

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5907
ANSWERED ON:11.05.2012
ADDITIONAL TAX ON DIESEL CARS
Ganeshamurthi Shri A.;Kataria Shri Lal Chand;Singh Shri Uday Pratap

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to impose additional tax on purchase of new cars in view of the rising cost of diesel;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the number of diesel cars being sold every month in the country presently?

Answer

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

- (a): No, Madam.
- (b): Does not arise in view of (a) above.
- (c): Tax on purchase of goods is a state subject and hence the Union Government is not empowered to impose it. The rates of excise duty applicable to cars, including diesel cars, have already been enhanced in the Budget for 2012-13.
- (d): This data is not being maintained by the Government. According to information obtained from Society of Indian Automobile manufacturers (SIAM), the estimated sale of personalised diesel vehicles, including utility vehicles, in 2010-11 was 9,35,074 which yields a monthly average of 77,923 vehicles.