

OFFICE OF THE LEADER OF OPPOSITION

Gujarat Vidhansabha, Gandhinagar.

Press Note

16th May, 2011

- Gujarat has maximum tax burden on petrol and diesel.
- Gujarat government should give relief reducing tax burden.
- In Gujarat petrol can be cheaper by ₹ 14 a liter and diesel ₹ 12 if Gujarat government reduces its taxes.
- Though the rate of crude oil was much low when BJP was in power, there was increase of prices of petrol and diesel 17 times.
- Other states have eight percent tax on petrol and diesel while Gujarat has 14 percent. This leads to burden of ₹ 8,120 crore on people of Gujarat.
- Congress government in Delhi has given subsidy of ₹ 40 per cylinder. Gujarat should follow it.
- States like Haryana and West Bengal have given relief to people by reducing tax. Gujarat should also do the same.
- The price of crude oil was 68 dollar a barrel. It is now 110 dollar which has forced increase in price.

Leader of Opposition Shaktisinh Gohil today suggested that Gujarat government should reduce taxes on petrol and diesel to provide relief to people instead of indulging in politically motivated statements.

Interacting with media, Gohil pointed out that there was VAT of 23 percent on petrol with additional tax of two percent and VAT of 21 percent on diesel with additional tax of three percent. In Gujarat petrol can be cheaper by ₹ 14 a liter and diesel ₹ 12 if Gujarat government reduces its taxes, he said.

Gujarat government is taking benefit of VAT. It should at least give relief on increased prices. Defending increase in the price, Gohil said that the price of crude oil which was 68 dollar a barrel is now 110 dollar which has forced increase in price. He said that it was NDA which had linked prices with international prices.

Giving examples of the measures taken by other states, he said that Congress government in Delhi has given subsidy of ₹ 40 per cylinder. States like Haryana and West Bengal have given relief to people by reducing tax. Gujarat should also do the same instead of making hue and cry over the issue.

Demanding a special VAT rate structure for petrol and diesel, he said that Gujarat consumes 250 crore liters of petrol and 330 crore liters of diesel every year. Other states have eight percent tax on petrol and diesel while Gujarat has 14 percent. This leads to burden of ₹ 8,120 crore on people of Gujarat. Gujarat can reduce the burden ranging from ₹ 8 to ₹ 12 a liter.

Attacking the BJP, he said that during its six year rule NDA had increased prices of petroleum products 17 times and there was a steep rise in the price of kerosene. He said that the Congress government, on the other hand given substantial subsidy in kerosene and diesel. In the price of LPG the increase is not as much done by the NDA. He gave details of price increase by NDA and UPA to drive home his point.

Increasing price of petrol when BJP was in power		Increasing price of petrol when CONGRESS was in power	
Date	Price Hike (in Rs.)	Date	Price Hike (in Rs.)
Dt. 3-6-1998	₹ 1.10	Dt. 21-6-2005	₹ 2.65
Dt. 15-1-2000	₹ 2.14	Dt. 7-9-2005	₹ 3.00
Dt. 30-9-2000	₹ 2.50	Dt. 6-6-2006	₹ 4.02
Dt. 4-6-2002	₹ 2.40	Dt. 15-2-2008	₹ 2.67
Dt. 16-6-2002	₹ 0.24	Dt. 5-6-2008	₹ 5.04
Dt. 1-9-2002	₹ 0.20	Dt. 2-7-2009	₹ 4.01
Dt. 16-9-2002	₹ 0.46	Congress in its five years of ruling has reduced the price of Petrol for five times. The price reduced was ₹ 15.76 from dt. 16-11-2004 to dt. 29-1-2009.	
Dt. 1-10-2002	₹ 0.25		
Dt. 17-10-2002	₹ 0.33		
Dt. 3-1-2003	₹ 1.02		
Dt. 18-1-2003	₹ 0.40		
Dt. 1-2-2003	₹ 0.38		
Dt. 1-3-2003	₹ 1.39		
Dt. 16-3-2003	₹ 1.39		
Dt. 1-9-2003	₹ 2.10		
Dt. 16-12-2003	₹ 1.00		
Dt. 1-1-2004	₹ 1.00		

WB has reduced tax on diesel from ₹ 17 to ₹ 12.5 a liter while there is reduction in tax on petrol also. Bihar where there was BJP coalition government, prices were reduced with tax reduction by state government. In Gujarat no relief has been given.

Gohil demanded that Gujarat should bring down the tax rate to the level to other states and give immediate relief to people of Gujarat.

To,
The Editor,

Hon'ble Leader of Opposition has requested to kindly publish this press note in your esteemed newspaper.

(J. J. Rasia)
Personal Assistant