

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1598  
ANSWERED ON:01.12.2006  
HEADING: COLLECTION OF FBT.  
Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita

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

- (a) the amount collected as Fringe Benefit Tax (FBT) during each of the last three years;
- (b) whether the Union Government has fixed any norms for collecting FBT.
- (c) if so, the details thereof;
- (d) whether the Government is considering to exempt small firms from FBT regime;
- (e) if so, the reasons for this move; and
- (f) the steps proposed to be taken by the Government to overcome the revenue loss out of this?

**Answer**

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

- (a) Fringe Benefit Tax was introduced in the statute vide Finance Act 2005 and so, 2005-06 was the first year of operation of Fringe Benefit Tax. An amount of Rs. 4,772.28 crore was collected as Fringe Benefit Tax in 2005-06.
- (b) & (c) Fringe Benefit Tax is payable on such taxable `fringe benefits` and at such rates as prescribed in this regard under the provisions of Chapter XII-H of the Income Tax Act. The Government has also laid down guidelines regarding scrutiny of the returns of Fringe Benefit Tax by the assessing officers.
- (d) No sir, no such proposal is presently under consideration of the Government.
- (e) Does not arise in view of reply to para (c) above.
- (f) Does not arise in view of reply to para (c) above.