

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:231
ANSWERED ON:03.07.2009
SERVICE TAX COLLECTION
Ahir Shri Hansraj Gangaram

Will the Minister of FINANCE be pleased to state:

- (a) whether service tax collections in the service sector is on the rise;
- (b) if so, the details thereof during the last two financial years; and
- (c) the details of increase in service tax collections this year consequent upon hike in service tax rate since last year?

Answer

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

- (a) & (b) Yes, Sir.The service tax revenue collected was Rs.37,598 crore, Rs.51,301 crore and Rs.60,716 crore (Provisional) during 2006-07, 2007-08 and2008-09 respectively.
- (c) The service tax rate was reduced from 12% to 10% with effect from 24th February, 2009. During (April-May) 2009 the Service tax revenue collected is Rs.5,675 crore (Provisional), as compared to Rs.6,121 crore upto (April-May) 2008.