

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5106

ANSWERED ON:27.08.2010

TAXES ON AIRLINES

Mahendrasinh Shri Chauhan ;Vasava Shri Mansukhbhai D.

Will the Minister of FINANCE be pleased to state:

- (a) the types/details of taxes charged from the Indian Airlines Companies;
- (b) the category-wise amount of taxes outstanding against each airline company;
- (c) the steps taken by the Government to recover outstanding taxes against them; and
- (d) the success achieved by the Government in this regard?

Answer

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

(a) & (b): Income tax and Wealth Tax are levied on the entities concerned as per rates given in the Finance Act and Wealth Tax Act respectively. The Foreign Travel Tax (FTT)/Inland Air Travel Tax (IATT) collected from the Airlines have been dispensed with effect from 08-01-2004. Presently no such taxes are charged from the Indian Airlines Companies. Category-wise amount of taxes outstanding against each Airlines Companies are given in Annexure. The information with regard to amount of service tax outstanding against each airline company is being collected and will be laid on the Table of the House. So far as direct taxes are concerned, sector-wise details of outstanding income tax are not maintained centrally.

(c) & (d): In all cases of outstanding arrears, statutory measures prescribed under relevant Acts are taken from time to time. An amount of Rs.44.34 lakhs was recovered from UP Airways(King Airways) under IATT on 18-11-2008.