

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:999  
ANSWERED ON:29.07.2005  
SERVICE TAX IN MAHARASHTRA  
Chaure Shri Babu Hari;Dhotre Shri Sanjay Shamrao

**Will the Minister of FINANCE be pleased to state:**

- (a) the target fixed for collection of service tax in Maharashtra during the year 2004-05;
- (b) actual amount recovered under service tax Head in Maharashtra by the end of January 2005;
- (c) the steps taken to cover all the service providers under the service tax net;
- (d) whether the Government is of the view that the service tax is likely to continue as a major source of income; and
- (e) if so, the details in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) The Budget Estimate and the Revised Estimate of service tax collection for the whole country for the financial year 2004-05 was Rs. 14150 crore. Targets of service tax collection are not fixed state wise.

(b) As per reports received from the field formations, Rs 3236 crore was collected as service tax from the state of Maharashtra upto January 2005 (April, 2004 to January, 2005).

(c) A number of steps have been taken to cover all the potential service providers and includes the following:

(i) Street to street surveys were conducted to identify new assesses of service tax.

(ii) To encourage registration of service tax providers, an amnesty scheme was launched on 1st October, 2004 under which those service providers, who had not obtained service tax registration and applied for fresh registration, were exempted from imposition of penalty.

(iii) A project plan was circulated to all the field formations, encompassing the updated internet sites of 71 services which are under the tax net. The field formations were directed to identify and locate the unregistered service providers from these internet sites and to register them

(iv) Wide publicity was given through media.

(d) & (e) collection of service tax for the year 2004-05 was Rs. 14,134 crore (provisional) and the Budget Estimate fixed for the financial year 2005-06 is Rs 17,500 crore.