

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:867
ANSWERED ON:25.07.2003
TAX GDP RATIO
V. SAROJA

Will the Minister of FINANCE be pleased to state:

- (a) the Tax-GDP ratio during the last three years, State-wise;
- (b) whether the Tax-GDP ratio for Tamil Nadu has increased recently;
- (c) how this compare with Union Government; and
- (d) the reasons behind falling/stagnant ratio of Union Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) A statement containing the latest available data on States' own tax - GSDP (Gross State Domestic Product) ratio for the last three years is annexed.

(b) & (c) While the tax-GSDP ratio of Government of Tamil Nadu has increased marginally, by 0.1 percentage point between 2001-02 and 2002-03, the tax - GDP ratio for the Union Government has increased by 0.9 percentage point during the same period.

(d) The tax-GDP ratio of the Union Government has been in the range of 8.15 to 9.05 percent during the last three years on account of fall in the ratio of customs duties and excise duties to GDP. This was not completely off-set by the growth in the direct tax revenue. Extension of service tax and Government's commitment to remove exemptions is expected to result in an improvement in the tax-GDP ratio. In 2003-04, the tax GDP ratio of Union Government is budgeted to improve to 9.21 percent from 9.05 percent in the previous year.

Statement referred to in the Lok Sabha Unstarred Question No. 867 by Dr. V. Saroja, for answer on 25th July, 2003 regarding Tax - GDP ratio.

STATE'S OWN TAX REVENUE AS % OF GSDP (Gross State Domestic Product at current prices)

(%)

States 2000-01 ACT 2001-02 ACT/RE 2002-03 RE/BE

Andhra Pradesh	7.8		7.8	8.1
Arunachal Pradesh	1.1		1.5	1.9
Assam	4.6		5.0	5.1
Bihar	3.8		2.9	3.1
Chhatisgarh	6.7	7.2		
Delhi	7.1		7.4	7.6
Goa	8.3		8.5	9.9
Gujarat	7.6		7.2	6.6
Haryana	8.3		8.8	9.1
Himachal Pradesh	5.9		6.8	6.2
Jammu & Kashmir	5.1		5.5	5.5
Jharkand	6.0	6.1		
Karnataka	8.5		8.4	8.5
Kerala	8.2		7.7	8.7
Madhya Pradesh	5.8		5.7	5.6
Maharashtra	7.5		8.1	7.8
Manipur	1.1		1.5	2.2
Meghalaya	3.4		3.6	4.0
Mizoram	0.9		1.0	1.4
Nagaland	1.4		1.5	1.5
Orissa	5.3		5.6	6.3
Punjab	7.1		6.4	7.1
Rajasthan	6.4		6.3	6.6

Sikkim	5.2		6.1	4.6
Tamil Nadu	8.5		8.3	8.4
Tripura	2.8		3.0	2.8
Uttar Pradesh	5.4		4.7	5.1
Uttaranchal	4.6	4.9		
West Bengal	4.1		4.7	4.8

Source : Finance Account / State Budget.

Note : Gross State Domestic Product (at current price) are estimated figures.