

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

UNSTARRED QUESTION NO:5142
ANSWERED ON:27.04.2010
ASSISTANCE FOR STATE TRANSPORT CORPORATIONS
Meghe Shri Datta Raghobaji;Viswanathan Shri P.

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

- (a) whether the Union Government has formulated a scheme to extend financial assistance to the State Governments in view of the poor financial condition of most of the State Transport Corporations in the country;
- (b) if so, the time by which the scheme is likely to be implemented;
- (c) whether one of the constraint being faced by the transport sector in the country is the taxation system levied by the State Governments on the passenger fare and freight items; and
- (d) if so, the details thereof alongwith the steps taken by the Government to resolve these problems?

Answer

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

- (a) The Government has finalized a scheme to provide central assistance to the States/UTs to introduce Information Technology to strengthen public transport system in the country.
- (b) The scheme has already been made effective from 15th March, 2010.
- (c) Yes, Sir.
- (d) The taxation structure on motor vehicles including the passenger vehicles varies from state to state. Moreover, it has been alleged that the taxation system followed by the States is not favourable for the growth of passenger road transport system. The States have been requested from time to time to rationalize the taxation structure both for passenger and goods vehicles.