

**Title:** Demand to adopt the uniform sales tax policy in all states.

DR. (SHRIMATI) C. SUGUNA KUMARI (PEDDAPALLI): Mr. Speaker, Sir, I want to draw your attention and the attention of this august House to an important issue.

I want to draw your attention to the fact as to how the Government of Andhra Pradesh is put to loss of hundreds of crores of rupees by way of sales tax by the traders in the neighbouring States who use the anomalies in the Central tax structure announced by the Central Government. The *modus operandi* by the traders is simple. They open or create a fictitious branch office in the neighbouring southern States and prepare invoices. The Union Government announced uniform sales tax and advised all the States to follow it from the year 2000. The States of Tamil Nadu and Pondicherry are not following the pattern of uniform sales tax and 35 items are taxed at a lesser price compared to the rest of India. This is the anomaly which the unscrupulous traders take advantage of and loot the State of Andhra Pradesh to the tune of Rs.100 crore. The Government of Andhra Pradesh has taken up the issue with the Central Government and also brought it to the notice of the Empowered Committee. The Central Government warned the erring States by saying that if by January 2000 they failed to follow the Central guidelines and procedures, the Central grants would be stopped.

Hence, I draw the immediate attention of the hon. Minister of Commerce and also the hon. Minister of Finance. I request the hon. Minister of Commerce and the hon. Minister of Finance to look into the matter and act immediately to stop the loot by the traders. Thank you.