

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6998
ANSWERED ON:07.05.2010
TAX FOR PREVENTIVE HEALTH CHECK UPS
Sivasami Shri C.

Will the Minister of FINANCE be pleased to state:

- (a) the details of cess imposed by the Union Government and revenue mobilised therefrom during each of the last three years for preventive health check up;
- (b) whether the Government proposes to give tax benefits to the health care industries and enable manufacturing of medical equipment in the country; and
- (c) if so, the details thereof?

Answer

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

- (a): The Union Government has not imposed any cess to mobilize revenue therefrom for preventive health check up.
- (b) & (c): In the Budget 2010-11, the following incentives have been provided to the Health Sector:
 - (i) Customs duty rate structure has been rationalized on all medical, surgical, dental and veterinary equipments (with some exceptions), These items now attract a concessional rate of 5% basic customs duty and 4% CVD/ excise duty. These goods have also been exempted from special CVD.
 - (ii) Customs duty on all parts and components required for the manufacture of medical, surgical, dental and veterinary equipments etc has been reduced to 5%. These goods have also been exempted from CVD/ Excise duty.
 - (iii) Basic Customs duty has been fully exempted on Special Grade Stainless Steel, Titanium Alloys, Cobalt-Chrome Alloys and High-Density Polyethylene, used for the manufacture of Orthopaedic implants.
 - (iv) Basic Customs Duty on Ostomy products (Appliances), their Accessories and parts has been reduced to 5%.
 - (v) Basic customs duty on 11 specified drugs including two anti-cancer and one for the treatment of AIDS has been reduced to 5%.