

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA
UN-STARRED QUESTION NO. 1682

TO BE ANSWERED ON MONDAY, THE 10 MARCH, 2025/ PHALGUNA 19, 1946 (SAKA)

Personal Income Tax Collection

1682. Ms. Sayani Ghosh

Will the Minister of FINANCE be pleased to state:

- (a) the personal income tax collection and percentage of GDP during the last ten years, year-wise;
- (b) the instances of changes in the personal income tax system during the last ten years; and
- (c) the estimated additional funds earned by the Government after changes in personal income tax system during the last ten years?

ANSWER

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

- (a) The personal income tax* collected and its percentage to GDP during the last ten years is as under:

(in Rs. Crore)

Financial Year	Personal Income Tax (PIT)*	GDP at Current Market Price	Percentage of PIT to GDP at Current Market Price
2014-15	2,65,772	1,25,41,208	2.1%
2015-16	2,87,637	1,35,67,192	2.1%
2016-17	3,49,503	1,53,62,386	2.3%
2017-18	4,20,084	1,70,98,304	2.5%
2018-19	4,73,179	1,88,86,957	2.5%
2019-20	4,92,717	2,00,74,856	2.5%

2020-21	4,87,560	1,98,29,927	2.5%
2021-22	6,96,604	2,35,97,399	3.0%
2022-23	8,33,307	2,69,49,646	3.1%
2023-24	10,45,139	2,95,35,667	3.5%

Source: Time Series Data as published by Income-tax Department

* Figures under Personal Income Tax include taxes paid by an individual, Hindu Undivided Family, Firms, associations of persons, body of individuals, local authorities and artificial juridical person.

(b) The new income tax regime introduced by the Finance Act, 2021 has been the most significant change made in the personal income tax* system during the last ten years. Under the new income tax regime, introduced as per section 115BAC of the Income-tax Act, 1961 w.e.f. Assessment Year 2021-22 (Financial Year 2020-21), an individual taxpayer or Hindu Undivided Family is being given an option for taxation either under the old tax regime or the new tax regime. This new tax regime was subsequently made applicable to associations of persons, body of individuals and artificial juridical person from Assessment Year 2024-25. In the old tax regime, various deductions and exemptions are allowed to taxpayers, whereas, in the new tax regime, only limited deductions and exemptions are allowed. Further, the new regime offers lower rates of taxes compared to the old regime for the taxable income which is tabulated for AY 2025-26 as under:

Old Tax Regime			New Tax Regime u/s 115BAC*		
Income Tax Slab	Income Tax Rate	Surcharge	Income Tax Slab	Income Tax Rate	Surcharge
Up to Rs. 2,50,000	Nil	Nil	Up to Rs. 3,00,000	Nil	Nil
Rs. 2,50,001 - Rs. 5,00,000	5% above Rs. 2,50,000	Nil	Rs. 3,00,001 - Rs. 7,00,000	5% above Rs. 3,00,000	Nil
Rs. 5,00,001 - Rs. 10,00,000	Rs. 12,500 + 20% above Rs. 5,00,000	Nil	Rs. 7,00,001 - Rs. 10,00,000	Rs. 20,000 + 10% above Rs. 7,00,000	Nil
Rs. 10,00,001 - Rs. 50,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	Nil	Rs. 10,00,001 - Rs. 12,00,000	Rs. 50,000 + 15% above Rs. 10,00,000	Nil
Rs. 50,00,001 - Rs. 100,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	10%	Rs. 12,00,001 - Rs. 15,00,000	Rs. 80,000 + 20% above Rs. 12,00,000	Nil
Rs. 100,00,001 - Rs. 200,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	15%	Rs. 15,00,001 - Rs. 50,00,000	Rs. 1,40,000 + 30% above Rs. 15,00,000	Nil

Rs. 200,00,001- Rs. 500,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	25%	Rs. 50,00,001- Rs. 100,00,000	Rs. 1,40,000 + 30% above Rs. 15,00,000	10%
Above Rs. 500,00,000	Rs. 1,12,500 + 30% above Rs. 10,00,000	37%	Rs. 100,00,001- Rs. 200,00,000	Rs. 1,40,000 + 30% above Rs. 15,00,000	15%
			Above Rs. 200,00,001	Rs. 1,40,000 + 30% above Rs. 15,00,000	25%

* Personal Income Tax includes taxes paid by an individual, Hindu Undivided Family, Firms, associations of persons, body of individuals, local authorities and artificial juridical person.

(c) The personal income tax collections are governed by multiple factors including growth of the economy, tax rates, taxpayer base and extent of tax compliance. Therefore, additional funds earned by the Government on account of change in any one factor cannot be estimated in isolation. However, the personal income tax* collection in FY 2014-15 is Rs. 2,65,772 crores and FY 2023-24 is Rs. 10,45,139 crores (increase of 293% over FY 2014-15).

* Personal Income Tax includes taxes paid by an individual, Hindu Undivided Family, Firms, associations of persons, body of individuals, local authorities and artificial juridical person.
