

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:4277
ANSWERED ON:19.12.2012
TAX ON ALCOHOL AND TOBACCO PRODUCTS
Chitthan Shri N.S.V.

Will the Minister of PLANNING be pleased to state:

- (a) whether the Planning Commission has suggested that a sin tax be imposed on alcohol and tobacco products to fund public health services;
- (b) if so, the details thereof;
- (c) the estimated revenue collection from this tax; and
- (d) the manner in which the proceeds from this tax is proposed to be allocated?

Answer

MINISTER OF STATE FOR PLANNING AND PARLIAMENTARY AFFAIRS (SHRI RAJEEV SHUKLA)

- (a) & (b): In the health chapter of the Draft twelfth Five Year Plan, it has been proposed " A designated sin tax to finance a part of the health budget can lead to reduced consumption of these harmful items(as tobacco and alcohol) and could be considered".
- (c) & (d): Does not arise, as this is a suggestion in the Draft twelfth Five Year Plan by the Planning commission.