

**GOVERNMENT OF INDIA  
CIVIL AVIATION  
LOK SABHA**

UNSTARRED QUESTION NO:1183

ANSWERED ON:26.11.2009

TAXES ON JET FUEL

Bapurao Shri Khatgaonkar Patil Bhaskarrao;Gaikwad Shri Eknath Mahadeo;Sugavanam Shri E.G.;Yaskhi Shri Madhu Goud

**Will the Minister of CIVIL AVIATION be pleased to state:**

- (a) whether members of Federation of Indian Airlines have expressed their concern over the issue of high taxes on Jet Fuel;
- (b) if so, the details thereof; and
- (c) the action taken /proposed to be taken by the Government on this request.

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION(SHRI PRAFUL PATEL)

(a) & (b):- Yes, Sir. Federation of Indian Airlines (FIA) has expressed their concern over the issue of high taxes on Jet Fuel and requested to notify Aviation Turbine Fuel (ATF) as a "Declared Good".

(c):- The Government has taken various steps as under:

(1) Custom duty on import of ATF has been abolished.

(2) The State Governments have been persuaded to reduce the sales tax on ATF. Government of Andhra Pradesh and, in certain cases, Government of Rajasthan have reduced the sales tax on ATF to 4%. Government of Maharashtra has also reduced sales tax on ATF from 25% to 4% for flights originating from airports other than Pune and Mumbai.

(3) The Oil companies have started announcing the ATF prices on a fortnightly basis rather than monthly basis.