

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

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**RAJYA SABHA
UNSTARRED QUESTION No. 27**

TO BE ANSWERED ON TUESDAY, December 11, 2018/Agrahayana 20, 1940 (Saka)

GST exemption to agriculturists

27. SHRI DHARMAPURI SRINIVAS:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has taken a decision to exempt agriculturists from the purview of GST; and

(b) if so, the details thereof?

**MINISTER OF STATE FOR FINANCE
(SHRI SHIV PRATAP SHUKLA)**

(a) & (b) Yes Sir. As per section 23(1)(b) of the Central Goods and Services Tax Act, 2017 (CGST Act for short), an agriculturist is not liable for registration under GST to the extent of supply of produce out of cultivation of land.

Further, as per section 2(7) of the CGST Act, an agriculturist means an individual or a Hindu Undivided Family who undertakes cultivation of land –

- a) by own labour, or
- b) by the labour of family, or
- c) by servants on wages payable in cash or kind or by hired labour under personal supervision of any member of the family.
