
Tax exemption to industry and commerce sectors

Direct Tax

Various tax concessions in the form of exemptions/ deductions etc. have been provided under the [Income-tax Act, 1961](#) which have been availed by different sectors of Commerce and Industry also. Cumulative figures of revenue impact of direct tax incentives for the last five years are as follows :

(Amount in Cr.)

| Financial Year | 2011-12 | 2012-13 | 2013-14 | 2014-15 | (projected) 2015-16 |
|---------------------|----------|----------|---------|----------|---------------------|
| Corporate Incometax | 61,756 | 68,720 | 57,793 | 65,067 | 68,711 |
| Personal Incometax | 39,375 | 33,535 | 35,254 | 53,526 | 59,928 |
| Total | 1,01,131 | 1,02,255 | 93,047 | 1,18,593 | 1,28,639 |

No sector wise details of industry are however maintained and section wise details of revenue impact of direct tax incentives is presented before Parliament with Budget in the form of document titled, "Statement of Revenue Impact of Tax Incentives under the Central Tax System".

Various tax incentives in the form of exemptions/deduction/special rates of depreciation/rebates, etc are provided under the [Income-tax Act,1961](#) to promote exports; balanced regional development; creation of infrastructure facilities; employment; donations for charity and rural development; scientific research and development; and the cooperative sector.

Indirect Tax

Customs and Central excise duty exemptions are extended to goods in general, considering inter alia the public interest. The revenue impact of tax incentives on account of exemptions / concessions from customs and excise duty for last five financial years is as under:

(Amount in Cr.)

| Financial Year | 2011-12 | 2012-13 | 2013-14 | 2014-15 | (projected) 2015-16 |
|----------------|----------|----------|----------|------------|---------------------|
| Customs Duty | 2,36,852 | 2,54,039 | 2,60,714 | 2, 38, 967 | 2, 57, 549 |
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| | | | | | |
|--------------------|----------|----------|----------|------------|------------|
| Excise Duty | 1,95,590 | 2,09,940 | 1,96,223 | 1, 96, 789 | 2, 24, 940 |
| Total | 4,32,442 | 4,63,979 | 4,56,937 | 4, 35, 756 | 4, 82, 489 |

Tax concessions are provided as a part of overall fiscal incentives provided by the government to realize macroeconomic objectives and achieve policy goals of development and growth of various sectors of economy. No such quantitative exercise for the outcome of reliefs provided to industry and commerce sectors is done.

This information was given by Minister of State for Finance Shri. Santosh Kumar Gangwar today in written reply to a Rajya Sabha question.