

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 4056
TO BE ANSWERED ON MONDAY, THE 18th AUGUST, 2025
SRAVANA 27, 1947 (SAKA)

RECOMMENDATIONS OF THE 15TH FINANCE COMMISSION

4056. SHRI RAMASAHAYAM RAGHURAM REDDY:

Will the Minister of FINANCE be pleased to state:

- a) the States share of the net proceeds of shareable Central Taxes for FY 2024-25;
- b) whether the said share is below 41% as suggested by the 15th Finance Commission and whether the Government plans to enhance devolution of States share to the aforesaid level;
- c) the level of devolution made by the Centre to local bodies in urban and rural areas;
- d) whether the said share is below Rs. 4.36 lakh crore and the Government plans to enhance devolution of States share to the aforesaid level;
- e) the details of State-specific grants made in FY 2024-25; and
- f) whether the said share is below the Rs. 49,599 crore as suggested by the 15th Finance Commission and whether the Government plans to enhance devolution of States' share to the aforesaid level?

ANSWER

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

(a): The total amount of States' share of the net proceeds of shareable taxes & duties for FY 2024-25 is ₹12,86,885.44 crore.

(b): No sir, the said share is as per the accepted recommendation of 15th Finance Commission.

(c) to (d): The Central Government doesn't devolve any tax to local bodies. However, the Central Government releases local body grants to State Governments based on recommendations of Finance Commission.

(e) to (f): No State-specific grants were specifically accepted in the Explanatory Memorandum as to the action taken on the recommendations made by the Fifteenth Finance Commission. Accordingly, no state-specific grants under 15th FC recommendations are being released.
