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Title : Need to release the share of Central Sales Tax to Andhra Pradesh.

SHRI JAYADEV GALLA (GUNTUR): Madam, the Central Sales Tax is a levy of tax on sales which are effected in the course of inter-State trade or commerce. According to the Constitution of India, no State can levy Sales Tax on any sales or purchase of goods that takes place in the course of inter-State trade or commerce. And, the Empowered Committee will recommend the amount of compensation to be paid to States after taking into account the volume of trade, tax collected etc.

The Empowered Committee recommended the amount of compensation to be paid to Andhra Pradesh for the years 2010-11, 2011-12 and 2013-14 and the Government of India has also accepted these recommendations. The Empowered Committee has recommended for payment of 100 per cent CST compensation for 2010-11, 75 per cent for 2011-12 and 50 per cent for 2012-13.

Out of the total CST compensation claim of Rs. 2,756 crore by Andhra Pradesh for 2010-11, an amount of Rs. 1,667 crore has been paid which leaves Rs. 1,089 crore of CST for 2010-11 still due to Andhra Pradesh by the Government of India. I request the Government to immediately pay the share of Andhra Pradesh.

Secondly, I failed to understand the reasons for not finalizing the CST compensation for 2011-12, 2012-13 and 2013-14. The Government of Andhra Pradesh has already submitted its claims and the Empowered Committee has also given recommendations that 75 per cent should be paid for 2011-12 and 50 per cent for 2012-13, and it was replied to a question in Lok Sabha that efforts were being made for funds in RE 2014-15 for payment of balance CST.

In view of the above, I request the Government, since the Budget for 2015-16 has already been presented and RE figures for 2014-15 have come, to immediately pay Andhra Pradesh's share of CST dues immediately as it is in dire need of finances. Thank you.

HON. SPEAKER:

Shri P.P. Chaudhary is permitted to associate with the issue raised by Shri Jayadev Galla.