

Income/Expenditure of Income Tax Department

702. SHRI BIKRAM KESHARI DEO: Will the Minister of FINANCE be pleased to state:

(a) the details of expenditure incurred and the revenue earned by the Income Tax Department during 1996, 1997 and 1998, separately;

(b) whether the expenditure is much more than the revenue earned by this Department; and

(c) if so, the steps the Government propose to take to minimise the expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) The details of revenue earned and expenditure incurred by the Income Tax Department during 1996, 1997 and 1998 is as follows:—

Fin. Year	Revenue earned (Rs. in crores)	Expenditure incurred
1995-96	33559	430.30
1996-97	38895	487.92
1997-98	48280	715.37

(b) No, Sir.

(c) Does not arise in view of (b) above.

Devolution of Funds to State

703. SHRI MADHAV RAO PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether State Governments have asked for substantial increase in devolution to States from the combined pool of Central taxes to meet the development needs, particularly infrastructural and administrative expenditure;

(b) if so, whether this subject was discussed during the Eleventh Finance Commission meeting with the State Finance Ministers; and

(c) if so, the details thereof and the steps likely to be taken in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) Yes, Sir. In the meeting of Finance Ministers of States with the Eleventh Finance Commission held on 2nd September, 1998, the State Governments asked for increase in the devolution to States from the Centres.

(c) It is for the Eleventh Finance Commission to consider the request of the State Governments while formulating its recommendations.

[English]

Duty on Imported Equipments

704. SHRI CHANDRAMANI TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) whether duty levied on imported equipments and materials used in power transmission and oil refineries is less than the duty levied on domestic manufacturing of the same products;

(b) if so, the amount of difference between these two duties;

(c) whether this difference will lead the Indian Industries on the verge of closure; and

(d) if so, the steps taken to save the indigenous industry?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) and (b) Imported equipment and materials used in power transmission projects presently attract duty at 20% (Basic) plus special duty at 2% plus countervailing duty (CVD) at 10%. Specified items required for setting up of oil refinery is attract nil basic and nil special duty plus 10% CVD. Domestic manufacturers of similar products pay Central Excise duty on such products at varying rates depending upon the commodity, the general rate being 13%.