

**Government of India
Ministry of Finance
Department of Revenue**

**LOK SABHA
UNSTARRED QUESTION NO.3480
TO BE ANSWERED ON MONDAY, AUGUST 8, 2022
SRAVANA 17, 1944 (SAKA)**

TAX COLLECTION OF SERVICE AND MANUFACTURING SECTORS

**3480. SHRI RAM KRIPAL YADAV:
SHRI RAJIV RANJAN SINGH ALIAS
LALAN SINGH:
SHRI DINESH CHANDRA YADAV:**

Will the Minister of FINANCE be pleased to state:

- (a) whether it is true that higher tax collection in the last financial year is due to boom in the Service Sector;
- (b) if so, the details thereof;
- (c) whether the Government has any separate data of tax collection available from the Service Sector and Manufacturing Sector respectively;
- (d) if so, the details thereof; and
- (e) the steps being taken by the Government to achieve the target of five trillion dollar economy?

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

(a) & (b): The details of collection of Central taxes during the F.Y. 2021-22 as compared to F.Y. 2020-21 is as under:

(Rs. in Crore)	
	Gross Tax Revenue*
F.Y. 2020-21	20,27,104
F.Y. 2021-22	27,08,291

*Source: Provisional Accounts

Various factors like rapid economic recovery post covid, better compliances due to various measures taken by Government have contributed to increase in tax collection.

(c) & (d): The details of tax collection under Service Sector and Manufacturing Sector are as under:-

(Rs. in Crore)		
<u>GST[^]</u>		
Financial Year	Manufacturer	Service Provider
2021-22	4,88,215	4,38,921

[^] The value of collection/revenue derived from challan data based on payment date.

(Rs.in Crore)

Direct Tax #		
Assessment Year	Manufacturer	Service Sector
2021-22	1,91,908.99	3,48,807.70

Source: DGIT (Systems), CBDT – based on information disclosed in Schedule ‘Nature of Business’

(e): Towards becoming a five trillion dollar economy and beyond, the Government increased its capex budget by about 35 per cent in 2021-22 and again by another 35 per cent in 2022-23. In 2022-23, the budget allocation for capex after including the allocation to the States is Rs.10.68 lakh crore, which is 4.1 per cent of GDP. The drive towards privatization as announced in Budget 2021- 22 is now complemented by PM Gatishakti Scheme announced in 2022-23 Budget, to ensure inter-ministerial coordination in infrastructure building for economic transformation. The Production Linked Incentive Scheme, which was initially announced as a major component of Atmanirbhar Bharat Mission, has been expanded to cover 14 sectors, which together with National Infrastructure Pipeline of Projects, will boost investment and growth in the economy. The Government has recapitalised banks, merged them and strengthened their balance sheets so that bank lending can grow faster. The measures taken in the past will also help the country become a five trillion dollar economy. These include introduction of Goods and Services Tax (GST), Insolvency and Bankruptcy Code (IBC), reduction in Corporate Tax Rate, Rationalization of Labour Laws, among others, which have also improved Ease of Doing Business.
