GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
UNSTARRED QUESTION NO -2641
ANSWERED ON – 11.08.2026

Revenue collected through indirect taxes

2641 Shri Abdul Wahab:

Will the Minister of Finance be pleased to state:

(a) the details of revenue collected through indirect taxes, including GST, Union Excise Duties, Customs Duties and various Cesses, during the last five years, year-wise;
(b) whether Government has assessed the distributive impact of indirect taxation, wherein persons below the poverty line and low-income households pay the same indirect taxes as affluent consumers while purchasing goods and availing services;
(c) whether Government considers this equitable and proposes any mechanism, including targeted tax credits, direct benefit transfers or other compensatory measures, to offset the disproportionate indirect tax burden on economically weaker sections; and
(d) if so, the details thereof and if not, the reasons therefor?

ANSWER
THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a): The Year-wise and Major-Head wise details of net Central indirect tax collections during the last five years are placed below:

Net Central Indirect Taxes

Amount in Rs. Crores

Sl. No.	MAJOR HEAD	2021-22	2022-23	2023-24	2024-25	2025-26 (P)
1	**Customs**	1,99,728	2,13,372	2,33,119	2,33,201	2,64,394
2	**Union Excise**	3,90,808	3,19,000	3,05,362	3,00,253	3,41,851
3	**Service Tax**	1,012	431	425	-16	-1,774
4	**Health Security se National Security Cess#**	Not Applicable				2,061
5	**Sub-total (Non-GST) (1+2+3+4)**	**5,91,548**	**5,32,803**	**5,38,906**	**5,33,439**	**6,06,531**
6	**GST [CGST+IGST (Residual)+ Compensation Cess]**	**6,98,114**	**8,49,132**	**9,57,208**	**10,27,041**	**10,65,335**
7	**Indirect Tax Total [GST +Non-GST] [Net] (5+6)**	**12,89,662**	**13,81,935**	**14,96,114**	**15,60,480**	**16,71,867**

Source: Receipt Budget, Pr.CCA (CBIC); (P): Provisional, Above collections are net of refunds/drawback and settlement also in case of CGST and IGST.
 # HSNS (Health Security se National Security) Cess has been introduced in FY 2025-26.

(b), (c) & (d):

Goods and Service Tax is a major indirect tax revenue source. Any change in the GST rates or exemptions are prescribed on the basis of recommendation of GST council which is a constitutional body consisting representatives of Union/State/ UT governments. The council while recommending such rates/exemptions consider various factors including the impact on the common man, person below poverty line and other economic criteria.

GST rates are traditionally low on essential goods and services which constitutes the major basket of consumption of such households whereas aspirational goods/luxury goods/services have been kept at higher GST rates.

Recently, the GST Council, in its 56th meeting held on 03.09.2025, undertook a comprehensive GST rate rationalisation exercise wherein several measures were recommended to reduce the tax burden on the commodities and services commonly consumed by middle- and lower-income households. GST rates have been reduced for more than 350 commodities and services.

Simultaneously, the list of ‘nil’ rated goods has expanded to include essential food items, exercise books/notebooks, etc., and 36 lifesaving drugs under it. Full Exemption from GST was recommended on all individual life insurance policies and health insurance policies.

A special demerit rate of 40% is applicable on selected luxury and sin goods/services including luxury cars, motorcycles>350cc, yachts, aircraft for personal use, pan masala, entry to casino/race club etc.

These measures are in line with the objective of reducing the tax burden on items of common man consumption and levy higher rate on luxury and sin goods/services.

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