

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA
UNSTARRED QUESTION NO. 4001

TO BE ANSWERED ON MONDAY, MARCH 28, 2022/CHAITRA 7, 1944 (SAKA)

HEALTH AND EDUCATION CESS

4001. SHRI Y.S. AVINASH REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has given any clarification in relation to 'Health and Education cess' as business expenditure proposal on extending tax benefits to manufacturing companies and start-ups reaffirms the commitment to Atmanirbhar Bharat,
- (b) if so, the details thereof; and
- (c) if not, reasons therefor?

ANSWER

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

- (a) and (b): Through the Finance Bill, 2022, it has been proposed to amend sub-clause (ii) of clause (a) of section 40 of the Income-tax Act, 1961 to clarify that any surcharge or cess, by whatever name called, paid on tax amount shall not be allowed as business expenditure.
- (c) In view of (a) and (b), this does not arise.
