

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

LOK SABHA

UNSTARRED QUESTION NO.2395

TO BE ANSWERED ON MONDAY, AUGUST 1, 2022/SRAVANA 10, 1944 (SAKA)

SHARING OF CESS

2395. SHRI MADDILA GURUMOORTHY:

Will the Minister of FINANCE be pleased to state:

- (a) the total amount of central excise duty levied in form of cess and surcharges on petrol and diesel during the last five years;
- (b) whether the central tax has increased on petrol and diesel in form of cess during the last few years and if so, the details thereof and the reasons therefor;
- (c) whether such cess collected by the Union Government is not shared with the States and if so, the details thereof and the reasons therefor; and
- (d) whether the Government proposes to share such cess with the States and if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a): The details of cess and surcharges levied on Petrol and Diesel in the last five years are given as follows:

(Rs. per litre)

Time period	Petrol	Diesel
5 th Oct,18 to 6 th Jul,19	15	9
6 th Jul,19 to 14 th Mar,20	17	11
14 th Mar,20 to 6 th May,20	20	14
6 th May,20 to 2 nd Feb,21	30	27
2 nd Feb,21 to 4 th Nov,21	31.50	30
4 th Nov,21 to 22 nd May,22	26.50	20
22 nd May, 22 till date	18.50	14

(b): The excise duty and cess rate on petrol and diesel have been calibrated to generate resources for infrastructure and other developmental items of expenditure keeping in view the prevalent fiscal situation.

(c) and (d): As per Article 271 of the Indian Constitution, all taxes and duties, except surcharges and cesses levied for specified purposes, shall be distributed between the Union and the States. Devolution to State Governments is made out of the Basic Excise Duty component on the basis of the formula prescribed by the Finance Commission from time to time. The various Cesses collected by the Central Government is primarily used for funding various Centrally Sponsored schemes, whereby funds are transferred to the States for implementing these schemes for the development of States.
