

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3698
ANSWERED ON:16.12.2011
TAX FROM COMMODITY MARKET AND EXPORT
Nagpal Shri Devendra

Will the Minister of FINANCE be pleased to state:

(a) the category-wise duties/levies/taxes applicable to commodity exchanges and details of profits made in commodity trading and also in export of food items during the last three years; and

(b) the amount collected therefrom during each of the last three years, category- wise, region-wise?

Answer

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

(a): Service tax is levied on the commodity exchange service @ 10% under service head `services provided by a recognized/registered association in relation to assisting, regulating or controlling the business of the sale or purchase of any goods or onward contracts and includes services provided in relation to trading, processing, clearing and settlement of transactions in goods or forward contracts`. So far as direct taxes are concerned, the tax on income/wealth as applicable to the commodity exchanges, profits made in commodity trading and in export of food items is levied as per the provisions of the Income Tax Act, 1961 and Wealth Tax Act, 1957 respectively.

(b): During the financial years 2008-09, 2009-10 and 2010-11, the Service tax collected under the above service head is Rs.18,25 crore, Rs.23.17 crore and Rs.32.34 crore respectively. However, data about the direct taxes collected from commodity exchanges, profits made by entities engaged in commodity trade and export of food items is not maintained centrally and therefore, the tax collected from these can not be provided.