

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
UNSTARRED QUESTION NO-1329
ANSWERED ON – 01.08.2023

TAXES ON LUXURY GOODS

1329. DR. PRASHANTA NANDA:

Will the Minister of **FINANCE** be pleased to state:-

- (a) the details of the taxes imposed on luxury goods in the last five years;
- (b) the total amount of taxes collected from the sale of luxury goods, State-wise, in the last five years;
- (c) the items that have been classified as “luxury and sin goods” for the purposes of taxation; and
- (d) whether there shall be an increase in the level of taxation for these goods under the new tax regime?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (d): The Central/Integrated Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Central Excise Act, 1944 under which taxes /duties such as Goods and Services Tax (GST), duties of customs, duties of central excise, are levied, do not prescribe any list of goods as luxury or sin goods.

So far as GST rates are concerned, the GST rates on all goods are prescribed on the recommendations of GST Council, which is a constitutional body comprising of members from Union Government and State/UT Governments taking into account various factors including the pre-GST tax incidence on them.

Regarding the rates of duties of customs and central excise, they are reviewed annually during the budget exercise and changes, if required, are made accordingly.
