1540. SHRI BHUPINDER SINGH:

Will the Minister of MINES be pleased to state:

   (a) whether steps have been taken towards introduction of Mineral Resources Rent Tax on supernormal profits earned by mining entities;
   (b) whether number of State Governments have been demanding introduction of Mineral Resources Rent Tax;
   (c) if so, whether Government would take immediate steps for introduction of such a tax; and
   (d) if so, by when and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR MINES AND STEEL (SHRI VISHNU DEO SAI)

(a): No, Sir.

(b): Yes Sir. Some State Governments like Odisha have demanded introduction of Mineral Resource Rent Tax (MRRT).

(c) and (d): Taxes on income (including supernormal profits) are levied and collected under the Income tax Act, 1961. The said Act also provides for levy of a surcharge on incomes above a certain level. State Governments can levy taxes on mineral rights subject to any limitations imposed by Parliament by law relating to mineral development (Entry 50 of List II of the Seventh Schedule of the Constitution). No limitation on the powers of States to levy any such tax has been imposed by Parliament.