

Revenue Resources of Andhra Pradesh (Budgetary Sources)

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SKETCH

- Preparation of Budget Estimates
- Composition of the Budget
- Consolidated Fund of State
- Structure of the Consolidated Fund of State
- Annual Financial Statement / Explanatory Memorandum
- Revenue Receipts – Tax & Non-Tax Revenues

Preparation of the Budget : Estimates I

- It is an estimate regarding **available resources** in the fin. year and the objects for which the resources will be spent.
- It is a vital tool for not only meeting the administrative needs but also for securing socio-economic goals.

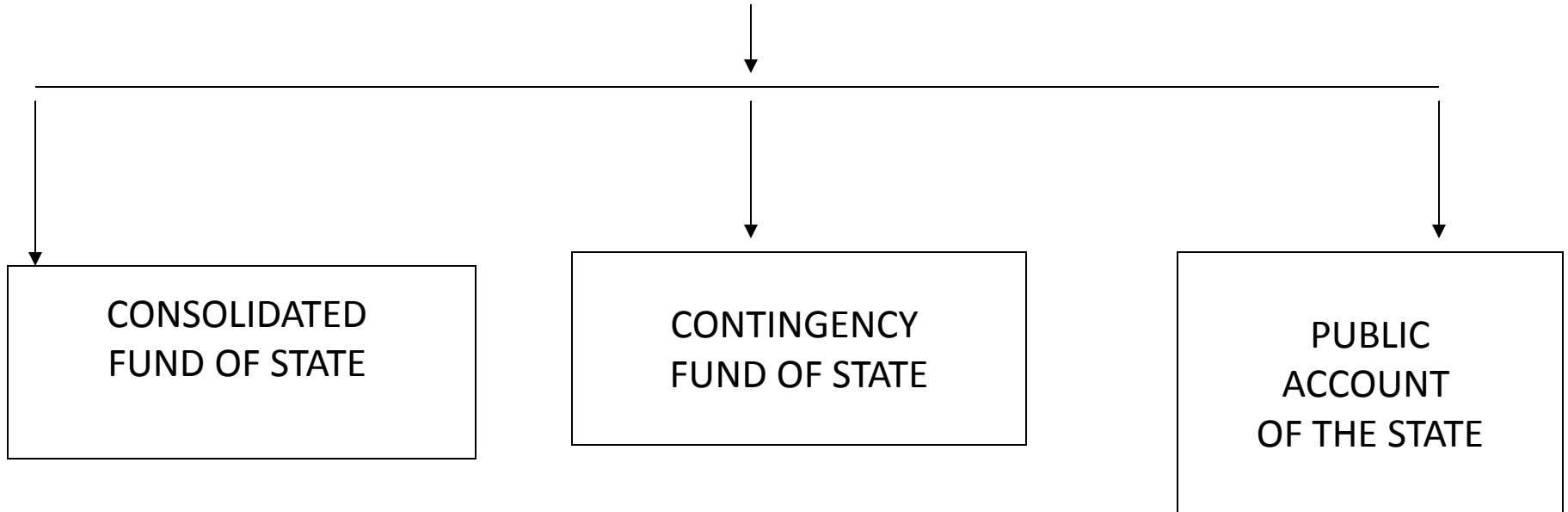
Budget Estimates II

- The estimates are prepared separately of **revenue and capital** under which **plan and non-plan expenditure**
- **voted and charged** are also estimated.
- The detailed estimates of receipts and expenditure based on latest trends and also the decisions already taken.

Budget Estimates III

- Every Budget Document consists
- BE of the ensuing year (2013-14)
- BE & RE of the present year(2012-13)
- Accounts of the previous year (2011-12)
- Budget Estimates (BE)
- Revised Estimates (RE)

COMPOSITION OF THE BUDGET

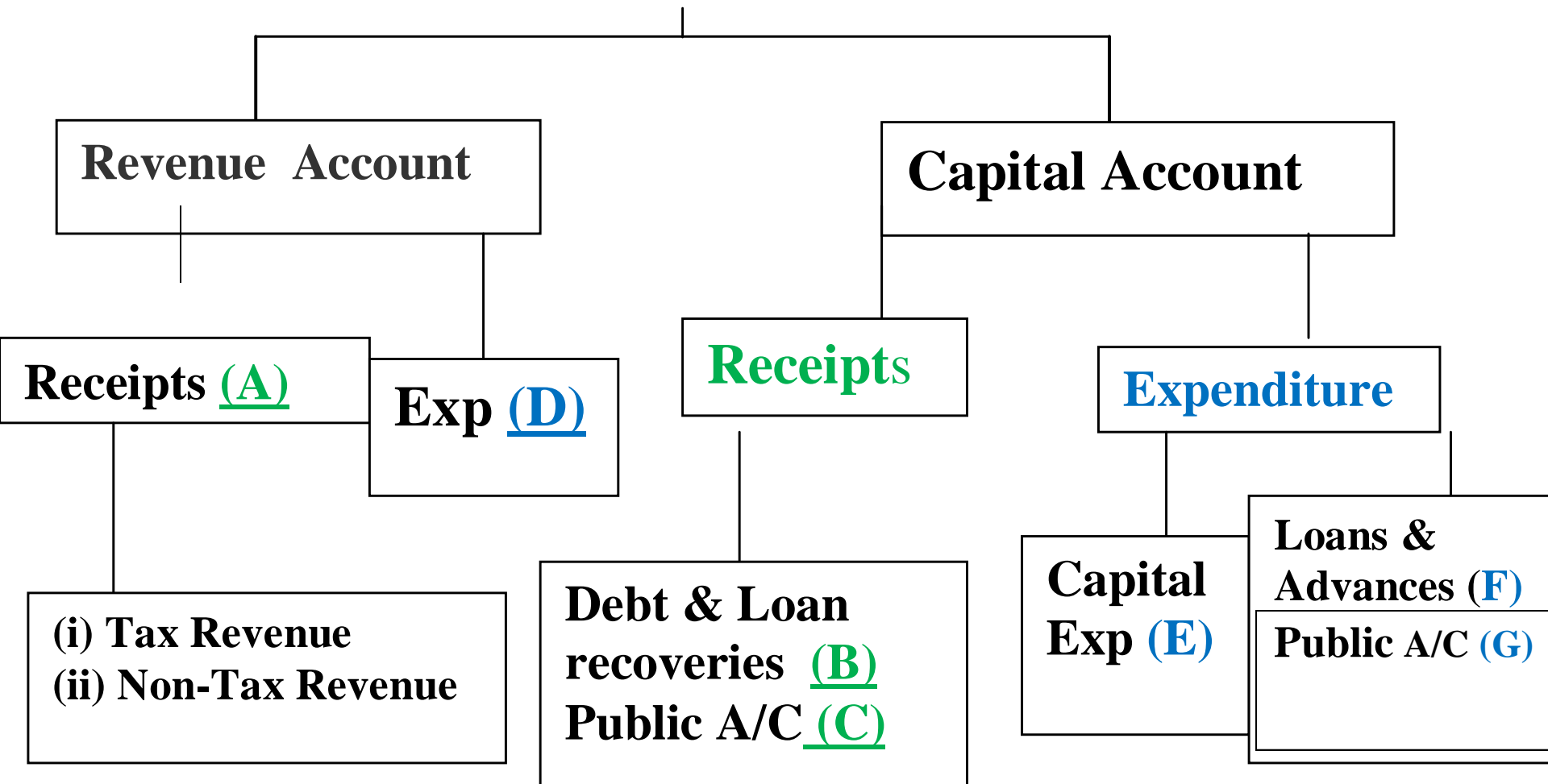


CONSOLIDATED FUND OF STATE

- Revenue raised
- Loans borrowed from GOI
- Loans from autonomous institutions
- Loans raised through the issue of Treasury Bills, ways and means advances etc
- Recovery of Loans and Advances
- The transactions relating to the receipts and expenditure are given in Consolidated Fund.

Structure of the Budget

Consolidated Fund of the State



Annual Financial Statement / Explanatory Memorandum

- **Seven Statements**
- **Statements of Receipts - 3**
- **A. Statement of Revenue, Grants-in-aid Contributions**
- **B. Statement of Receipts under Public Debt and Loans & Advances**
- **C. Statement of Receipts under Public Account**
- **Statements of Expenditures - 4**
- **D. Expenditure under Revenue Account**
- **E. Capital Expenditure outside Revenue Account**
- **F. Disbursements under Public Debt & Loans & Advances**
- **G. Disbursements under Public Account**

Consolidated Fund of the State AP

A. Statement of Revenue, Grants-in-aid Contributions

A. Tax Revenue

B. Non-Tax Revenue

C. Grants-in-Aid and Contributions (grants from the centre)

Total Revenue (A+B+C)

D. Capital Receipts

• Total Receipts (A+B+C+D)

Consolidated Fund of the State AP

A. Statement of Revenue, Grants-in-aid Contributions

- **A. Tax Revenue**
- **(a). Taxes on Income and Expenditure**
- **(b). Taxes on Property and Capital Transactions**
- **(c). Taxes on Commodities and Services**

A. Tax Revenue

(a). Taxes on Income and expenditure

- **State Taxes**
 - Taxes on Agricultural Income
 - Hotel Receipts Tax
 - Other Taxes on Income and Expenditure (*tax on professions*)
- **Share in Central Taxes**
 - Corporation Tax
 - Taxes on income other than Corporation Tax
 - Taxes on Wealth
 - Customs
 - Union Excise Duties
 - Service Tax

State Taxes

A. Tax Revenue

(b). Taxes on Property and Capital Transactions

- Land Revenue (*land cess, survey & settlement etc.*)
- Stamp Duty (*Judicial & Non-judicial*) & Registration Fees
- Estate Duty
- Taxes on Immovable Property other than Agricultural Land (*Receipts under non-agricultural lands assessment*)

State Taxes

A. Tax Revenue

(c). Taxes on Commodities and Services

- State Excise
- Taxes on sales, Trade etc
- Tax on Vehicles (registration fee, life tax, green tax etc)
- Taxes on Goods and Passengers (toll on roads, entry tax of goods into local areas)
- Taxes and Duties on Electricity
- Other Taxes and Duties on Commodities and Services (entertainment tax, betting tax, luxury tax etc.

B. Non-Tax Revenue

State Own non-Tax Revenue

- (a). Interest Receipts & Dividends (from the loans advanced to people & institutions)
- (b). Other Non-Tax Revenue (in the form of fees or user charges)
 - (i) General Services - Public Service Commission, Police, Public works, Admn. Services
 - (ii) Social Services
 - (iii) Economic Services

Non-Tax Revenue

C. Grants-in-Aid and Contributions

(grants from the centre)

- Non-plan grants
- Finance Commission grants
- Grants from natural calamity contingency fund
- Plan Grants
- Grants for state plan schemes (block grants & Externally aided projects)
- Grants for Central Plan Schemes
- Grants for Centrally Sponsored Schemes

In brief

1. SOTR (state own tax revenue)
2. SONTR (state own non tax revenue)
3. SOR (1+2)
4. Share in Central Taxes
5. Grants In-aid from the Centre
6. Central Transfers
7. Total Revenue (1+2+4+5) or (3+6)

Own Revenue

	State Own Tax Revenue (SOTR)	state own non-tax revenue	State Own Revenue (tx+nontx)	
•				
•				
•				
•				
•				
•				
•	2001-02	79.8	20.2	100.0
•	2002-03	78.1	21.9	100.0
•	2003-04	79.3	20.7	100.0
•	2004-05	81.2	18.8	100.0
•	2005-06	80.7	19.3	100.0
•	2006-07	78.7	21.3	100.0
•	2007-08	80.3	19.7	100.0
•	2008-09	77.5	22.5	100.0
•	2009-10	81.8	18.2	100.0
•	2010-11	80.8	19.2	100.0
•	2011-12	82.0	18.0	100.0

SOTR - Composition

	Land Revenue	Stamps & Registration	Tax on immovable property other than agl land	State Excise	Sales Tax	MVT	Tax on goods & passengers	Total MVT (6+7)	Taxes & duties on Electricity	Other Taxes & Duties	Other taxes on income & exp
	1	2	3	4	5	6	7	8	9	10	11
2001-02	0.2	7.0	0.0	14.3	67.0	8.1	0.0	8.2	0.9	1.1	1.3
2002-03	0.7	7.9	0.0	14.7	66.0	7.4	0.2	7.5	0.9	1.0	1.3
2003-04	0.2	8.1	0.0	13.9	66.5	7.7	0.3	8.1	1.0	1.0	1.2
2004-05	0.2	8.5	0.0	12.9	67.9	7.2	0.4	7.6	0.8	0.9	1.1
2005-06	0.4	10.3	0.0	13.7	66.0	6.9	0.3	7.2	0.8	0.6	1.2
2006-07	0.5	12.0	0.1	14.4	64.6	5.7	0.2	5.9	0.6	0.6	1.3
2007-08	0.5	10.7	0.3	14.0	66.1	5.6	0.3	5.8	0.7	0.6	1.2
2008-09	0.4	8.8	0.2	17.2	65.5	5.4	0.0	5.4	0.7	0.6	1.1
2009-10	0.6	7.5	0.2	16.6	67.2	5.7	0.0	5.7	0.5	0.5	1.2
2010-11	0.4	8.5	0.2	18.3	64.6	5.8	0.0	5.8	0.6	0.5	1.1
2011-12	0.3	8.2	0.3	18.0	65.5	5.6	0.0	5.6	0.6	0.4	1.0

GROWTH RATE OVER PREVIOUS YEAR (%)

	SOTR 1	SONTR 2	SOR (1+2) 3	Central Taxes 4	grants in-aid 5	(4+5) 6	TOTAL REV (3+6)
•							
• 2000-01	17.13	12.34	16.11	19.02	9.44	15.43	15.89
• 2001-02	9.46	6.37	8.83	2.07	50.62	19.36	12.17
• 2002-03	9.24	20.97	11.60	6.26	-23.38	-7.06	5.30
• 2003-04	9.42	2.13	7.83	17.44	72.80	37.95	16.80
• 2004-05	17.71	4.19	14.91	19.53	-38.92	-7.60	6.99
• 2005-06	20.68	24.92	21.47	14.73	34.19	20.70	21.24
• 2006-07	22.00	38.29	25.15	27.55	38.02	31.12	26.96
• 2007-08	20.35	8.88	17.90	26.14	43.00	32.19	22.37
• 2008-09	15.85	37.08	20.03	5.52	12.88	8.38	16.10
• 2009-10	5.45	-19.42	-0.15	2.88	19.24	9.50	2.90
• 2010-11	28.33	37.38		25.49	3.58		25.23
• 2011-12	18.04	9.09		16.50	9.34		15.50

ACCOUNTS AS % OF BE AND RE

	2005-06	2005-06	2006-07	2006-07	2007-08	2007-08	2008-09	2008-09	2009-10	2009-10
	BE	RE	BE	RE	BE	RE	BE	RE	BE	RE
REVENUE RECEIPTS	95	94	100	98	99	96	89	90	82	82
SHARED TAXES	104	99	110	106	122	107	94	90	100	100
TAX REVENUE	98	97	100	95	92	92	88	93	87	87
NON TAX REVENUE	82	79	124	118	103	103	109	115	60	55
GRANTS IN AID	82	89	69	82	95	97	69	65	72	83
CAPITAL RECEIPTS	69	103	63	73	79	87	59	82	84	98
TOTAL RECEIPTS	86	97	89	91	92	94	80	88	83	86
NON-PLAN EXPENDITURE	91	100	91	95	95	98	92	97	86	86
PLAN EXPENDITURE	82	93	86	86	88	88	67	79	77	85
TOTAL EXPENDITURE	88	98	89	92	92	94	80	89	82	85
REVENUE EXPENDITURE	93	93	91	92	98	97	88	91	83	84
CAPITAL EXPENDITURE	102	106	98	97	99	99	58	76	77	86
LOANS AND ADVANCES	62	75	69	69	54	56	70	84	184	106
CAPITAL DISBURSEMENTS	57	132	62	88	64	87	64	87	78	95

Accounts-Estimates Gap - Reasons

- Errors in estimations in receipts & expenditure (either over or under estimations)
- Impact of growth rate fluctuations of receipts on expenditure
- Impact of economic growth
- Administrative efficiency

***** **THANK YOU** *****