GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS

RAJYA SABHA
UNSTARRED QUESTION NO.1095

TO BE ANSWERED ON 28th July, 2021

Fuel under GST

1095 Shri Kumar Ketkar:
Smt. Phulo Devi Netam:
Dr. Amee Yajnik:

Will the Minister of **Petroleum and Natural Gas** be pleased to state:

(a) whether the Ministry has initiated discussions with the Goods and Services Tax (GST) Council to assess if fuel should be brought under GST;
(b) if so, the details thereof and if not, the reasons therefor;
(c) whether Government is considering reforming the Central and State taxes on fuel; and
(d) if so, the details thereof and if not, the reasons therefor?

ANSWER

MINISTER OF STATE FOR PETROLEUM AND NATURAL GAS
(SHRI RAMESWAR TELI)

(a) to (b) Article 279A (5) of the Constitution provides that Goods and Services Tax Council shall recommend the date on which goods and services tax shall be levied on petroleum crude, high speed diesel, motor spirit, natural gas and aviation turbine fuel. Thus while, petroleum products are constitutionally included under GST, the date on which GST shall be levied on such goods, shall be as per the decision of the GST Council. As per the section 9(2) of the CGST Act, inclusion of all excluded petroleum products, including petrol and diesel in GST will require recommendation of the GST Council.

All the States and Union Territories (UT) with Legislature are represented in the GST Council by their Minister-in-charge of Finance or Taxation or any other Minister nominated by the State/UT.

(c) to (d) The taxes on fuel have been calibrated to generate resources for requirement of fiscal resources for infrastructure and other development expenditure.

x-x-x-x-x