

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1959  
ANSWERED ON:17.07.2009  
SHARE OF STATES IN SERVICE TAX  
Ahir Shri Hansraj Gangaram

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

- (a) the mode /pattern of distribution of revenues between the States and the Union Government collected on account of service tax;
- (b) whether some of the States have raised objections to the manner in which this tax is distributed;
- (c) if so, the details thereof; and
- (d) the action taken or proposed to be taken by the Government in this regard ?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a): The pattern of distribution of Service Tax between State Governments and Union Government and among States are based on the recommendation of the Twelfth Finance Commission(TFC). Presently, Service tax is not leviable in the State of Jammu & Kashmir, and its proceeds are, therefore, not assignable to this State. Share of States , as recommended by TFC, is as under:

State Share (%) State Share (%)

Andhra Pr.	7.453	Manipur	0.367
Arunachal Pr.	0.292	Meghalaya	0.376
Assam	3.277	Mizoram	0.242
Bihar	11.173	Nagaland	0.266
Chhattisgarh	2.689	Orissa	5.229
Goa	0.262	Punjab	1.316
Gujarat	3.616	Rajasthan	5.683
Haryana	1.089	Sikkim	0.230
Himachal Pr.	0.529	Tamilnadu	5.374
Jharkhand	3.405	Tripura	0.433
Karnataka	4.518	Uttar Pr.	19.517
Kerala	2.700	Uttarakhand	0.952
Madhya Pr.	6.799	W.Bengal	7.150
Maharashtra	5.063		

(b): No suggestion or objection has been received in the Ministry of Finance.

(c) & (d): Do not arise.