

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3554
ANSWERED ON:25.08.2006
SERVICE TAX
Owaisi Shri Asaduddin

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government of Andhra Pradesh has asked the Union Government to exempt the State of Rs. 6.76 crore of service tax an additional burden on the AP Government keeping in view the helping hand to poorest section of the society; and
- (b) If so, the steps taken or being taken by Union Government on the request of the AP Government?

Answer

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

- (a) Chief Minister, Andhra Pradesh, has requested for exemption from service tax payable by the State Government of Andhra Pradesh on the subsidized insurance scheme for sheep population.
- (b) Cattle Insurance provided under the Central Sector Scheme and under the Integrated Rural Development Programme have already been exempted from levy of service tax. Details of the subsidised sheep insurance scheme have been sought for.