

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:139  
ANSWERED ON:05.03.2010  
GOODS AND SERVICE TAX  
Balram Shri P.;Gandhi Shri Feroze Varun

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

- (a) whether the Government has finalised the Goods and Service Tax (GST);
- (b) if so, the details thereof indicating the items/sectors likely to be covered thereunder;
- (c) the manner in which the consumers are likely to be benefited thereby;
- (d) whether the Government proposes to introduce the GST w.e.f. 1 April, 2010;
- (e) if not, the reasons therefor;
- (f) the action taken by the Government to resolve the issues involved in the introduction of GST; and
- g) the time by which it is likely to be introduced in the country?

**Answer**

FINANCE MINISTER (SHRI PRANAB MUKHERJEE)

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

STATEMENT IN RESPECT OF LOK SABHA STARRED QUESTION NO. 139 DATED 05.03.2010 TABLED BY SHRI P. BALRAM NAIK & SHRI VARUN GANDHI REGARDING "GOODS AND SERVICE TAX".

a) A consensus among the States themselves about certain basic parameters concerning GST is yet to emerge. Centre continues to be in dialogue with the Empowered Committee of State Finance Ministers to arrive at a consensus as early as possible.

b) Does not arise.

c) GST is expected to remove the cascading of tax and thus bring down the effective rate of taxation on most goods and services. It will also facilitate trade and commerce and is expected to lead to further economic growth.

d) It will be the endeavour of the Central Government to persuade the States to arrive at a consensus so that the GST can be implemented from 01 April 2011.

e) The basic design of GST and Constitutional amendments required to bring in GST regime are yet to be finalized among the States themselves and between the Centre and the States.

f) Government has requested the Empowered Committee of State Finance Ministers (EC) to discuss the issues to resolve them. Several meetings have been held by the Union Finance Minister with the State Finance Ministers.

g) It will be the endeavour of the Central Government to persuade the States to arrive at a consensus so that the GST can be implemented from 01 April 2011.