

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:454
ANSWERED ON:10.12.2010
TAX-GDP RATIO
Yadav Shri Dinesh Chandra

Will the Minister of FINANCE be pleased to state:

- (a) whether the tax collection has been increasing in the country during the last few years;
- (b) if so, the category-wise details thereof alongwith the annual average increase made during each of the last three years;
- (c) the average annual rate of increase in the collection compared with the rate of increase in the Gross Domestic Product (GDP) during the same period; and
- (d) the new areas which have been brought under the tax net during the said period?

Answer

FINANCE MINISTER (SHRI PRANAB MUKHERJEE)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No. 454 for answer on 10th December, 2010

(a) to (c): The category-wise details of collection of direct and indirect with the Gross Domestic Product (GDP) during the last three years are taxes as compared as under:

(Rs. in crore)

Head	2007-08	2008-09	2009-10 (P)
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A. Direct Tax

Corporation Tax	192911	213395	244725
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Personal Income Tax	118915	120004	132752
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Other direct taxes	387	419	505
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Total	312213	333818	377982
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B. Indirect Tax

Customs Duty	104119	99879	84497
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Excise Duty	123611	108613	106452
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Service Tax 51301 60941 58319

Total 279031 269433 249268

Total (A+B) 591244 603251 627250

GDP at current Market Price 4947857 5574449 6231171

GDP growth rate (%) 15.5 12.66 11.78

Tax-GDP ratio (%) 11.95 10.82 10.07

Annual Average growth (%) of Tax 3.00

(d) There is no new area which has been brought under the direct tax-net during the last three years. However, so far as indirect taxes are concerned, during the last three years the following services have been brought under the service tax net:

Mining of mineral, oil or gas service.

Renting of immovable property for use in course or furtherance of business or commerce services.

Execution of a work contract service.

Development and supply of content for use in telecom services, advertising agency services and on line information and data base assess or retrieval services

Asset management including portfolio management and all forms of fund management services.

Design Services

Services of Telegraph Authority in relation to Telecommunication Service

Service provided by any person in relation to IT software

Services provided by an insurer of life insurance on ULIPS

Services provided by a recognized stock exchange in relation to transaction in securities

Services provided to goods or forward contracts

Services provided by a processing and clearinghouse in goods and forward contracts

Services provided by any person in relation to supply tangible goods

Cosmetic Surgery or Plastic Surgery Service

Transport of coastal goods & goods through National Waterways or goods through Inland water

Legal consultancy Service