

Uttarakhand to Levy Green Cess

Why in News?

The Uttarakhand government is all set to implement a <u>green cess</u> on vehicles entering the state from other states.

 A Green cess is a form of tax levied by the government with the purpose of environment conservation.

Key Points

- The cess would be collected at toll plazas through FASTag, with amounts ranging from Rs 20 to Rs 80. Electric vehicles and cars fuelled by Compressed Natural Gas (CNG) will be exempted.
- It will be collected by the concessionaires of <u>National Highways Authority of India (NHAI)</u>.
- According to the transport department, three-wheelers and four-wheelers (Light Motor Vehicles) will be subject to Rs 20 and Rs 40 respectively as green cess, while medium and heavy motor vehicles will have to pay Rs 60 and Rs 80 respectively.
 - Two-wheelers, government vehicles, fire tenders and ambulances, Army vehicles and vehicles used for farming will be exempted from the green cess.
- Vehicles from other states will have the option for one-time entry by paying the prescribed rate for a day.
 - Alternatively, they can opt to pay 20 times the standard rate for a three-month period or 60 times the green cess rate for the entire year.

FASTag

- It is a device that employs **Radio Frequency Identification (RFID) technology** for making toll payments directly while the vehicle is in motion.
- NHAI launched two mobile Apps MyFASTag and FASTag Partner to facilitate the availability of FASTags.
- The tag is valid for 5 years from the date of issuance and comes in seven different color codes.

National Highways Authority of India (NHAI)

- NHAI was constituted by an Act of Parliament in 1988 under the administrative control of the Ministry of Road Transport and Highways as a Central Authority to develop, maintain and manage the National Highways entrusted to it by the Government of India.
 - The authority, however, became operational in February, 1995.
- The Authority consists of a full time Chairman, and not more than five full time Members and four part time Members who are appointed by the Central Government.

