

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:3630  
ANSWERED ON:11.12.2009  
COLLECTION OF SERVICE TAX  
Singh Shri Bhupendra

**Will the Minister of FINANCE be pleased to state:**

- (a) the details of reliefs on each category of indirect tax provided by the Union Government during the year 2009-10;
- (b) the amount of service tax collected so far and the amount expected to be collected during the remaining period of the current financial year;
- (c) whether there is a decline in the amount collected as service tax as compared with those collected during the previous years;
- (d) if so, the details thereof and reasons therefor; and
- (e) the steps taken or proposed to be taken by the Government in this regard?

**Answer**

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

- (a) Details of reliefs are given in the Annexure.
- (b) During April – October, 2009, an amount of Rs.28,926 crore has been collected as service tax. For the remaining period of current financial year, as per Budget Estimates the service tax revenue collection is expected to be of the order of Rs.36,074 crore.
- (c)&(d) Yes, Sir. The amount collected as service tax during April-October, 2009 was Rs.28,926 crore as compared to Rs.30,591 crore collected during the corresponding period of 2008-09. As such, there has been a decline of 5.44% in service tax collection. The chief reason for this decline is the reduction in service tax rate from 12% to 10% announced on 24.02.2009 as part of the fiscal stimulus package to revive the Indian economy
- (e) Regular monitoring of revenue collection and analysis of the causal factors for decline in revenue collection is being done at the national, zonal and commissionerate level. The audit and anti-evasion measures are also undertaken to check the leakage of revenue.