

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
STARRED QUESTION NO-8
ANSWERED ON-02/02/2021

GST COMPENSATION FUND TO TAMIL NADU

8. SHRI TIRUCHI SIVA

Will the Minister of FINANCE be pleased to state:

- (a) the number of States that experienced an increase in their revenue collection due to the provision of the Goods and Services Tax (GST) Compensation Fund, and the details for the past two financial years, financial year-wise;
- (b) the number of States that experienced a fall in their revenue collections with the introduction of GST, and the data for the past two financial years, financial year-wise; and
- (c) the details of the payments made to the State of Tamil Nadu from the GST Compensation Fund in 2018-19 and 2019-20?

ANSWER

THE MINISTER OF FINANCE
(MS. NIRMALA SITHARAMAN)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO RAJYA SABHA STARRED QUESTION NO. 8 FOR
ANSWER ON 2ND FEBRUARY, 2021

(a): As per provisions in Goods and Services Tax (Compensation to States) Act, 2017 States are assured of their revenue at 14% compounded growth rate over the base year revenue 2015-16 for loss of revenue arising on account of GST implementation for a period of five years. As per Section 7 of the GST (Compensation to States) Act, 2017, the States are required to be compensated for loss of revenue due to implementation of GST from the proceeds of the GST compensation Cess being levied on certain luxury items and demerit goods under Section 8 of the said Act. As per provisions in section 10 (1) of GST (Compensation to States) Act, 2017, GST Compensation cess has been credited into a non-lapsable Fund known as GST Compensation Fund in Public Account of India. Section 10(2) of the said Act, 2017 provides that payment of GST compensation shall be made out of Compensation Fund. Accordingly, GST compensation for financial years 2017-18, 2018-19 and 2019-20 has already been paid to the States. The State-wise details of GST compensation released to States in financial years 2018-19 and 2019-20 is as per Annexure.

(b): No state has experienced fall in GST revenue collection with introduction of GST. However, GST revenue collection of all States is not at 14% compounded growth rate over base year revenue of 2015-16 and therefore GST compensation is payable to most of the States. It is further submitted that shortfall in GST revenue against the protected revenue for the FY 2018-19 & 2019-20 has already been fully compensated as detailed in Annexure.

(c): As per Annexure.

Annexure

Details of compensation released to States/UTs for loss of revenue due to introduction of GST

(Rs. in crore)

S.No	Name of State/UT	FY 2018-19	FY 2019-20	Total
(1)	(2)	(3)	(4)	(5)
1	Andhra Pradesh	0	1841	1841
2	Arunachal Pradesh	0	0	0
3	Assam	466	879	1345
4	Bihar	2571	3525	6096
5	Chhattisgarh	2261	3081	5342
6	Delhi	4182	7436	11618
7	Goa	476	819	1295
8	Gujarat	6149	10647	16796
9	Haryana	2820	5453	8273
10	Himachal Pradesh	2037	1877	3914
11	J & K	1462	2279	3741
12	Jharkhand	1029	1532	2561
13	Karnataka	10754	14497	25251
14	Kerala	2884	5575	8459
15	Madhya Pradesh	2866	4531	7397
16	Maharashtra	8330	15018	23348
17	Manipur	0	0	0
18	Meghalaya	73	101	174
19	Mizoram	0	0	0
20	Nagaland	0	0	0
21	Odisha	3390	3929	7319
22	Puducherry	592	862	1454
23	Punjab	7129	8805	15934
24	Rajasthan	2176	4440	6616
25	Sikkim	0	0	0
26	Tamil Nadu	3151	8922	12073
27	Telangana	0	2263	2263
28	Tripura	155	171	326
29	Uttar Pradesh	308	5180	5488
30	Uttarakhand	2037	2477	4514
31	West Bengal	1977	4359	6336
	Total	69275	120498	189773