GOVERNMENT OF INDIA
MINISTRY OF ROAD TRANSPORT AND HIGHWAYS

LOK SABHA
UNSTARRED QUESTION NO. 2066
ANSWERED ON 30th JULY, 2026

STOPPAGE OF TOLL COLLECTION ON NHs

2066. THIRU THANGA TAMILSELVAN:
DR. GANAPATHY RAJKUMAR P:

Will the Minister of ROAD TRANSPORT AND HIGHWAYS

सड़क परिवहन और राजमार्ग मंत्री

be pleased to state:

(a) whether the Union Government is aware of the fact that various taxes at different rates are being levied from the new vehicle buyer on the basis of vehicle size, engine capacity and fuel type for passenger vehicles in addition to RTO registration fees and insurance premiums, if so, the details thereof; and

(b) whether the Union Government has any proposal to stop collecting toll taxes and to remove all toll plazas at all NHs across the country in view of the above, if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS

(SHRI NITIN JAIRAM GADKARI)

(a) As per Entry 57 of List II (State List) of the Seventh Schedule to the Constitution of India, the subject relating to taxes on vehicles, whether mechanically propelled or not, suitable for use on roads, including tramcars, subject to the provisions of Entry 35 of List III (Concurrent List), falls within the legislative competence of the States. Further, mechanically propelled vehicles, including the principles on which taxes on such vehicles are to be levied, comes under the List III (Concurrent

List). Therefore, taxes on motor vehicles fall within the sole jurisdiction of respective State /UT administration, in accordance with constitutional provisions.

Further, the registration fee for motor vehicles is prescribed under Rule 81 of the Central Motor Vehicles Rules (CMVR), 1989.

(b) User fee at fee plaza is collected for the use of a completed section of National Highway, uniformly across the country in accordance with the provisions of the National Highways Fee (Determination of Rates and Collection) Rules, 2008 and the respective Concession Agreements.

As per the provisions of National Highways Fee Rules, 2008, in case of concessionaire operated fee plaza, the fee notified as per concession agreement is collected by the concessionaire till the end of the concession period, and after the concession period is over, the fee Plaza is handed over to the Government and thereafter the fee is collected by the Central Government or the executing authority as per the fee specified under the provisions of NH Fee Rules, 2008. In respect of fee plaza under public funded project, the fee leviable shall continue to be collected for such section of the National Highway. The revenue collected by the Central Government from user fee collection is deposited in Consolidated Fund of India (CFI) and the funds provided through budgetary allocation from the Consolidated Fund of India (CFI) are utilised for further maintenance, development and augmentation of National Highways.

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