

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:3119
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TAX SYSTEM
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Will the Minister of PLANNING be pleased to state:

- (a) whether there is a proposal under the consideration of Planning Commission to make tax and tax system internationally competitive during the Eleventh Five Year Plan;
- (b) if so, the details thereof; and
- (c) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a), (b) & (c): The Draft Approach Paper to the 11th Plan, which is yet to be approved by the Planning Commission, has suggested that taxes and duties should be non-distortionary and internationally competitive. The Government has been rationalizing taxes and duties since early 90s and the process is expected to continue. Ministry of Finance receives and processes all related suggestions from time to time.