

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
LOK SABHA

UNSTARRED QUESTION NO.2141
TO BE ANSWERED ON FRIDAY, THE 29th July 2016
7 SHRAVANA 1938 (SAKA)

TAXES ON FIVE STAR HOTELS

2141. SHRI BHANU PRATAP SINGH VERMA

Will the Minister of FINANCE be pleased to state:

- (a) the amount of wealth tax collected during each of the last three years, commissionerate-wise;
- (b) whether the Government proposes to levy taxes on five star hotels and if so, the details thereof;
- (c) the number of five star hotels on which tax is outstanding and if so, the details thereof; and
- (d) the action taken against these evading hotels?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

- (a) The amounts of wealth-tax collections during last three financial years in respect of various Regions under the Income Tax Department are as under:-

Region	Gross Wealth Tax collection (<i>in Rs Crore</i>)		
	Financial Year 2013-14	Financial Year 2014-15	Financial Year 2015-16 (Provisional)
Andhra Pradesh & Telangana	42.78	40.53	38.90
Karnataka	73.90	81.53	76.68
Bihar & Jharkhand	2.91	3.07	3.84
Delhi	158.23	166.13	167.51
Gujarat	56.34	65.20	63.70

Contd.....2/-

Kerala	12.45	18.24	14.91
Madhya Pradesh & Chhattisgarh	16.45	17.37	15.16
Mumbai	327.11	355.31	370.15
Nagpur	7.80	7.65	7.96
North East Region	6.06	5.18	5.34
North West Region	37.42	35.52	34.48
Odisha	4.42	4.35	3.28
Pune	46.52	44.44	44.51
Rajasthan	19.06	22.13	25.20
Tamil Nadu	90.33	104.57	88.92
Uttar Pradesh (East)	9.61	9.28	8.76
Uttar Pradesh (West) & Uttarakhand	21.26	22.53	24.25
West Bengal & Sikkim	77.43	83.23	87.75
TOTAL	1010.08	1086.27	1081.30

(b) The income of a hotel, including a star rated hotel, is already chargeable to income-tax as per the provisions of the Income-tax Act, 1961. Service tax is also already chargeable on various services provided by hotels including residential and lodging services, if the declared tariff of one unit of accommodation is Rs 1000/- or above.

(c) Data of outstanding taxes in respect of hotels of different star ratings is not separately maintained.

(d) In cases of hotels, like any other business category, action as per the provisions of the relevant taxation law for recovery of outstanding taxes is taken, including attachment of bank account and debtors, attachment and sale of immovable property, recovery from Directors of the defaulting company, etc.
