

**GOVERNMENT OF INDIA
INFORMATION AND BROADCASTING
LOK SABHA**

UNSTARRED QUESTION NO:1430
ANSWERED ON:01.12.2005
FOREIGN BROADCASTERS
Patil Shri Balasaheb Vikhe

Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

- (a) whether foreign broadcasters are paying very low tax to the Government as compared to the domestic broadcasters;
- (b) if so, the reasons therefor;
- (c) the total fund collected from the foreign and domestic broadcasters during each of the last three years;
- (d) the names of DTH service providers alongwith their subscribers in the country; and
- (e) the steps taken/proposed to be taken by the Government to collect the tax from the foreign broadcasters at par with the domestic broadcasters?

Answer

THE MINISTER OF INFORMATION AND BROADCASTING AND PARLIAMENTARY AFFAIRS (SHRI P. R. DASMUNSI)

- (a) & (b): According to information given by Finance Ministry, foreign broadcasters are taxable in accordance with the provisions of the Income-tax Act, 1961, service tax regulations and the Double Taxation Avoidance Treaty applicable to them.
- (c): Department of Revenue, Ministry of Finance has informed that no separate data regarding breakup of service tax paid by foreign and domestic broadcasters is being maintained. However, service tax collected during last three financial years 2002-03, 2003-04 and 2004-05 is Rs. 90 crores, Rs178 crores and Rs.273 crores respectively.
- (d): There is only one pay DTH service provider namely M/s ASC Enterprises Ltd., which has 154684 subscribers as on 31.3.2005.
- (e): Ministry of Finance has informed that foreign broadcasting companies are brought under the Income-tax Act, 1961 by ensuring that they file their returns of income every year and by making appropriate assessments on the basis of these returns. Further, tax is being collected by way of tax deducted at source from payment remitted to them.