

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:605
ANSWERED ON:25.11.2005
SERVICE TAX
Sugavanam Shri E.G.

Will the Minister of FINANCE be pleased to state:

- (a) the revenue realized by the Government through service tax during the last three years and the share of telephones department thereof,
- (b) the revenue expected to be mopped through service tax during the current year;
- (c) whether widening of service tax has greatly affected common man and the poor people;and
- (d) if so, the steps taken by the Government to rationalize the service tax sector to facilitate the common man?

Answer

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

(a) Revenue collected from service tax (all india) and the revenue collected for service provided by a telegraph authority in relation to a telephone connection, during the last three financial years, is as under:

(provisional figures)

Year	From all Services (in Rs. Crore)	From service in relation to telephone connection (in Rs. Crore)
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2002-03	4,122	1,576
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2003-04	7,891	2,673
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2004-05	14,196	3,934
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(b) The Budget Estimate for 2005-06 is Rs. 17,500 crore.

(c) and (d) All relevant concerns have been taken into account while widening the service tax base. The concerns of small service providers are taken care of by providing full exemption from the levy of service tax in case of service providers whose aggregate value of taxable services provided during the preceding financial year does not exceed Rs. 4 lakhs. Services provided by such service providers are exempted from levy of service tax upto an aggregate value of taxable services of Rs. 4 lakhs in the current financial year.