

**GOVERNMENT OF INDIA
TOURISM
LOK SABHA**

UNSTARRED QUESTION NO:2425
ANSWERED ON:09.05.2016
Tax Rebate and Relaxations
Nagar Shri Rodmal

Will the Minister of TOURISM be pleased to state:

- (a) whether the tourism industry has requested the Government for fiscal benefits including tax rebate and relaxations;
- (b) if so, the details thereof and the action taken by the Government in this regard;
- (c) the details of the tourist places developed by the Government in the country during the current Five Year Plan;
- (d) whether the Government proposes to establish the special tourist zones in the country; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE FOR TOURISM (INDEPENDENT CHARGE)
(DR. MAHESH SHARMA)

(a): Yes, Madam.

(b): The Tourism Industry had requested the Government of India for fiscal benefits/tax rebate like lowering investment limit under Section 32 AC of Income Tax (IT) Act 1961, extension of benefits under Section 35 AD of IT Act 1961, exemption of service tax on room tariff to be increased, extension of CENVAT credit, foreign exchange earning linked deductions on profits etc.

The aforesaid requests of the tourism industry were sent to Ministry of Finance which has not been considered.

(c): Development of tourism products is primarily the responsibility of State Governments/UTs. The Ministry of Tourism provides Central Financial Assistance (CFA) to State Governments/Union Territory Administrations for various tourism projects subject to availability of funds, liquidation of pending utilization certificates against the funds released earlier and adherence to the relevant scheme guidelines. The list of number of projects and amount sanctioned under various schemes including Swadesh Darshan and PRASAD during 2012-13, 2013-14, 2014-15 and 2015-16 (till 31st December, 2015) is given in Annexure.

(d): At present there is no proposal under consideration with the Ministry of Tourism for Special Tourism Zones.

(e): Does not arise.
