

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
UNSTARRED QUESTION NO. 1332
TO BE ANSWERED ON 12th FEBRUARY, 2021

EQUALISATION LEVY

1332. SMT. PRIYANKA CHATURVEDI:

SMT. PHULO DEVI NETAM:

SHRI DIGVIJAYA SINGH:

Will the Minister of **COMMERCE & INDUSTRY** be pleased to state:

- (a) whether Government is aware that US has determined that India's Digital Services Tax (Equalisation Levy 2.0) is discriminatory and has an adverse impact on American commerce;
- (b) whether Government has received communications or representations from relevant authorities in US regarding the same;
- (c) whether Government is prepared to tackle potential action being taken against India under the US Trade Act;
- (d) whether Government is taking steps to remedy the concerns raised;
- (e) if so, the details thereof and if not, the reasons therefor; and
- (f) the quantum of funds raised through the levy till January, 2021, country-wise?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI HARDEEP SINGH PURI)

(a) & (b): Yes Sir, the U.S. has put out Section 301 investigation reports on Digital Services Tax (DST) against three countries namely India, Italy and Turkey on 6th January 2021, and against more countries including Austria, Spain, and the United Kingdom on 14th January 2021. The findings are that the Digital Services Tax (DST) in these countries discriminates against U.S. companies and burdens or restricts U.S. commerce.

(c), (d) & (e): such issues are a part of an economic relationship, and feature in the regular bilateral engagements between India and the U.S.

(f): The quantum of fund raised in India through Equalisation levy from FY 2016-17 to 2020-21 (till 30th January, 2021) is as follows;

(Value inRs. Crores)

S.No.	Financial Year	Equalization levy collected
01	2016-17	338.6
02	2017-18	589.4
03	2018-19	938.9
04	2019-20	1,136.5
05	2020-21 (up to 30.01.2021)	1,492.7

(Source: OLTAS)
