

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
UN-STARRED QUESTION NO-847
ANSWERED ON-27/07/2021

GST PAYMENTS TO STATES

847. SHRI TIRUCHI SIVA

Will the Minister of FINANCE be pleased to state:

- (a) the details of the GST payments made to the States and the outstanding payments and the details thereof; and
- (b) by when Government expects all the GST payments to the States to be completed and the timeline in this regard, State-wise?

ANSWER

MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (b): The GST compensation cess levied under Section 8 of the GST (Compensation to States) Act, 2017 is transferred into a non-lapsable Fund known as GST Compensation Fund which forms part of the Public Account of India as provided in Section 10(1) of the act. The States are being compensated for any loss of revenue arising on account of implementation of GST for five years out of the Compensation Fund as per Section 10(2) of the said Act. GST compensation for financial years 2017-18, 2018-19 and 2019-20 has already been paid to the States/UTs. The economic impact of the pandemic has led to higher compensation requirement due to lower GST collection and at the same time lower collection of GST compensation cess. GST compensation of Rs. 91,000 crore has been released to all States/ UTs to partly meet the compensation payable for the period April'20 to March'21 as the amount in GST Compensation Fund was not adequate to meet the full compensation requirement. The details of GST compensation released to States/ UTs so far and the details of GST compensation yet to be released to each State is as per **Annexure**.

The issue of GST Compensation to States has been deliberated in the 41st and 42nd GST Council meetings. Accordingly, in FY 20-21, Centre had borrowed Rs. 1.1 lakh crore under a special window and passed on to the States as back-to-back loan to help the States meet the resource gap due to short-release of compensation on account of inadequate balance in the Compensation Fund. This arrangement has been finalized after detailed deliberations with the States and all States have opted for this arrangement. Subsequent to deliberations in the 43rd GST Council meeting, it has been decided that the Centre is borrowing Rs. 1.59 lakh crores from the market through special window in current FY and passing it on to the States/ UTs as a back to back assistance in appropriate tranches as was done in last year. As per this decision Rs. 75,000 crore has been released to States/ UTs on 15.07.2021. In addition, depending on the amount available in the Compensation Fund, Centre has also been releasing the regular GST compensation to States to make up for GST revenue shortfall. The states will be paid full GST Compensation as per GST (Compensation to States) Act, 2017 for the transition period by extending the levy of Compensation cess beyond 5 years to meet the GST revenue shortfall as well as servicing the loan borrowed through special window scheme.

Details of GST compensation released till date and yet to be released to States/ UTs

(Rs. in crore)

S. No	Name of State/UT	GST compensation released from July, 2017 till date	GST compensation yet to be released for period April'20-March'21	GST compensation yet to be released for period April-May, 21
(1)	(2)	(3)	(4)	(5)
1	Andhra Pradesh	6427	2493	1559
2	Arunachal Pradesh	21	0	0
3	Assam	3877	1017	606
4	Bihar	13903	1538	1801
5	Chhattisgarh	10317	1231	1547
6	Delhi	18552	5190	2823
7	Goa	2537	734	411
8	Gujarat	33605	6583	3603
9	Haryana	15119	2328	2130
10	Himachal Pradesh	6329	680	714
11	J & K	7185	757	829
12	Jharkhand	6121	1241	969
13	Karnataka	47061	7202	5500
14	Kerala	17780	3046	2812
15	Madhya Pradesh	15859	2437	2468
16	Maharashtra	46372	15138	7995
17	Manipur	46	0	0
18	Meghalaya	509	140	79
19	Mizoram	11	0	0
20	Nagaland	14	0	0
21	Odisha	14077	1389	1349
22	Puducherry	2437	274	288
23	Punjab	30355	3752	3124
24	Rajasthan	15656	2981	2361
25	Sikkim	41	30	0
26	Tamil Nadu	25519	6155	3574
27	Telangana	6218	2515	1558
28	Tripura	757	93	88
29	Uttar Pradesh	18867	7109	4048
30	Uttarakhand	8554	1215	951
31	West Bengal	14782	3911	2157
	Total	388908	81179	55345