



Constitution of the Sixteenth Finance Commission

The **Government of India**, in adherence to **Article 280(1) of the Constitution**, has established the **Sixteenth Finance Commission**, appointing **Dr. Arvind Panagariya**, former Vice-Chairman of NITI Aayog and Professor at Columbia University, as its **Chairman**.

- Specific terms of reference have been outlined, including the **distribution of tax proceeds between the Union and States, principles governing grants-in-aid to States**, and measures to **bolster State funds for local bodies like Panchayats and Municipalities**.
- The Commission has also been tasked with **reviewing disaster management financing arrangements under the Disaster Management Act, 2005**, and making recommendations for improvements.
- The Commission has been requested to make its report available by **31st October, 2025**.

Read more: [Sixteenth Finance Commission](#)

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