

14th Finance Panel report to be tabled in Budget session

The government might keep tradition alive by not tabling the 14th Finance Commission's report in the winter session of Parliament.

The report, unlike what was speculated in certain quarters, would be presented in the Budget session, as it had various ramifications on the government's taxation and expenditure plans, sources said.

The recommendations of the commission, headed by former RBI governor Y V Reddy, relate to the period between April 1, 2015, and March 31, 2020.

There were speculations that the government might break tradition and table the report in the session that concluded on Tuesday.

The 14th Finance Commission, which was also asked to look into the compensation to states after a goods and services tax (GST) is rolled out, submitted its report to President Pranab Mukherjee on December 15.

Usually, the commission's reports are submitted in the Budget session, even if those are presented earlier.

For instance, the 12th Finance Commission, headed by former RBI Governor C Rangarajan, submitted its report in November 2004, but it was tabled in the Budget session in February 2005.

Similarly, the 13th Finance Commission, chaired by former Finance Secretary Vijay Kelkar, submitted its report to the President in December, 2009, but it was tabled in February, 2010.

The 12th Finance Commission had recommended an increase in the share of states to 30.5 per cent of divisible tax proceeds from 29.5 per cent. This was further raised by the 13th Finance Commission to 32 per cent.

(Business Standard)