

Swachh Bharat cess may be imposed by way of a Service Tax amendment

A Swachh Bharat cess is likely to be imposed by way of a Service Tax amendment in the forthcoming Annual Budget.

According to sources, The Finance Ministry proposes Swachh Bharat cess seeking Rs 1 lakh crore for Swachh Bharat Mission.

The government hopes to mop up Rs 1 lakh crore in five years. Service Tax amendment is likely to take place in the Budget Session.

The Swachh Bharat cess may range between 0.02 to 0.05 per cent. The cess is likely to be levied on telecom SVCs and spectrum sale.

The government mulls imposing cess on all services under service tax regime. It will be levied for a specific purpose for procuring machinery.

The cess may be used for cleanliness and infrastructure development also. It is likely to be added to Swachh Bharat Kosh and the collection will be disbursed to the states, the sources said.