

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3756

ANSWERED ON:11.12.2009

RELEASE OF COMPENSATION UNDER CENTRAL SALES TAX FOR 2009-10

Gutha Shri Sukender Reddy

Will the Minister of FINANCE be pleased to state:

(a) whether the Government of some States requested Union Government for release of compensation under Central Sales Tax for 2009-10;

(b) if so, the details thereof and action taken thereon, State-wise;and

(c) the time by which compensation package for the financial year 2009-10 relating to losses under Central Sales Tax is likely to be finalized?

Answer

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

(a): Yes,Sir.

(b)& (c) Government of Andhra Pradesh have submitted CST compensation claim of Rs. 505.62 crore for the period up to June 2009, Government of Jharkhand have submitted CST compensation claim of Rs. 137.27 crore for the period up to September 2009 and Government of Tamil Nadu have submitted CST compensation claim of Rs. 1030.60 crore for the period up to August 2009 in financial year 2009-10. The compensation package for Central Sales Tax related losses for the financial year 200910 is being discussed between the Centre and the Empowered Committee of State Finance Ministers. Compensation to the Governments of Andhra Pradesh, Jharkhand and Tamil Nadu , if found eligible, would be released as soon as the compensation package for the financial year 2009-10 gets finalized.