

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1811

ANSWERED ON:22.08.2012

NEW APPROACH TO SERVICE TAX

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Will the Minister of FINANCE be pleased to state:

- (a) the amount of tax collected under service tax since its inception, year-wise along with the percentage increase over the year;
- (b) the target fixed by the Government during the current fiscal for service tax collection and the steps taken to achieve the same;
- (c) whether the Government has released any Guidance Paper on the new approach to service tax; and
- (d) if so, the details and the salient features thereof?

Answer

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

(a): Sir, detailed information is enclosed as Annexure.

(b): For the current fiscal year (2012-13), for service tax, Government has fixed a target of Rs.1,24,000(One Lakh and Twenty Four Thousand) Crore. Following steps are being taken to achieve the same:(i) An Education Guide has been released by the Government to explain the salient features of the new approach to taxation of services effective since the first day of July, 2012; (ii) seminars have been conducted in major cities to explain the new approach to tax payers and officers; (iii) collection of service tax is monitored regularly; (iv) audit and preventive measures are taken to check evasion; (v) to reduce disputes and ensure clarity and uniformity in interpretation of service tax law, circulars are issued, as and when found necessary.

(c) and (d): Yes. The Government has released 'An Education Guide', on 20th June, 2012. In the Education Guide, features of the new approach to taxation of services have been explained in detail. Questions and doubts likely to arise in the minds of tax payers and officers, regarding the new approach, are anticipated and answers have been provided in an easy-to-understand format.