

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

RAJYA SABHA

STARRED QUESTION NO. *388

TO BE ANSWERED ON TUESDAY THE 3rd APRIL, 2018
CHAITRA 13, 1940 (SAKA)

GST ON HIGHER EDUCATION

***388. SHRI K.C. RAMAMURTHY:**

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the objective of Government is to keep education out of the purview of GST;

(b) if so, whether it is also a fact that GST exemption has been extended to the level below higher education and any service provided by higher educational institutions attracts 18 per cent GST;

(c) whether it hampers higher education and make it more expensive; and

(d) whether Government is aware of the fact that countries such as Australia, South Africa, etc., have exempted tax on higher education?

A N S W E R

MINISTER OF FINANCE
(SHRI ARUN JAITLEY)

(a), (b), (c) and (d): A statement is placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO THE RAJYA SABHA
STARRED QUESTION NO. *388 RAISED BY SHRI K.C. RAMAMURTHY
FOR 03rd APRIL, 2018 REGARDING GST ON HIGHER EDUCATION

(a): Yes, Sir. Exemption in respect of services provided by and to an educational institution as existed in the Service Tax regime have been carried forward in GST. Further, few more services provided by and to an educational institution have also been exempt from GST subsequently.

(b): No, Sir. Services provided by an educational institution to its students, faculty and staff are exempt from GST. Educational institution has been defined under GST exemption notification to mean an institution providing services by way of (i) Pre-school education and education upto higher secondary school or equivalent, (ii) Education as a part of a curriculum for obtaining a qualification recognized by any law for the time being in force, and (iii) Education as part of an approved vocational course.

(c): Does not arise in view of reply to (b) above.

(d): While deciding the tax exemption relating to education, the Government has looked at the various practices followed in different VAT jurisdictions including South Africa and Australia.