

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2604
ANSWERED ON:09.12.2011
PROFESSIONAL TAX
Chowdhury Shri Adhir Ranjan

Will the Minister of FINANCE be pleased to state:

- (a) whether some States have imposed professional tax;
- (b) if so, the details thereof, State-wise; and
- (c) the reaction of the Union Government thereto in view of the tax burden borne by the Central and State Government employees posted in various States?

Answer

Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a) to (c): According to Article 276 of the Constitution, the legislature of a State may levy taxes on professions, trade and employments for the benefit of the State or a municipality, district board, local board or other local authority, upto a ceiling specified in the Constitution. The present ceiling is Rs.2500 per annum per person. Information regarding imposition and collection of taxes on professions, trade and employments by States is not centrally maintained.