

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:5036
ANSWERED ON:27.04.2010
COMMITTEE ON ROAD TAX
Lal Shri Kirodi

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the Union Government had constituted a committee to enquire into the issues related to the motor vehicle taxation system, one time payment of road tax and a uniform rate of composite tax for national permit applicable across the country;
- (b) if so, the terms of reference and the composition of the committee;
- (c) whether the committee has submitted its report;
- (d) if so, the findings thereof; and
- (e) the follow-up action taken thereon?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI MAHADEO SINGH KHANDELA)

- (a) The Government had constituted an Empowered Committee of State Transport Ministers under the chairmanship of Hon'ble Transport Minister, Government of Rajasthan to evolve a new composite fee regime for national permit vehicle to operate throughout the country.
- (b) The terms of reference of the Committee were as under:
 - (i) To suggest a composite fee structure for National Permit
 - ii) To suggest a workable formula for devolution of composite fee among the States/UTs ensuring that there will not be any revenue loss to any State/UT.
 - (iii) To suggest a mechanism of collection of composite fee and distribution thereof including the structure of a Central agency, if any.
 - (iv) Any other matter relevant or as may be referred by the Government relating to composite fee.
- (c) Yes, Sir.
- (d) The Committee has recommended that the composite fee for the national permit may be levied at the rate of Rs. 15000/- per annum per truck authorizing the permit holder to operate throughout the country. Other recommendations of the Committee include a formula for devolution of the composite fee among the States/UTs, requirement of amendment in State taxation laws, mechanism for implementation of new composite fee regime etc.
- (e) The recommendations of the Committee were deliberated in the 33rd meeting of the Transport Development Council held on 16.4.10. The Transport Development Council unanimously accepted the recommendations of the Committee.