

GOVERNMENT BILLS - Contd.**The Provisional Collection of Taxes Bill, 2023**

MR. CHAIRMAN: Shrimati Nirmala Sitharaman to move for consideration of the Provisional Collection of Taxes Bill, 2023.

THE MINISTER OF FINANCE; AND THE MINISTER OF CORPORATE AFFAIRS (SHRIMATI NIRMALA SITHARAMAN): Sir, I move:

"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 question was proposed.

MR. CHAIRMAN: Hon. Members, I now call upon the Members whose names have been received for participation in the discussion. Dr. Amar Patnaik.

DR. AMAR PATNAIK (Odisha): Thank you, Mr. Chairman, Sir. This Bill in effect replaces the 1931 Bill of a similar nature and if you look at the Statement of Objects and Reasons of the Bill, it gives immediate effect to something that happens every year when an announcement on increasing of either the customs duties or excise duties is done. There is a time lag before it is passed in the Parliament. Now, during the intervening period, to avoid any speculation to take place, what happens is that the tax increase starts kicking in right from that midnight of that particular day. Now, for the intervening period, there has to be a law which would actually ensure that during this period whatever is collected or whatever is refundable would be taken into account into the Consolidated Fund of the State and there is a Bill which sanctifies that particular process. So, this Bill actually sanctifies that particular process, enables the Government to collect those taxes right from the day the announcement is made till the formal Finance Bill is passed in the Parliament. So, I think, there is nothing to object on this particular Bill. However, since the hon. Minister is here, I would like certain clarifications from her who might consider clarifying Clause 3 of the Bill. This is relating to the power of the Central Government to make a declaration. It says in the third line, "The Central Government may cause to be inserted in the Bill a declaration that it is expedient in the public interest...". The point here which I want to make is

whether we can include this particular provision each time during the introduction of the Finance Bill itself and get it enabled every year instead of having this Act to be passed separately from time to time. That could probably be considered by the Law Ministry as well. The second is in Clause 4 (1) which says, "A declared provision shall have the force of law immediately on the expiry of the day on which the Bill containing it is introduced." Now, Sir, in the age of internet, speculation can take place in a time gap of even one hour, two hours, three hours. So, if you give six hours or seven hours time-frame and allow the speculators or all those elements who are involved in speculation, to trade in this particular time, I think it is unfair. Therefore, I would like to know whether the Government would think of considering replacing the word 'expiry of the day' to say that it actually kicks in immediately and in the age of internet we can actually make it happen also because all our systems are IT-enabled. The last point, hon. Chairman, Sir, is on Clause 5(1) where there is a mention, "refunds shall be made of all duties collected which would not have been collected if the provision adopted in the enactment had been the declared provision." That is finally if the Bill does not accept this. The clarification that I would seek from the Ministry is whether these refunds would include with interest or without interest for that particular period. I support the Bill and my party supports the Bill because this is the only way to move forward. However, the hon. Minister might consider the suggestions.

6.00 P.M.

MR. CHAIRMAN: Hon. Members, now it is going to be 6.00 p.m. If the House agrees, we may extend the sitting beyond 6.00 p.m. to dispose of the listed Business.

SOME HON. MEMBERS: Yes, Sir. We agree, Sir.

MR. CHAIRMAN: The time is extended beyond 6.00 p.m. to dispose of the listed Business. Now, Shri Ghanshyam Tiwari.

श्री घनश्याम तिवाड़ी (राजस्थान) : माननीय उपसभापति महोदय, मैं द प्रोविजनल कलेक्शन ऑफ टैक्सेज़ बिल, 2023 के पक्ष में बोलने के लिए खड़ा हुआ हूँ। माननीय उपसभापति महोदय, यह बिल 1931 में बने हुए बिल के स्थान पर लाया जा रहा है। इस बिल में तीन-चार बातें प्रमुख रूप से हैं। पहली बात तो यह है कि जब कोई बजट पेश होता है और बजट पेश होने के बाद जब तक फाइनेंस बिल नहीं आता है, उस पीरियड के बीच में जो पीरियड रहता है, उस पीरियड में जो

टैक्सेज होते हैं, उनके संबंध में किसी प्रकार का घालमेल हो सकता है, वायदा हो सकता है, तो उन सबसे बचने के लिए इस बिल में प्रावधान किया गया है कि जब तक फाइनेंस बिल पास नहीं होगा, तब तक के लिए तुरंत रूप से सरकार टैक्सेज को वसूल कर सकती है। इस बात के लिए इस कानून को लाया गया है। इसमें यह भी कहा गया है कि यह बिल केवल 75 दिन तक रहेगा और 75 दिन के बाद जो इन्फ्लेक्शन आएगा, उस इन्फ्लेक्शन में जो प्रावधान होंगे, उन प्रावधानों के अनुसार ये काम करेंगे और उनमें जो टैक्स वसूल कर लिए गए हैं, उस इन्फ्लेक्शन बिल में अगर उन टैक्सेज के बारे में प्रावधान नहीं है, तो यह बिल यह प्रावधान करता है कि जिनसे टैक्स वसूल किया गया है, उनको वह वापस रिटर्न कर दिया जाएगा। उपसभापति महोदय, वर्तमान में भी मध्य प्रदेश, राजस्थान और कर्णाटक में यह कानून लागू है। अब इसको केंद्रीय स्तर पर लागू किया गया है, लेकिन यह बिल न तो जीएसटी के टैक्सेज पर लागू होगा और न इनकम टैक्स पर लागू होगा, क्योंकि इनकम टैक्स के लिए अलग से कानून बना हुआ है, उसके हिसाब से काम होता है और जीएसटी का अलग से एक सिस्टम बना हुआ है, उसके हिसाब से वह लागू होगा। इन दोनों चीजों को छोड़ कर बाकी जो भी नए टैक्सेज लगाए गए हैं, उन टैक्सेज पर यह कानून लागू होगा और यह 1931 के कानून को रिप्लेस करेगा।

(उपसभापति महोदय पीठासीन हुए।)

माननीय उपसभापति महोदय, कर निर्धारण में और करों का सरलीकरण करने में जिस प्रकार माननीय मोदी जी की सरकार ने काम किया है, वह काम अद्भुत है। महोदय, आप जानते हैं कि जब हम कर की चर्चा करते हैं, तो कौटिल्य के अर्थशास्त्र की चर्चा करना उसमें समाहित होता है। उन्होंने लिखा है - "सुखस्य मूलं राज्यं, राज्यस्य मूलं धनम्।" यह पहला वाक्य है। यानी सुख का मूल राज्य है और राज्य का मूल धन है। अब राज्य धन कहाँ से लेता है, तो उन्होंने उसकी भी व्याख्या की है कि राज्य धन इस प्रकार से ले, जैसे कोई मधुमक्खी है, वह किसी फूल पर जाकर बैठती है, उसका रस लेकर चली जाती है, लेकिन फूल का स्वरूप नहीं बदलता है, उसी प्रकार से राजा को या शासन करने वाले को टैक्स वसूल करने का काम करना चाहिए। उसी प्रकार का टैक्स वसूल करने का काम मोदी जी की सरकार ने किया है। जैसे अभी हम जीएसटी में संशोधन लेकर आए और जीएसटी के बिल पर उन्होंने काम किया। यह जो कर है, यह राज्य की आमदनी होता है। यह कर जनकल्याण के लिए होता है, जनकल्याणकारी कार्यों के लिए होता है। इसमें जितने प्रावधान किए गए हैं, उनमें प्रमुख रूप से चार-पाँच प्रावधान हैं। एक प्रावधान तो यह है कि अगर 75 दिन में इन्फ्लेक्शन नहीं हुआ है, तो उसे वापस करने का प्रावधान है। दूसरा यह है कि वह तुरंत प्रभाव से लागू हो जाएगा, जब तक फाइनेंस बिल नहीं आएगा, तब तक वह लागू रहेगा। इसलिए इन सब कानूनों का जो संशोधन हो रहा है, यह बदलते समय के हिसाब से हो रहा है। अब हम देख रहे हैं कि ये कानून जिनके लिए आ रहे हैं, वे 1860 में थे, 1861 में थे, 1862 में थे। ये 100-100 साल पुराने कानून, जो इस देश में चलते रहे थे, उन कानूनों के कारण लोगों में तकलीफ थी। जैसे अभी पहले मैं चर्चा कर रहा था कि पहले सेल्स टैक्स जैसे जो कानून थे, उन सारे कानूनों की वजह से इंस्पेक्टर राज कायम था। इससे भी इंस्पेक्टर राज के काम पर लगाम लगेगी, क्योंकि कानून बन गया है कि यह जिस दिन पेश होगा, रात को 12 बजे से लागू हो जाएगा। इससे

वसूली का काम हो जाएगा, वरना अगर यह गैप रहता, तो यह कुछ जगह वसूल होता और कुछ जगह वसूल नहीं होता। इसलिए टैक्स का सरलीकरण करने के लिए, टैक्स के सिस्टम को ठीक करने के लिए और इसमें किसी प्रकार की चूक नहीं रहे, इसके लिए यह कानून लाया गया है।

माननीय उपसभापति महोदय, मैं यह कहना चाहता हूँ कि भारतीय अर्थव्यवस्था में जो सुधार हुआ है, ...उसमें जो प्रगति हुई है, उसके कारण इन टैक्सेज के विधेयकों का सुधार, इनमें संशोधन और नये टैक्स से संबंधित बिल्स लाने का काम जो माननीय नरेन्द्र मोदी के नेतृत्व में हुआ है, उसके कारण भारत की आर्थिक स्थिति पर फ़र्क पड़ा है।

माननीय उपसभापति महोदय, आज हमारा विदेशी मुद्रा का कोष 606 अरब डॉलर का हो गया है, आज हमारी जीडीपी की 7.2 परसेंट से अधिक की ग्रोथ हो रही है। आज सारी दुनिया कह रही है कि हमने 11 अरब डॉलर के मोबाइल फोन्स एक्सपोर्ट किए हैं, हमारा एक्सपोर्ट दुगना हो गया है, हमारी टैक्स वसूली बढ़ गई है। भारत सरकार के टैक्सेज के वसूल करने के कारण से राज्यों की जो माली हालत खराब हो रही थी और नियमित समय से एक सिस्टम के माध्यम से उनके पास जाने के कारण से जो माली हालत खराब हो रही थी - आज कोई भी राज्य सरकार यह शिकायत करने नहीं आती कि भारत सरकार से हमारा पैसा नहीं मिला है, ऑटोमेटिक सिस्टम बना दिया है, यह कर व्यवस्था, कर प्रणाली और धन का जो सिस्टम मोदी सरकार ने लागू किया है, वह लागू करने का काम अपने आपमें आर्थिक सुधारों को और अर्थव्यवस्था को गति देने वाला काम है। उपसभापति महोदय, इसमें गति भी है और मति भी है। मति है, इस बिल को लाना और गति है, इसके माध्यम से कर वसूल करना। महोदय, गति और मति से युक्त सरकार सारा काम कर रही है। इसलिए यह जो बिल माननीय मंत्री महोदय लेकर आई हैं, मैं इस बिल का पूर्ण समर्थन करता हूँ, बहुत-बहुत धन्यवाद।

SHRI AYODHYA RAMI REDDY ALLA (Andhra Pradesh): Mr. Deputy Chairman, Sir, I rise to support this Bill, the Provisional Collection of Taxes Bill, 2023. This Bill is very timely and it addresses the critical gap in our fiscal framework. This Bill safeguards the fair and efficient implementation of tax policies.

Sir, as we all know, adjustments to income tax and corporate tax rates are announced in the Budget and they take effect from the 1st of April every year. However, changes in customs and excise duties, often crucial for managing our imports and exports, occur swiftly. This temporary discrepancy, in the absence of this Bill, could create fertile ground for speculators to exploit and manipulate markets and jeopardize economic stability. The Provisional Collection of Taxes Bill stands against such nefarious activities. It empowers the Government to implement provisions related to customs and excise duties with immediate, though temporary, effect.

Sir, let me be clear. We, on behalf of our Party, the YSR Congress Party, support this Bill. This Bill stems, not from a mere desire to plug a technical gap, but from a deep commitment to uphold the very principles of fair and honest taxation.

Sir, there are a few positives of this Bill. This curbs the speculative activities. The Bill addresses the gap between income tax, corporate taxes and the immediate midnight implementation of customs and excise duty changes. This prevents speculation and manipulation based on anticipated duty changes before the full Finance Bill is passed. This provides clarity and certainty on immediate implementation of duty changes and creates transparency for business and individuals, allowing them to adjust plans and operations without ambiguity. This upholds fairness. Speculative activities driven by duty changes can distort markets and disadvantage honest business people. This Bill helps create a level-playing field and ensures fair practices across the board. It also protects the economic stability. Uncontrolled speculation on anticipated duty changes can lead to market fluctuations and potentially destabilize the economy. This Bill acts as a safeguard against such economic disruptions. This also modernizes the existing framework, replacing the outdated 1931 Act with a contemporary legislative framework, which ensures efficient and effective management of interim duty changes. It maintains flexibility. This Bill allows for refunds or adjustments in case the declared provisions are amended or not enacted, protecting taxpayers from undue burden. This Bill streamlines the processes. This Bill clarifies that tariff classification changes are not required for temporary duty implementation, potentially simplifying the administrative procedures. So, overall, this Bill is a very important piece of legislation that has come at the right time. We from our YSR Congress Party support this Bill.

DR. M. THAMBIDURAI (Tamil Nadu): Mr. Deputy Chairman, Sir, thank you for giving me this opportunity. The hon. Minister has brought this Bill which provides for the repeal of the Provisional Collection of Taxes Act, 1931. Recently, we have come across the hon. Law Minister bringing so many repealing Bills. We still have about 360 statutes which the British enacted and it is one of those Acts. It is high time the Ministry brought certain changes or amendments in this. As other Members said, there is a gap in between when the Budget is presented and when it is passed. At that time, imposing certain taxes and their collection may create some problem. That is why the Government has come forward to rectify the system and help the people who have already paid. The same thing happens with customs or excise duties, especially for export and import. The second thing is about Inspector *raj*. Hon. Member from Rajasthan has also talked about it. Inspector *raj* is still in existence in some States, especially in Tamil Nadu. These States are collecting taxes in some other form. For example, Sales Tax is a State-subject. It is still under the State's control. Under the Inspector *raj*, they are unnecessarily raiding people, imposing fine

and collecting money. I would like to know from the hon. Minister whether this collection is coming to the GST pool for sharing. I don't know about it. The Sales Tax Department of the State Government of Tamil Nadu is imposing fines and raiding certain companies at different places. I would like to know whether this money is coming to the GST pool. I don't know about it. I would like to know it from the hon. Minister. Thank you.

श्री रामभाई हरजीभाई मोकरिया (गुजरात) : उपसभापति महोदय, आपने मुझे बोलने का अवसर दिया, उसके लिए मैं आपका आभार मानता हूँ। * "Sir, I thank the hon. Prime Minister of India, Shri Narendrabhai Modi, for the extraordinary accomplishment of the Goods and Services Tax (GST) legislation. Sir, GST is India's greatest Tax reform. Prior to the implementation of the GST legislation, there existed more than 15 indirect taxes in India. The people of India were burdened with these multiple taxes and there was a lot of discontentment amongst the people of our country. But, after the implementation of the GST Legislation, the policy of One Nation-One Tax came into existence. Hence, I thank the hon. Prime Minister of India, Shri Narendrabhai Modi and the hon. Finance Minister of India, Shrimati Nirmala Sitharaman. Sir, just two days ago, the International Monetary Fund (IMF) has released a report. In its report, the IMF has mentioned that India has secured first position in terms of development in the world. And hence, I congratulate the Government of India. It won't be an exaggeration to say that GST is the staircase to development of our nation. After the implementation of the GST Legislation, more than fifteen indirect taxes have been abolished. Thus, the system of taxation has been simplified. Another benefit of GST is the cascading effect. It means that the system of tax on tax has been done away with. Most of the problems of the people of India have been resolved. Not only this, there is also now a large-scale benefit of tax credit. Because of the higher tax credit, the commodities that come into the market are available at a lower price to the people of India. All this is because of the GST Legislation. Thus, the customers are now able to purchase various commodities at a much lower price.

Sir, I am proud of GST. The reason for this is that GST has developed a sense of trust in the hearts of the people of India and people themselves have come forward to pay their taxes. If we look at the yesteryears, we will see that the earlier Governments had to put in a lot of effort to lure people to pay their taxes. Several schemes were floated to attract people to pay their taxes. Even then, people refused to come forward to pay taxes. But, after the implementation of the GST Legislation,

* English translation of the original speech delivered in Gujarati.

people have developed trust in the Government, and they are coming forward to pay taxes. Sir, the GST was implemented in the year 2017. If we consider the figures for the financial years 2022-23 and 2023-24, it is evident that GST is competing with itself. There has been a substantial increase of around eleven percent in the GST collection. If we go through the figures for the GST collection, we will see that there has been a gradual and a notable increase in the GST collection. Except the States of Himachal Pradesh and Manipur, all other States of India have witnessed a significant increase in the tax collection. This shows, how much faith the people of India have in GST. Not only the common man, but entrepreneurs, industrialists, businessmen, everyone has accepted the GST Legislation. Sir, I would like to mention that, because of GST, the Government of India has been able to extend the benefits of its welfare schemes to the poor, needy and the downtrodden. The poor people have been given the benefits of cooking gas connection, own house, world-class infrastructure, and highways. Tap water is now available in every household in our country, even in the far-flung areas. The Modi Government has been able to accomplish these tasks just because of the successful implementation of the GST. Hence, on behalf of the women of this country, I offer my gratitude to hon. Prime Minister, Shri Narendrabhai Modi. People are no longer hesitant to pay taxes. Sir, we can now see development in every sector. Since last month, vehicles are reaching far flung areas of our country to disseminate Modi guarantee Scheme-Developed India scheme. The Government is creating an awareness towards various schemes amongst the people of India so that the people of India can avail the benefits of these welfare schemes floated by the Government of India. Sir, while concluding, I would congratulate the hon. Finance Minister, Shrimati Nirmala Sitharaman, for bringing forward this Bill. This Bill is beneficial for all. I thus welcome this Bill. Thank you, Sir."

DR. K. LAXMAN (Uttar Pradesh): Sir, I stand here in support of the Provisional Collection of Taxes Bill, 2023, introduced by our hon. Finance Minister, Shrimati Nirmala Sitharaman. This Bill may be very simple, but it has got a very significant role because it not only simplifies the procedure that helps the Government in getting the revenue, but it also helps in the overall development of the nation and uplifting the poor of this country.

The Provisional Collection of Taxes Bill, 2023, has been introduced to give immediate effect to the increased or newly-imposed taxes and empower the Government to collect such taxes provisionally for the interim period, that is, the period between the introduction of the Bill and enactment of the Bill. The interim period is limited to 75 days only.

As far as Modi ji is concerned, he strongly believes in the philosophy of 'reform, perform and transform'. Whatever reforms are being made, those are truly and strictly implemented to perform and to finally see that the required transformation takes place. The Government is very active and swiftly takes action on its decisions and the Acts passed by the Parliament. It is a very transparent and accountable governance which we have been witnessing for the last nine-and-a-half years. There is no role of middlemen now. There is no scope for *dalali vyavastha* at all in this administration. We have been seeing all such tough laws now being enacted. This Bill replaces the erstwhile Provisional Collection of Taxes Act of 1931. So, you can see that within a span of these nine-and-a-half years, hundreds of laws have been enacted for the convenience of the administration.

Sir, we have seen as to how every rupee collected by this Government has been spent for the welfare of the poor as also for the development of the country. Prior to Prime Minister Modi coming to power, India was supposed to be the tenth-largest economy in the world. In spite of all odds like Covid and Ukraine-Russia war, under the visionary leadership of Modi ji, who hails from a poor family, now, India is supposed to be fifth largest economy in the world. The reserves which we had could be spent more on infrastructure and we have seen that almost 27 lakh crore of rupees were directly deposited in the bank accounts of the poor people of this country. For the last three years, we have been witnessing that Bharat is the fastest growing economy in the world with a growth rate of 7.6 per cent. Now, Bharat is being called as Growth Engine of the world.

The inflation rate, prior to Prime Minister Modi coming to power, was 10.8 per cent while it is 5 per cent only. It is visualised that by 2027, the consumer market will double. You can imagine how the country is marching fast towards development.

Sir, here, I represent the State of Uttar Pradesh. At one time, Uttar Pradesh was called as one of the BIMARU States in the country. Now, the State of Uttar Pradesh is second largest economy in the country. It is but for the double engine *sarkar* of Modi ji and Yogi ji, which has got double impact, and, it is being witnessed in the State of Uttar Pradesh. Our beloved Prime Minister always thinks of next generation while our critics, our Opposition Parties, our regional Parties only think of next elections. That is the difference between Modi ji and other parties. During elections in the recent past, we have seen how people auctioned or announced guarantees. Someone said, 2,000, someone said 4,000, someone said 5,000 but finally people believed in the *Modi ki Guarantee* because what Modi says he does that. We have seen the results of the last five elections. Everywhere, due to BJP and Modi ji's efforts, development and welfare of the poor has taken place. We have seen

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.