

### TAX REVENUE CORPORATION TAX

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

(a) Ordinary collections	42458.00	38275.00	49556.00
(b) Advance tax collections	52592.00	47410.00	61384.00
(c) Surcharge	9505.00	10482.00	12762.00
(d) Education Cess	2169.00	2306.00	2808.00
(e) Miscellaneous receipts	3849.00	5100.00	6500.00
<b>Total</b>	<b>110573.00</b>	<b>103573.00</b>	<b>133010.00</b>

### TAXES ON INCOME OTHER THAN CORPORATION TAX

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

(a) Ordinary collections	48773.00	49022.00	57111.00
(b) Advance tax collections	12193.00	12255.00	14278.00
(c) Surcharge	748.00	3111.00	3741.00
(d) Education Cess	1234.00	1301.00	1502.00
(e) Miscellaneous receipts	291.00	200.00	277.00
(f) Other taxes	3000.00	350.00	500.00
<b>Total</b>	<b>66239.00</b>	<b>66239.00</b>	<b>77409.00</b>

### WEALTH TAX

With a view to stimulating 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 Budget Estimates for 2006-2007 is placed at Rs. 265 crore.

**Arrear Collection :** An amount of Rs.7000 crore as collection of arrears of direct taxes is included in BE 2006-07.

### CUSTOMS

Revised Estimate of Customs Duties for 2005-2006 is Rs. 64215 crore as against the Budget Estimate of Rs. 53182 crore.

Budget Estimate for 2006-2007 is Rs. 77066 crore.

The break-up of the estimates is given below :

	Budget 2005-2006	Revised 2005-2006	(In crore of Rupees) Budget 2006-2007
<b>(i) Import Duties</b>	<b>52178</b>	<b>63656</b>	<b>76324</b>
(a) Basic Duty	27636	31523	31138
(b) Additional Duty of Customs(CVD)	23110	29750	35193
(c) Special CV Duty	...	...	8000
(d) Cess on Motor Spirit	...	110	0
(e) Cess on High Speed Diesel Oil	14	175	20
(f) Surcharge on Motor Spirit	...	350	0
(g) National Calamity Contingent Duty	372	500	525
(h) Education Cess	1046	1248	1448
<b>(ii) Cesses on Exports</b>	<b>208</b>	<b>131</b>	<b>162</b>
<b>(iii) Other Receipts</b>	<b>796</b>	<b>428</b>	<b>580</b>
<b>Total (i+ii+iii)</b>	<b>53182</b>	<b>64215</b>	<b>77066</b>

**(i) Basic Duty :** Basic Duty of Customs is leviable on imported goods under the Customs Act, 1962. General 'Peak rate' of basic ad-valorem Customs Duty for non-agricultural products has been reduced from 15% to 12.5%.

**(ii) Additional Duty of Customs (CVD) :** Additional Duty of Customs is leviable under Section 3 of the Customs Tariff Act, 1975 equivalent to duty of Central Excise leviable on such domestically manufactured goods.

(iii) **Special CV Duty** : Special CV Duty is leviable @ 4% on all imported goods, with few exceptions, to partially compensate the domestic levies.

(iv) **Cess on Motor Spirit** : Cess on Motor Spirit is leviable by the Finance Act (No.2), 1998.

(v) **Cess on High Speed Diesel Oil** : Cess on High Speed Diesel Oil is leviable by the Finance Act, 1999.

(vi) **Surcharge on Motor Spirit** : Surcharge on Motor Spirit is leviable by way of CVD by the Finance Act, 2002.

(vii) **National Calamity Contingency Duty** : This duty was imposed under section 134 of the Finance Act, 2003 on imported petroleum crude oil. This tax is also leviable on polyester filament yarn, motor cars, imported multi-utility vehicles and two wheelers.

(viii) **Education Cess** : Education Cess is leviable @ 2% on the aggregate of duties of customs (except safeguard duty under section 8B and 8C, CVD under section 9 and anti-dumping duty under section 9A of the Customs Tariff Act, 1985), since the budget 2004-2005. Items attracting customs duty at bound rates under international commitments are exempted from this cess.

(ix) **Arrear Collection** : An amount of Rs.650 crore as collection of arrears of Customs Duties is included in BE 2006-07.

#### UNION EXCISE DUTIES

Revised Estimate of Union Excise Duties for 2005-2006 is Rs. 112000 crore as against the Budget Estimate of Rs. 121533 crore.

Budget Estimate for 2006-2007 is Rs. 119000 crore.

The break-up of the estimates is given below:

	Budget 2005-2006	Revised 2005-2006	(In crore of Rupees) Budget 2006-2007
1. Basic and Special Excise Duties excluding cess on Motor Spirit and High Speed Diesel Oil	86901	78852	81162
2. Cess on Motor Spirit	2434	2465	2615
3. Cess on High Speed Diesel Oil	9948	9625	9915
<b>Total (1+2+3)</b>	<b>99283</b>	<b>90942</b>	<b>93692</b>
4. Additional Excise Duties in lieu of sales tax	<b>3117</b>	<b>2574</b>	<b>2742</b>
5. National Calamity Contingent Duty	<b>1843</b>	<b>1790</b>	<b>2059</b>
6. Surcharge on Motor Spirit	<b>7302</b>	<b>7020</b>	<b>7845</b>
			(In crore of Rupees)
	Budget 2005-2006	Revised 2005-2006	Budget 2006-2007
7. Surcharge on Pan Masala and Tobacco Products	<b>700</b>	<b>765</b>	<b>862</b>
8. Cesses administered by			
(i) <b>Department of Revenue</b>	<b>8523</b>	<b>7915</b>	<b>10767</b>
(a) Additional Duty of Excise on Tea	0	1	...
(b) Education Cess	2198	2177	2313
(c) Others	6325	5737	8454
(ii) <b>By other Departments*</b>	<b>765</b>	<b>994</b>	<b>1033</b>
<b>Total Cess (i+ii)</b>	<b>9288</b>	<b>8909</b>	<b>11800</b>
<b>Total (1+2+3+4+5+6+7+8)</b>	<b>121533</b>	<b>112000</b>	<b>119000</b>

1. **Basic and Special Excise Duty** : Basic excise duty and special excise duty are leviable by the Central Excise Tariff Act, 1985.

2. **National Calamity Contingency Duty** : NCC Duty was levied on pan masala and certain specified tobacco products vide the Finance Act, 2001. The Finance Act, 2003 extended this levy to,—

(a) polyester filament yarn, motor car, two wheeler and multi-utility vehicle @ 1 % and

(b) crude petroleum oil @ Rs. 50 per metric ton.

3. **Education Cess** : Education Cess is leviable @2% on the aggregate duties of excise, by the Finance Act (No. 2), 2004.

4. **Cess on Motor Spirit** : Cess on Motor Spirit is leviable by the Finance Act (No.2), 1998.

5. **Cess on High Speed Diesel Oil** : Cess on High Speed Diesel Oil is leviable by the Finance Act, 1999.

6. **Surcharge on Motor Spirit** : Surcharge on Motor Spirit is leviable by the Finance Act, 2002.

7. **Surcharge on Pan Masala and Tobacco Products** : An additional duty of excise has been imposed on cigarettes, pan masala and certain specified tobacco products, at specified rates in the Budget 2005-06. Biris are not subjected to this levy.

**8. Arrear Collection :** An amount of Rs. 1300 crore as collection of arrears of Central Excise Duties is included in BE 2006-07.

\* The break-up of cesses administered **by other Departments** is as below:

1. Coal and Coke	385	383	416
2. Salt	3	4	4
3. Rubber	86	96	97
4. Mica	2	2	2
5. Iron Ore	14	15	15
6. Lime Stone and Dolomite	12	18	18
7. Cine Works	1	1	1
8. Prevention & Control of (Air & Water) Pollution	175	175	175
9. Research and Development	...	175	180
10. Beedi Fund	87	125	125
<b>Total</b>	<b>765</b>	<b>994</b>	<b>1033</b>

#### **SERVICE TAX:**

Revised Estimate of Service Tax for 2005-2006 is Rs. 23000 crore as against the Budget Estimate of Rs. 17500 crore. Budget Estimate for 2006-2007 is Rs. 34500 crore. Education Cess is leviable @2% on the total service tax by the Finance Act (No. 2), 2004. An amount of Rs. 500 crore as arrears collection of Service Tax is included in BE 2006-07.

#### **TAXES OF UNION TERRITORIES**

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

Land Revenue	1.93	1.95	1.92
Stamps and Registration	38.86	43.38	44.50
State Excise Duties	124.46	131.96	149.11
Sales Tax	522.00	623.00	655.00
Taxes on Vehicles	28.20	30.85	32.75
Taxes on goods and passengers	5.21	5.61	5.93
Taxes and Duties on Electricity	8.00	8.50	9.00
Other Taxes and Duties	3.86	4.24	4.54
<b>Total</b>	<b>732.52</b>	<b>849.49</b>	<b>902.75</b>

#### **Arrears of Tax Revenues.**

In compliance of Rule 6 of the Fiscal Responsibility & Budget Management Rules, 2004 (FRBM Rules), a disclosure Statement on Tax Revenues raised but not realised in respect of the principal taxes is introduced at Annex 10.

#### **Statement pertaining to Tax Revenues foregone.**

A Statement of Tax Expenditure under the Central Tax System has also been introduced for the first time. Accordingly, this Statement for financial year 2004-05 is at Annex 12.