

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:237
ANSWERED ON:04.12.2009
GOODS AND SERVICES TAX
Kumar Shri Shailendra;Singh Shri Rakesh

Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government proposes to impress upon the Empowered Committee of State Finance Ministers for the timely introduction of Goods and Services Tax (GST);
- (b) whether a consensus has been reached between Empowered Committee of State Finance Ministers for Value Added Tax and Union Finance Ministry and certain reservations of some States thereto resolved adequately;
- (c) if so, the details thereof; and
- (d) if not, the extent to which concerns of States/UT Administrations have been addressed alongwith the areas of differences?

Answer

FINANCE MINISTER (SHRI PRANAB MUKHERJEE)

(a) to (d) A statement is laid on the Table of the House.

STATEMENT IN RESPECT OF LOK SABHA STARRED QUESTION NO. 237 DATED 04.12.2009 TABLED BY SHRI RAKESH SINGH AND SHRI SHAILENDRA KUMAR REGARDING 'GOODS AND SERVICES TAX'.

a) Union Government is working closely with the Empowered Committee of State Finance Ministers (EC) for early introduction of Goods and Services Tax (GST) in the country.

b), c) & d) EC is working to resolve the issues raised by the States and has been able to achieve a good degree of consensus on various issues related to GST. The consensus has been reached between the EC and the Union Government that the Dual GST model would be implemented in the country under which both Centre as well as States would levy GST on the same transaction, EC on the basis of consensus so achieved has issued 'First Discussion Paper on Goods and Services Tax in India' on 1011 November, 2009. The Union Government is examining the Discussion paper issued by EC and is trying to address the concerns of States whilst ensuring that the basic principle of GST does not get affected and the administration of GST remains simple.