

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:417
ANSWERED ON:23.11.2012
TAX FREE ZONES
Agarwal Shri Jai Prakash

Will the Minister of FINANCE be pleased to state:

- (a) the location-wise details of the tax free zones in the country as on date;
- (b) whether the Government proposes to declare certain areas as tax free zones;
- (c) if so, the details thereof; and
- (d) the time by which announcement to this effect is likely to be made?

Answer

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

- (a): There is no concept called Tax Free Zones as such in operation. However, there are schemes like Special Economic Zones (SEZs) and Export Oriented Units (EOUs) which provide tax exemptions. Both above schemes are administered by the Department of Commerce. In addition to above, package of incentives for the Special Category States of Jammu & Kashmir, Himachal Pradesh, Uttarakhand and North Eastern States (such as Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura) are provided by the Department of Industrial Policy & Promotion under its Industrial Policy. Package of incentives provided to above states also include various tax concessions as per notifications issued by the Department of Revenue.
- (b): Presently there is no proposal under consideration of the Ministry of Finance to declare certain areas as tax free zones.
- (c) & (d): In view of reply to part (b) above, Questions do not arise.