

that 13.5 crore people from below the poverty line have come up and are now in the middle class. It is the change we are seeing. Sir, this Bill is part of the economic reforms. I support the Bill, which has been brought by hon. Finance Minister, Shrimati Nirmala Sitharaman, and, I wish that many more reforms will be done in the larger interest of the country, and, by 2047, we will be able to see India as a developed country. During the third term of Modi ji as the Prime Minister, India is going to become third-largest economy in the world. Thank you very much, Sir.

MESSAGES FROM LOK SABHA - *Contd.*

MR. DEPUTY CHAIRMAN: Now, Message from Lok Sabha. Secretary-General.

The Telecommunications Bill, 2023.

SECRETARY-GENERAL: Sir, with your kind permission, I rise to report that the Lok Sabha, at its sitting held on 20th December, 2023, passed the Telecommunications Bill, 2023.

I lay a copy of the said Bill on the Table.

GOVERNMENT BILLS - *Contd.*

The Provisional Collection of Taxes Bill, 2023

MR. DEPUTY CHAIRMAN: Dr. Anil Bonde. Not speaking; okay! Now, Shrimati Nirmala Sitharaman to reply to the discussion.

THE MINISTER OF FINANCE; AND THE MINISTER OF CORPORATE AFFAIRS (SHRIMATI NIRMALA SITHARAMAN): Thank you very much, Sir. I also thank all the seven Members who have spoken on this Bill. It is a small technical amendment but it is essentially the law which existed since 1931. The Provisional Collection of Taxes Bill, 2023 is the form in which it is coming now. There are no major changes at all. As it existed since 1931, we carry it forward. But then, why are we bringing it here? It is a part of the larger relook at all the Bills and if any colonial past residues are there in the Acts, we want to remove them and make them reflective of the modern India, the new India that we are trying to build. And in this, this particular Bill is very essential.

It was essential even before. It will be essential even now. Why is it essential, Sir? That partly also answers the question raised by Dr. Amar Patnaik. When taxes are levied during the Budget and when it becomes a part of the Finance Bill, the Finance Bill, along with the Budget, gets introduced and read out to the House on 1st February every year. But post that, the Parliament Committees and the Parliament itself, both Lok Sabha and Rajya Sabha, discuss it. Rajya Sabha returns it after being passed by the Lok Sabha. But there is a certainty about it. In that, every proposal, for instance, on the direct tax, which is income tax, when brought in through the Finance Bill, gets effective from 1st April, that is, the new financial year, whereas there are taxes which are also levied in the name of customs duties and excise which are taxes levied on goods and services. Now, having announced it along with the Finance Bill on 1st February, if we wait till the effective financial year, that is, 1st April, that period in between the gap can lead to a lot of speculation, can lead to a lot of exploitation in terms of goods which are kept in some place and so on. So, we start collection of tax from the midnight of that day itself. Otherwise, the speculation can hurt the market; speculation can lead to customers suffering from it and export-import at the port can be misused. So, to say in a very common language, that is the purpose of this Provisional Collection of Taxes Bill. As this is to levy taxes, Article 265 of the Constitution provides that no tax shall be imposed or levied or collected unless there is an authority of law. That authority of law, with a law that is passed by this august House, is the one which will empower the Government to collect the tax. It is this law, which is the Provisional Collection of Taxes Bill, which when passed as law, which existed as law, which exists till today, is the one which gives that authority to the Government. Now, why do we want it provisionally? The Finance Bill is anyway going to get passed in the House and once it is passed, it becomes a complete authority that you can collect taxes. But in the middle, in the interregnum, why do you want a provisional authorisation? As I said, it is only because we want to avoid speculation. And during the period between introduction and enactment of the Bill where customs or central excise duty rates, for instance, are increased beyond a statutory rate and then gets approved by the Parliament, when you go to collect it, there can also be a questioning of authority that you have increased it but the Parliament has not passed it. It will come into effect only from 1st April after its passing. How are you coming to collect it? So, I need that legislative backing for collecting the customs duty from that midnight itself of the Budget presentation. That is why, Sir, the reason which I would like to underline is to provide tariff protection to domestic industry. Sometimes you want to protect the Indian industry. You bring it with immediate effect. Then, they would say: How did you bring it with immediate effect unless there is a legislation which I can invoke? So, it is to protect the domestic

industry on an immediate basis and to moderate the prices, meaning when the prices are going up, I need to moderate them, I need some immediate action. So, I come up with taxation. Also, as I said earlier, to avoid speculation in the market. What happens is that if the announcement has been made today, it will come into effect only from 1st April. In the meanwhile, people can hoard goods. This should be avoided. That is why we have always relied on this provisional tax collection. But it also has one redeeming factor. Whatever is brought immediately, with a sense of urgency, will have to be approved by the Parliament within 75 days. So when that is approved within 75 days, I can go ahead collecting it further. I can collect it the way I have done during the interregnum. But if that approval does not come, it also tells you that you have to refund the money back. So this provisional collection has its own safeguards. At the same time, it gives legislative authority to the Government to collect tax, control prices, avoid illegal practices such as hoarding and speculation and so on. That is as simple as that. This is the purpose of this Bill. I would like to submit it for the consideration of the House so that it gets passed.

Sir, there is just one response that I would like to give. Besides whatever is contained in the Bill, Amar Patnaik *ji* seems to have asked why we are coming up with a separate Bill and that it can be made part of the Finance Bill itself. I want to make the very explanation that I have given here. That is the reason why it can't be made part of the Finance Bill. I can't wait for it to get cleared till 1st April. I can't wait for it to get cleared when the second half of the Budget Session happens, when after the Committee meetings and everything else, I come to the House to get it passed. Again, that interim period will go without any cover for the collection and that is why it can't be done through the Finance Bill. It has to be a separate Act. Also, he asked why we want to introduce it in the middle of the night and why it can't be the next day. The same thing; once the new sun rises, it will give more time for speculation. I hope that addresses the concern raised by the hon. Member. Thank you very much, Sir.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill to provide for the immediate effect for a limited period of provisions in Bills relating to the imposition or increase of duties of customs or excise, as passed by Lok Sabha, be taken into consideration. "

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up Clause-by-Clause consideration of the Bill.

Clauses 2 to 6 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

MR. DEPUTY CHAIRMAN: Now, Shrimati Nirmala Sitharaman to move that the Bill be returned.

SHRIMATI NIRMALA SITHARAMAN: Sir, I move:
That the Bill be returned.

The question was put and the motion was adopted.

ANNOUNCEMENT BY THE CHAIR

MR. DEPUTY CHAIRMAN: Hon. Members, today, there are 28 permitted Special Mentions. As all the Members concerned are not present, I suggest that the Special Mentions of those hon. Members who are present may be deemed to have been laid on the Table of the House. Do we have the consent of the House?

SOME HON. MEMBERS: Yes, Sir.

MR. DEPUTY CHAIRMAN: Thank you. The approved text of the permitted Special Mention of the hon. Members who are present now shall be treated as laid on the Table as per the consent of the House. I will just read out the names.

SPECIAL MENTIONS*

Concern over damage caused by Elephants

SHRI KAMAKHYA PRASAD TASA (Assam): Sir, elephant depredation, referring to the damages caused by elephants, poses a significant challenge, especially in regions

* Laid on the Table.