

Finance Bill passed, FM says will discuss GST on petroleum if states want it

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FINANCE minister Nirmala Sitharaman on Tuesday said that the government will take up efforts to rationalise the customs duty structure in order to help domestic businesses, especially the MSME segment. She also added that if states so want, she would discuss bringing Petrol under

GST in the next meeting.

She was speaking during a debate on the Finance Bill in the Parliament.

Referring to the issues raised by various members on higher taxes on motor fuel, Sitharaman said that she would love to discuss the issue of bringing petrol and diesel under GST in the next GST Council meeting. "A point which members

raised—bring petrol and diesel into GST. The highest tax today on petrol and diesel is in Maharashtra. I'm not pointing out whether one state is more or less. The point is, states also tax fuel, not just Centre. When Centre taxes it's part of



devolvable amount. If there is this concern about fuel tax, I honestly think based on today's discussion, many of the states would be watching this and in the next GST council if that discussion comes up, I will be glad to have it on the agenda and discuss it," she said.

The Finance Bill, which

gives effect to tax proposals for 2021-22, was passed by voice vote after the acceptance of 127 amendments.

Justifying the equalization levy, Sitharaman said the government was very much in favour of digital transactions and was not trying to undermine them. She said that the levy was not applicable on consideration for goods which are

owned by Indian residence.

"But yet, equalization levy is a tax which has been imposed to give level playing field between Indian businesses who pay tax in India and foreign ecommerce companies who do business in India but don't pay any income tax here. We are only trying to treat everybody who is operating in India equally," she added.