

**GOVERNMENT OF INDIA
ROAD TRANSPORT AND HIGHWAYS
LOK SABHA**

UNSTARRED QUESTION NO:3252
ANSWERED ON:18.03.2013
VEHICLE REGISTRATION TAX
Swamygowda Shri N Cheluvarya Swamy

Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether the Government has any proposal to rationalise the vehicle registration tax and other taxes levied on vehicles in various States of the country;
- (b) if so, the reaction of the State Governments thereto; and
- (c) the time by which the rationalisation of vehicular taxes is likely to be implemented across the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI SARVEY SATHYANARAYANA)

(a) The issue of rationalisation of motor vehicle taxes across the country was discussed in the 34th meeting of Transport Development Council held at New Delhi on 13th February, 2012. There was an 'in principle' consensus among the State Governments / Union Territories which participated in that meeting to bring floor rate of life time motor vehicle taxes in respect of two-wheelers, cars, light motor vehicles (LMVs) at 6% on sale price.

(b)to(c) Since the taxes on motor vehicles is in State List, decision to rationalise motor vehicle taxes lies with the States. Hence no specific time frame can be indicated to arrive at a consensus among them.