

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

UNSTARRED QUESTION NO:2143
ANSWERED ON:24.07.2014
UNIFORM ROAD TAX
Shrirang Shri Chandu Barne

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

- (a) whether any proposal to introduce uniform rate of road tax across the country is under consideration of the Government;
- (b) if so, the details thereof along with action taken thereon;
- (c) whether the Union Government has discussed the matter with State Governments and entered into an agreement with them; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (SHRI KRISHANPAL GURJAR)

(a)&(b) As per Constitution of India, taxation on motor vehicles is a State subject and governed by Taxation Laws of the respective State Governments. Implementation of a uniform registration tax regime in all States/Union Territories require consensus amongst them as this issue falls within the domain of States/Union Territories.

(c) to (d) The issue regarding rationalization of motor vehicle taxes across the country was discussed in the 34th meeting of Transport Development Council (TDC) held on 13.02.2012 and again in the 35th meeting held on 23.10.2013 under the Chairmanship of Union Minister for Road Transport and Highways. The TDC decided to rationalize the motor vehicle taxes by State Governments at floor rate of 6% or more on the sale price before VAT on two-wheelers, cars / LMVs and Taxi/ maxi, by 31.03.2014 and on taxi / maxi operating on inter-State route by 30.09.2014. The States are now required to notify the rationalization of motor vehicle taxes in their respective States in consonance with the decision taken by Transport Development Council.