

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:1971
ANSWERED ON:26.03.2012
TOLL COLLECTION
Bali Ram Dr.

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the Union Government levies a cess on petrol/diesel for construction of roads;
- (b) if so, the details thereof;
- (c) whether even toll tax is taken on the National Highways for this purpose and thus the people have to bear the burden of double taxation for the same purpose;
- (d) if so, the steps taken by the Government in this regard till date;
- (e) the annual amount of tax collection made by the Government from the people through cess and toll tax;
- (f) whether there is any proposal to discontinue toll tax; and
- (g) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI JITIN PRASADA)

- (a) Yes, Madam.
- (b) The Central Government has created a dedicated fund, called Central Road Fund from collection of cess from petrol & diesel. Presently, Rs.2/- per litre is levied as additional duty of excise and custom on both petrol and High Speed Diesel (HSD) Oil. The fund so generated is distributed for development and maintenance of National Highways, State Roads, Rural Roads and for provision of road overbridges/underbridges and other safety features at unmanned Railway Crossings as provided in Central Road Fund Act, 2000.
- (c) Toll or User Fee is levied to recover the cost of construction and maintenance of national highways for both BOT (Toll) projects under PPP mode as well as Public Funded Projects. This is not double taxation but generate additional funds for targeted construction and maintenance of national highways.
- (d) Does not arise.
- (e) Amount collected through cess on Petrol and Diesel is allocated by the Planning Commission. In the RE for the year 2011-12 Rs.12086.19 Cr. has been allocated to this Ministry. The amount collected through user fee (toll) by NHA for the year 2011-12 (upto January 2012) is Rs.2392.32 Cr.
- (f) No, Madam. However as per the National Highways Fee (Determination of Rates & Collection) Second Amendment Rules 2008, rate of fee will be reduced to 40% after recovery of capital cost or completion of concession period.
- (g) Does not arise.