

TAX REVENUE
CORPORATION TAX

The details of receipts under this head are as shown below:

(a) Ordinary collections	18455.71	16789.00	19263.00
(b) Advance tax collections	27683.57	25452.00	29205.00
(c) Surcharge	2245.00	2235.00	1700.00
(d) Miscellaneous receipts	231.72	224.00	1331.00
Total	48616.00	44700.00	51499.00

The collections during 2002-2003 are estimated at Rs. 44700 crore and Rs. 51499 crore in 2003-2004.

TAXES ON INCOME OTHER THAN CORPORATION TAX

The details of receipts under this head are as shown below:

(a) Ordinary collections	15223.52	13353.00	16741.00
(b) Advance tax collections	22835.28	20030.00	24619.00
(c) Surcharge	2300.00	2018.00	1100.00
(d) Miscellaneous receipts	2165.20	1899.00	1610.00
Total	42524.00	37300.00	44070.00

The collections during 2002-2003 are estimated at Rs.37300 crore and at Rs. 44070 crore in 2003-2004.

EXPENDITURE TAX

The Expenditure Tax Act, 1987 provides for levy of a tax on expenditure incurred on hotels where the room charges for a unit of residential accommodation are over a specified limit per day per individual. Prior to amendment by the Finance Act, 2002, tax was levied on expenditure incurred in, or payments made to a hotel, where the room charges were two thousand rupees or more, per individual in connection with the provision of any accommodation, residential or otherwise, or food or drink, or any accommodation in such hotel on hire or lease or any other service at the hotel, by way of beauty parlour, health club, swimming pool or other services. Subsequent to the amendment, provisions of the Expenditure Tax Act are applicable only to room charges, and only where such charges for any unit of residential accommodation are three thousand rupees or more per day. The rate at which expenditure-tax is levied is 10%. The Revised Estimate for 2002-2003 has been placed at Rs. 300 crore and the Budget Estimate for 2003-2004 is placed at nil.

WEALTH TAX

With a view to stimulate investment in productive assets, the Finance Act, 1992 w.e.f. 1.4.1993 i.e. assessment year 1993-94, abolished wealth tax on all assets except certain specified assets. Wealth-tax was abolished on assets such as shares, bank deposits, fixed deposits, bonds, debentures, etc. and is levied only in respect of unproductive assets such as residential houses, farm houses, urban land, jewellery, bullion, motor car, plane, boats, yacht, etc. Wealth-tax is charged at the rate of 1% of the amount by which the net wealth exceeds fifteen lakh rupees.

In respect of Wealth Tax the Revised Estimate for 2002-2003 has been placed at Rs. 145 crore and the Budget Estimates for 2003-2004 is placed at Rs. 145 crore.

CUSTOMS

The net Customs revenue has been Revised Estimate of placed at Rs.45500 crore during 2002-2003 and is BE 2003-04 in placed at Rs. 49350 crore. The following is the break- up of the estimates:

	<i>(In crore of Rupees)</i>		
	Budget 2002-2003	Revised 2002-2003	Budget 2003-2004
(i) Import Duties	44165.00	44610.00	48383.00
(a) Basic Duty	25506.98	25077.00	27343.00
(b) Additional Duty of Customs(CVD)	15582.62	15936.00	16921.00
(c) Special Additional Duty of Customs(SAD)	3075.40	3595.00	3757.00
(d) Additional Duty of Customs on Motor Spirit	...	...	...
(e) Additional Duty of Customs on High Speed Diesel Oil	...	2.00	2.00
(f) National Calamity Contingent Duty	...	...	360.00
(ii) Export Duties	13.00	...	5.00
(iii) Cesses on Exports	143.00	153.00	163.00
(iv) Other Receipts	872.00	737.00	799.00
Total	45193.00	45500.00	49350.00

Details of the various components of Customs duties are as under :

- (i) **Import Duties:** As against the original estimate of Rs.44165 crore, revised estimate for 2002-2003 is placed at Rs.44610 crore.
- (a) **Basic Duty :** The anticipated revenue realisation from Basic Duty of Customs during 2002-2003 is likely to be around Rs.25077 crore. The budget estimate for 2003-2004 is placed at Rs.27343 crore.
- (b) **Additional Duty of Customs:** The anticipated revenue realisation from Additional Duty of Customs during 2002-2003 is likely to be around Rs.15936 crore. The budget estimate for 2003-2004 is placed at Rs.16921 crore.
- (c) **Special Additional Duty of Customs:** The anticipated revenue realisation from Special Additional Duty of Customs during 2002-2003 is likely to be around Rs.3595 crore. The budget estimate for 2003-2004 is placed at Rs.3757 crore as against the budget estimate of Rs.3075.40 crore in 2002-2003.
- (f) **National Calamity Contingent Duty:** The budget estimate for the year 2003-2004 is placed at Rs. 360 crore.
- (ii) **Export Duties:** The anticipated revenue realisation from Export duties in 2002-2003 is likely to be nil as against the original budget estimate of Rs.13 crore. The budget estimate for 2003-2004 has been placed at Rs. 5 crore.
- (iii) **Cesses on Exports:** Revised estimate for 2002-2003 and budget estimate for 2003-2004 are placed at Rs.153 crore and Rs.163 crore respectively.
- (iv) **Other Receipts:** Collections are placed at Rs. 737 crore and Rs. 799 crore respectively in the revised estimate for 2002-2003 and budget estimate for 2003-2004.

UNION EXCISE DUTIES

Union Excise Duties and Cesses are levied on commodities covered by the Central Excise Act, 1944 and other Acts. The receipts during 2002-2003 are estimated at Rs.87383 crore, as against the budget estimate of Rs.91433 crore showing a decrease of Rs.4050 crore. The receipts in 2003-2004 are expected to be Rs.96791 crore. The following Table summarises the position of excise revenue:

	<i>(In crore of Rupees)</i>		
	Budget 2002-2003	Revised 2002-2003	Budget 2003-2004
1. (a) Basic and Special Excise Duties other than (b) and (c) below	67121.65	64668.00	69625.00
(b) Cess on Motor Spirit	1044.00	1088.00	1641.00
(c) Cess on HSD	4445.00	4440.00	6750.00
Total	72610.65	70196.00	78016.00

(In crore of Rupees)

	Budget 2002-2003	Revised 2002-2003	Budget 2003-2004
2. Additional duties on textiles and textile articles	702.49	509.00	571.00
3. Additional Excise Duties in lieu of sales tax	4461.86	3084.00	3202.00
4. National Calamity Contingent Duty	850.00	937.00	1496.00
5. Surcharge on Petrol	6264.00	6550.00	6846.00
6. Earmarked Cesses administered by:-			
(a) Additional Duty of Excise on Tea	...	...	70.00
(b) By Department of Revenue excluding (a)	6252.00	5717.00	6195.00
(c) By other Departments	292.00	390.00	395.00
Total (a+b+c)	6544.00	6107.00	6660.00
Total (1+2+3+4+5+6)	91433.00	87383.00	96791.00

(i) As against the original estimate of basic and special excise duties (excluding cess on motor spirit and HS diesel oil) of Rs.67121.65 crore the revised estimate for 2002-2003 has been placed at Rs.64668 crore. The budget estimate for 2003-2004 is placed at Rs. 69625 crore.

(ii) On account of levy called National Calamity Contingent Duty imposed on cigarettes, pan masala, biris and other tobacco products, the revised estimate for 2002-2003 has been placed at Rs. 937 crore as against the budget estimate of Rs. 850 crore. The budget estimate for the year 2003-2004 is placed at Rs. 1496 crore.

(iii) On account of surcharge imposed on petrol, the revised estimate for the year 2002-2003 is placed at Rs. 6550 crore as against the budget estimate of Rs. 6264 crore. The budget estimate for 2003-2004 is placed at Rs. 6846 crore.

(iv) On account of new levy 'Additional Duty of Excise on Tea', the budget estimate for the year 2003-2004 is placed at Rs. 70 crore.

SERVICE TAX

The Revised Estimate for 2002-2003 is placed at Rs.5000 crore as against the budget estimate of Rs. 6026 crore. The budget estimate for 2003-2004 is Rs. 8000 crore. The details are as under :-

(In crore of Rupees)

	Budget 2002-2003	Revised 2002-2003	Budget 2003-2004
1. Telephones	2016	2129	3199
2. Insurance	520	677	1018
3. Brokerage	321	293	440
4. Advertising	144	227	342
5. Courier	126	134	201
6. Air Travel Agent Services	42	56	84
7. Clearing & Forwarding Agent Services	55	65	98
8. Consulting Engineer	60	129	193
9. Chartered Accountant	66	76	114
10. Security/Detective Agency Services	31	60	90
11. Management Consultant Services	41	66	100
12. Information & Database access Services	37	44	66
13. Broadcasting Service	55	102	154
14. Insurance Auxillary Services	53	130	195
15. Banking & Other Financial Services	170	169	253
16. Port Service	427	230	345
17. Authorized Service Station Services	70	46	72
18. Others Existing Services	1792	367	636
19. New Services	...	...	400
Total	6026	5000	8000

TAXES OF UNION TERRITORIES

The receipts are in respect of Union territories without Legislature. Broad details are:-

Land Revenue	1.69	1.85	1.92
Stamps and Registration	24.36	24.81	24.82
State Excise Duties	103.12	105.22	106.51
Sales Tax	345.55	370.00	385.00
Taxes on Vehicles	23.26	23.32	23.42
Taxes on goods and passengers	4.20	4.20	4.55
Taxes and Duties on Electricity	7.00	7.00	7.50
Other Taxes and Duties	3.48	3.48	3.48
Total	512.66	539.88	557.20

	(In crore of Rupees)		
	Budget 2002-2003	Revised 2002-2003	Budget 2003-2004
Less			
Transfer of Union Territory			
Taxes and Duties to Local Bodies	..	...	...
Net-Taxes of Union Territories	512.66	539.88	557.20
OTHER TAXES AND DUTIES			
The details are as follows:-			
(i) Foreign Travel Tax	300.00	300.00	330.00
(ii) Inland Air Travel Tax	750.00	750.00	785.00
Total	1050.00	1050.00	1115.00

(i) **Foreign Travel Tax** was introduced with effect from 15th October, 1971 through the Finance Act, 1971. The Scheme presently provides for a levy of tax at the rate of Rs. 500/- for each passenger undertaking an international journey. The rate of the tax is Rs. 150/- for journeys to neighbouring countries. One third percent of the collections made less refunds, is paid to the carriers as collection charges. Provision for this is made in the Expenditure Budget.

(ii) **Inland Air Travel Tax** was introduced through the Finance Act, 1989. The tax is charged at the rate of 15% of the fare and is payable by all passengers undertaking domestic journey by air. Journeys on routes in the North - Eastern Region, Andaman & Nicobar Island, Lakshadweep Islands and Leh are exempted from the levy of this tax. Other exemptions also exist such as exemption when ticket is paid for in US dollar. 5% of the collections is paid to the carriers as collection charges. Provision for payment of collection charge is made in the Expenditure Budget.