

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4132
ANSWERED ON:09.08.2002
C & AG OBSERVATION ON COLLECTION OF TAXES
RAVINDRA KUMAR PANDEY

Will the Minister of FINANCE be pleased to state:

- (a) Whether as per Report Number-12 of 2002 of Comptroller and Auditor General the revenue earnings from the corporate tax and income tax for the years 1998-99 to 2000-01 conformed to the budget estimates but the collection of direct taxes is lower than the budget estimates;
- (b) If so, the details thereof;
- (c) the reasons therefor; and
- (d) the corrective steps taken in this direction ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN)

- a) As per Report Number .12 of 2002 of Comptroller and Auditor General, the collections of Corporation Tax and Income Tax for financial year 1998-1999 and financial year 1999-2000 fell short of the Budget Estimates for those years. However, the collections in financial year 2000-2001 exceeded the Budget Estimates.
- b) The details of Budget Estimates and actual collections for Financial Years 1998-1999 to 2000-2001 are given in the Annexure.
- c) Revenue collection depends upon a number of economic factors like growth of GDP, rate of inflation, tax policy of the Government, international economic conditions, foreign trade etc, some of which are difficult to predict accurately.
- d) It is Government's constant effort to reduce the gap between the Budget Estimates and actual collections.

ANNEXURE

Year	Budget Estimates	Actuals of variation	Variation	Percentage
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0020-Corporation Tax

1998-99	26,550.00	24,528.87	(-) 2,021.13	(-) 7.61
1999-00	30,850.00	30,692.29	(-) 157.71	(-) 0.51
2000-01	35,040.00	35,696.27	656.27	1.87

0021-Taxes on income other than Corporation Tax

1998-99	20,930.00	20,240.15	(-) 689.85	(-) 3.30
1999-00	26,910.00	25,654.50	(-) 1,255.50	(-) 4.67
2000-01	30,510.00	31,763.98	1253.98	4.11

0028-Other taxes on Income and Expenditure

1998-99	300.00	395.11	95.11	31.70
1999-00	330.00	271.63	(-) 58.37	(-) 17.68
2000-01	330.00	298.17	(-) 31.83	(-) 9.65

0032-Wealth tax

1998-99	145.00	162.04	17.04	11.75
1999-00	145.00	132.91	(-) 12.09	(-) 8.33
2000-01	145.00	131.73	(-) 13.27	(-) 9.15