

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2761  
ANSWERED ON:26.11.2010  
COLLECTION OF TAX FROM TIER II & III CITIES  
Owaisi Shri Asaduddin

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

- (a) whether Tier II and Tier III cities have outnumbered metros in terms of growth of personal and corporate tax collections;
- (b) if so, the details thereof;
- (c) whether a large number of corporate houses, quality education institutions have come in these cities resulting in increase in tax collections;
- (d) whether these cities lag behind in infrastructure and need urgent attention of the Government;
- (e) whether the government proposes to allocate more funds for development; and
- (f) if so, the details thereof and if not, the reasons therefor?

**Answer**

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

(a) to (c) Separate city wise data of Direct tax collection (personal & corporate tax) is not maintained centrally. Data of coming-up of assesseees belonging to Corporate Houses and educational institutions in various cities is also not maintained centrally. However, data regarding net direct tax collected during last three F.Ys is given below:

F.Y. Net Direct Tax % growth over  
collected preceding year  
(Rs in crores)

2007-08 312,213

2008-09 3,33,828 6.92

#2009-10 3,77,984 13.22

#Figures for the F.Y. 2009-10 are provisional.

(d) to (f) City wise data is not maintained separately. However in order to support investment/resources required for infrastructure development in urban areas including Urban Infrastructure and Governance (UIG) and Urban Infrastructure Development Scheme for small and Medium towns (UIDSSMT) being two components of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) launched in 2005. The enhanced allocation for additional central assistance for UIG is Rs. 31,500 crores while the allocation for UIDSSMT is Rs. 11,400 Crore for the mission period of 7 Years. The mission aim to encourage reforms and fast track infrastructure development. The focus is on efficiency in urban infrastructure and service delivery mechanism, community participation, accountability of urban local bodies/ parastatal agencies towards citizens.