

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

RAJYA SABHA
UN-STARRED QUESTION NO. 1366

ANSWERED ON 11/03/2025

Collection and sharing of corporate taxes

1366. Smt. Rajani Ashokrao Patil:

Will the Minister of FINANCE be pleased to state:

- (a) the amount of revenue generated by the Ministry from corporate taxes in each State, and how this revenue is shared with the respective State Governments;
- (b) how the Ministry is ensuring that the revenue generated from corporate taxes in each State is utilized for the development and welfare of the State's population; and
- (c) the details of any financial incentives or support provided by the Ministry to encourage corporate investment and growth in different States?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

- (a) The amount of revenue generated from corporate taxes in each State from the financial year 2022-23 onwards is as under:

State-wise gross corporate tax collected

(Rs. in Crores)

Sl.No.	State / Union Territory	FY 2022-23	FY 2023-24	FY 2024-25 (as on 28.02.2025)
1	Andaman And Nicobar Islands	37.95	35.76	35.62
2	Andhra Pradesh	8,226.77	7,616.58	6,435.97
3	Arunachal Pradesh	113.35	59.89	48.28
4	Assam	4,755.55	4,090.83	3,158.31
5	Bihar	2,105.01	1,972.31	1,842.08
6	Chandigarh	1,616.75	1,764.96	1,336.67
7	Chhattisgarh	5,667.09	10,109.17	5,795.38

8	Dadra & Nagar Haveli, Daman and Diu	405.19	496.03	427.85
9	Delhi	1,34,914.13	1,33,160.47	1,24,449.74
10	Outside India	11,309.95	24,619.13	27,456.86
11	Goa	1,413.09	1,667.63	1,554.96
12	Gujarat	46,177.92	50,422.62	47,518.5
13	Haryana	33,854.01	39,688.74	37,969.
14	Himachal Pradesh	1,042.59	1,019.90	823.48
15	Jammu and Kashmir	1,082.70	1,113.75	1,103.13
16	Jharkhand	3,367.12	3,760.06	3,367.34
17	Karnataka	1,12,450.17	1,15,163.00	1,01,915.
18	Kerala	10,474.21	11,282.63	10,056.88
19	Ladakh	0.41	0.37	1.21
20	Lakshadweep	1.29	1.50	0.73
21	Madhya Pradesh	8,954.19	9,039.07	7,984.64
22	Maharashtra	4,11,025.91	4,94,970.19	4,39,918.79
23	Manipur	91.23	94.70	59.72
24	Meghalaya	369.87	426.11	261.92
25	Mizoram	52.56	37.18	34.08
26	Nagaland	32.68	86.70	182.94
27	Odisha	13,189.68	13,727.19	14,626.63
28	Puducherry	288.82	291.49	224.28
29	Punjab	5,680.23	5,337.42	4,672.47
30	Rajasthan	15,762.88	15,150.57	13,438.66
31	Sikkim	178.63	207.27	179.58
32	Tamil Nadu	59,665.36	71,330.26	60,821.42
33	Telangana	36,526.87	43,573.59	43,503.38
34	Tripura	63.84	51.61	45.12
35	Uttarakhand	14,229.48	12,729.78	10,572.86
36	Uttar Pradesh	16,982.22	16,639.96	16,640.42
37	West Bengal	35,443.78	38,451.02	31,164.48
	Gross Collection	9,97,553.50	11,30,189.47	10,19,628.36

Source: DGIT(Systems)

The inter-se share of States in the Net Proceeds of shareable taxes of the Union is made as per the recommendations of the Finance Commission in terms of Article 280(3)(a) of the Constitution of India. According to the Fifteenth Finance Commission, states are entitled to 41% of the net proceeds of shareable central taxes, which inter-alia includes corporate tax. The distribution of revenue among the States is based on various criteria such as income distance, per capita income, population, forest and ecology, demographic performance and tax effort.

(b) The Central Government transfers the allocated share of tax revenues to State Governments, which are responsible for its budgeting and expenditure. These funds are utilized for various developmental and welfare initiatives, including infrastructure development, healthcare, education, and social welfare programs implemented by the State Governments.

(c) The financial incentives and support provided by the Ministry to encourage investment and growth in different States, *inter alia* include:

- (i) Production Linked Investment (PLI) Scheme for different sectors
- (ii) Scheme for Special Assistance to States for Capital Investment
- (iii) Contribution to India Infrastructure Project Development Fund.
