

Payment of taxes by sellers and buyers

†1050. SHRI NARENDRA BUDANIA: Will the Minister of FINANCE be pleased to state:

(a) whether taxes are being paid by all sellers and buyers in each States of the country, if so, the State-wise details thereof;

(b) if not, the reasons therefor; and

(c) the number of such cases brought before Government during the last two years and in the current financial year and action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (c) Sales Tax being a tax on purchase or sale of goods within a State, is a State Subject by virtue of Entry 54 of the State List of Seventh Schedule of the Constitution. No such information is maintained by central Government (Department of Revenue) regarding collected sales tax by the States.

Tax exemption for foreign companies

1051. SHRI A.W. RABI BERNARD: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry has decided to exempt foreign companies with no permanent establishments (PE) in India from payment of tax w.e.f. 2001-02 assessment year, if so, the details thereof;

(b) whether Government has also decided to give relief to companies with 'no place of doing business' in India from 18.5 per cent MAT demands issued to them, if so, the details thereof;

(c) whether the relief will be available to companies irrespective of whether they are from a country with a tax treaty with India or not; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA): (a) to (d) The Government has decided that with effect from 01.04.2001 the provisions of section 115JB of Income-tax Act, 1961 relating to Minimum Alternate Tax (MAT) shall not be applicable to a foreign company if:

†Original notice of the question was received in Hindi.