UP’s tax receipts in July 98% of last year’s collections

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A GRADED PICK-UP in various economic activities have led to Uttar Pradesh’s own tax revenues rising significantly in July as compared to June, inching closer to last year’s collections. While the hikes in state excise duties on liquor and resumption of mining activities have aided the gradual recovery, it is still far from the state’s own targets for the month of July.

Speaking to reporters, state finance minister Suresh Khanna said as compared to the collection of ₹10,926 crore in July 2019-20, the collections in July 2020-21 stand at ₹10,675 crore or 97.7% of last year’s collections.

The state has collected 68% of the budgeted monthly target of ₹15,633 crore in July, compared with 61% in June, 41% in May and 15% in April.

“Though some of the major revenue-earning departments are still far behind tax collection targets, there has been a vast improvement in the state’s total earnings as the economy has started showing signs of a turnaround. We are confident of crossing the revenue collections of last year,” the minister said, adding that UP will outpace other states in revenue collection soon.

Giving details of the revenue receipts, the minister said the state government’s GST and VAT collections in July this year stood at ₹6,024.16 crore as against ₹6,564.88 crore in July 2019, while the alcohol excise revenue had shown a sharp growth from ₹2,112.69 crore in July 2019 to ₹2,632.58 crore in July 2020. The mining and minor mineral department also collected higher revenue of ₹178.54 crore in July 2020 against ₹147.21 crore in the same month in 2019.

However, the collections from stamps and registration remained tepid at ₹1,365.55 crore in July 2020, against ₹1,536.49 crore in 2019, while the state transport department earned ₹474.59 crore in July 2020, against ₹565.09 crore in July 2019.

“There has been a gradual improvement in the collection of revenue in the past few months. Recovery of revenue realisation has improved every month. But we are still behind the targets. We hope to increase the collections in the coming months,” he said.

Additional chief secretary Sanjiv Mittal said that the state had also received ₹850 crore of the GST compensation from the Centre.