

UP's revenue collection shot up 20% to Rs 1.48 lakh crore in 2021-22

TNN | Apr 11, 2022, 05:23 AM IST



LUCKNOW: In the fiscal year 2021-22, Uttar Pradesh succeeded in improving its revenue collection through its own sources. The total tax receipts in 2021-22 increased to Rs 1.48 lakh crore. In the previous fiscal (2020-21), the state had managed Rs 1.23 lakh crore.

Though revenue collection went up year-on-year (YoY) by 20%, it is significantly lower than the target of Rs 1.80 lakh crore. Every year, the state government strives to meet its expenses through receipts and bring down the fiscal deficit.

In the current financial year 2022-23, additional burden is going to be felt on the state coffers as the Yogi 2.0 government has promised to scale up benefits being granted under various welfare schemes and instructed officials to start implementing them at the earliest.

To cover the additional expenditure, the finance ministry is expected to revise the target for the key money-making departments. The six major revenue heads have been state GST collection, excise duty, value added tax, stamp and registration fees, taxes on motor vehicles and mining royalty.

In a positive sign, barring mining activity, YoY collection through other five major revenue sources have gone up in 2021-22. Taxes and duties on electricity, tourism, entertainment tax, interest receipts are some other revenue heads which account for the state's own tax revenue.

Finance minister Suresh Khanna said the key revenue departments achieved 80% of the target given to them. "We will focus on improving the basic infrastructure in the state. Our upcoming budget will focus on providing employment. Increasing investments and supporting start-ups will be some of the goals of this budget," Khanna said on Friday in Shahjahanpur.

The state government levies up to 4% value added tax on 300 items, including petroleum products. On November 4, 2021, the commercial taxes department fixed VAT on petrol at 19.36% and on diesel at 17.08%.

The government is also eyeing to achieve the \$1 trillion economy status in the next five years but for this the finance and planning departments will have to increase UP's gross domestic product to four times.