



SECOND MIZORAM FINANCE COMMISSION

FORMAT FOR SUBMISSION OF MEMORANDUM TO 2nd MIZORAM FINANCE COMMISSION IN RESPECT OF TAXATION DEPARTMENT

1. TAX REVENUES:

a) Goods and Services Tax:

- i. Give notes on base and rates of State Goods & Services Tax as well as Integrated Goods & Services Tax which is now levied by the State Government with the commencement of the Mizoram Goods and Services Tax Act, 2017
- ii. Please give notes on impact of introduction of GST on the tax revenues of the States

b) Professions Tax:

- i. Give notes on base and prevailing rates of profession tax including number of assessed tax payers in each category
- ii. Professions Tax is currently levied and collected by the State Government as per the provisions of the Mizoram Professions, Trades, Callings and Employments Taxation Act, 1995 and the corresponding rules. The net proceeds of the Tax forms a part of the State Own Tax Revenue which is divided between the State Government and the local bodies on the recommendation of the State Finance Commission. In certain States such as the State of Kerala, the Professions Tax is levied, collected and appropriated by the local bodies. In this respect, please highlight the views of the State Government in Taxation Department on the desirability or otherwise of enabling the Urban Local Bodies to levy, collect and appropriate Professions Tax within the area covered by that Municipality as permissible under Section 226 of the Mizoram Municipalities Act, 2007 as amended.

c) Entertainment Tax:

- i. Give notes on base and rates of Entertainment Tax which was levied by the State Government before the commencement of the Mizoram Goods and Services Tax Act, 2017.
- ii. Please provide note on the views of the State Government on the levy of Entertainment Tax by Urban Local Bodies through an enabling legislation since the same is not apparently provided in the Mizoram Municipalities Act, 2007 as amended. The 14th Finance Commission, in fact, recommended that newer forms of entertainment such as cable television, etc. be brought within the tax net which can be an important source of revenue for Urban Local Bodies.

- iii. Please identify newer forms of entertainment that can be brought within the tax net for Urban Local Bodies if the same is levied by them through an enabling legislation.

d) Sales Tax/Value Added Tax: Rates on petroleum products (Petrol, Diesel, Aviation Turbine Fuel, Kerosene, LPG etc.) year wise from 2015-16 till 2021-22 and yearly collection thereof

e) Cesses/Surcharges, if any:

- i. Particulars of cesses/surcharges, if any, levied by the State Government (such as mining cess, health cess, education cess & agricultural cess.) Basis and prevailing rates of each cess.
- ii. Are collections made from these deposited to the Consolidated Fund of the State or are they kept in separate fund?
- iii. Year-wise collection and budget head/fund to which any or all of the above is deposited may be given from 2015-16 till 2021-22
- iv. What is the mechanism for incurring expenditure from these funds?

2. TAXATION EFFORTS:

- a) Kindly furnish a note indicating the taxation efforts taken by the State for improving tax-GSDP ratio during the last five years.
- b) Whether any organised system has been put in place for tax policy analysis and revenue forecasting as a tool to informed decision making of the State Government? If so, details.

3. FINANCIAL STATEMENTS: Please provide financial statements on various taxes that are being collected by the State Government in Taxation Department as per the format in the **Schedules** attached herewith. It may be mentioned that while entering "actual figures" for previous years in the Schedules, audited figures should invariably be entered.



Second Mizoram Finance Commission

Schedules of Tax Collection		
S. No.	Schedule No.	Subject
1	1	Tax revenues collected by Taxation Department including projections
2	2	Tax revenues collected by Taxation Department within the limits of Aizawl Municipal Corporation
3	3	Tax revenues collected by Taxation Department within the limits of Lunglei Municipal Council



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Tax revenues collected by Taxation Department within the limits of Aizawl Municipal Corporation

(₹ in lakhs)

Sl. No.	Name of tax revenue	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Revised Estimate	Budget Estimate	Projections	Projections	Projections
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Tax on professions, trades, callings and employment											
2	Entertainment Tax											
	Total											

Note: Approximate figures may be entered in case there are difficulties in determination of the amount collected within the limits of AMC



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Tax revenues collected by Taxation Department within the limits of Lunglei Municipal Council

(₹ in lakhs)

Sl. No.	Name of tax revenue	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Revised Estimate	Budget Estimate	Projections	Projections	Projections
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Tax on professions, trades, callings and employment											
2	Entertainment Tax											
	Total											

Note: Approximate figures may be entered in case there are difficulties in determination of the amount collected within the limits of LMC