

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5248  
ANSWERED ON:29.04.2005  
COLLECTION OF SERVICE TAX  
Mahtab Shri Bhartruhari

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the growth in Service tax collection is not encouraging;
- (b) if so, the reasons therefor; and
- (c) the steps taken to improve the service tax collection?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

- (a) Revenue collection from service tax during last three years was as under:

Table

Year    Service Tax Revenue    Growth (in %)  
(in Rs. crore)                    over previous year

2002-03	4122	24.83
2003-04	7891	91.44
2004-05#	14134	79.12

# Provisional figures

From the above, it can be seen that the growth in service tax collection during last three years has been encouraging.

- (b) Does not arise in view of (a) above.

(c) To further improve service tax collection, it has been the policy of the Government to expand the service tax base by extending the same to new services and expanding the scope of existing services, besides streamlining the procedures to improve tax collection.