tamil Nadu. The economic impact of the pandemic has led to higher compensation requirement due to lower GST collection and at the same time lower collection of GST compensation cess. GST compensation of Rs. 6832.6801 crore has been released to Tamil Nadu to partly meet the compensation payable for the period April'20 to March'21 as the amount in GST Compensation Fund was not adequate to meet the full compensation requirement. GST compensation of Rs. 6155 crore and Rs. 3574 crore is yet to be released to Tamil Nadu for period April'20 to March'21 and April-May, 2021 respectively.

The issue of GST Compensation to States has been deliberated in the 41st and 42nd GST Council meetings. Accordingly, FY 20-21, Centre had borrowed Rs. 1.1 lakh crore under a special window and passed on to the States as back-to-back loan to help the States meet the resource gap due to short-release of compensation on account of inadequate balance in the Compensation Fund. Subsequent to deliberations in the 43rd GST Council meeting, it has been decided that the Centre is borrowing Rs. 1.59 lakh crores from the market through special window in current FY and passing it on to the States/ UTs as a back to back loan in appropriate tranches as was done in last year. As per this decision Rs. 75000 crore has been released to States/ UTs on 15.07.2021. This amount includes Rs. 3818.50 crore released to the Govt. of Tamil Nadu. In addition, depending on the amount available in the Compensation Fund, Centre has also been releasing the regular GST compensation to States to make up for GST revenue shortfall.
