

Service tax for more services

†224. SHRI RAM JETHMALANI: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that many more services have been brought under Service Tax Act for recovering tax from them in the country;
- (b) if so, the total number of services in the country from which tax would be recovered by Government now;
- (c) whether Government's annual revenue would increase by this step; and
- (d) if so, the quantum of amount thereof and the effect on inflation in the country as a outcome of this tax recovery?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Sir, comprehensive approach to taxation of services has been introduced, due to which more services will come under service tax in the country;

(b) Since selective approach has come to an end, it is not feasible to specify the total number of services from which tax would be recovered by Government now;

(c) Yes, Sir.

(d) Budget Estimate for the current financial year, in respect of service tax, is fixed as Rupees 1,24,000 Crore, an increase of 27 per cent. over the previous year; impact of service tax levy on inflation is a complex phenomenon which depends on interplay of a number of factors, particularly the extent to which the new tax is passed on to the consumer. Therefore, it is not possible to specify the effect on inflation as a outcome of service tax recovery.

Policy for unclaimed fund

†225. SHRI RASHEED MASOOD: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Rs. 22,016 crores of insurance policy, Provident Fund and Fixed Deposit are lying as unclaimed funds;
- (b) if so, the details thereof; and

† Original notice of the question was received in Hindi.