

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE

LOK SABHA

UNSTARRED QUESTION NO. 1142

TO BE ANSWERED ON FRIDAY THE 4<sup>th</sup> DECEMBER, 2015

13<sup>th</sup> AGRAHAYANA, 1937 (SAKA)

**TAX COLLECTION AND CONSUMPTION PATTERNS IN RURAL AREAS**

1142. SH. BHAGWANTH KHUBA

SHRI Y.V. SUBBAREDDY:

Will the Minister of FINANCE be pleased to state:

(a) Whether the Government is aware of low income tax collection from rural areas compared to urban areas, if so, the details thereof and the reasons therefor;

(b) Whether there has been a fall in the demand for goods in rural areas during the last three years and the current year;

(c) if so, details thereof and the reasons therefor along with the steps taken by the Government to boost rural demand?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF FINANCE**

**(SHRI. JAYANT SINHA)**

(a) Though data of income tax collection from rural and urban areas is not separately maintained, the collection from rural areas is expected to be lower than urban areas due to the fact that agricultural income is exempt from income tax and non-agricultural income of rural areas is lower than urban areas as industries and services are mostly located in or around urban centres.

(b) Since no survey on consumer expenditure has been conducted in last three years, it is not feasible to comment on whether there has been a fall in demand for goods in rural areas.

(c) Does not arise in view of reply to part (b) above