

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
RAJYA SABHA
UNSTARRED QUESTION NO-2003
ANSWERED ON – 18.03.2025

WITHDRAWAL OF GST ON LIFE AND HEALTH INSURANCES

2003. SHRI RITABRATA BANERJEE:

Will the Minister of Finance be pleased to state:

- (a) whether it is a fact that Government has decided to withdraw the 18 % GST on life and health insurances;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

ANSWER

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

(a), (b) & (c): GST rates and exemptions on all services and goods are prescribed on the recommendations of the GST Council which is a Constitutional body comprising of members from both the Union and State/UT Governments.

The issue of GST on health and life insurance was placed before the GST Council in its 54th meeting held on 09th September 2024 in New Delhi. After detailed deliberations, the GST Council recommended to constitute a Group of Ministers (GoM) to holistically look into the issues pertaining to GST on life insurance and health insurance. Accordingly, a Group of Ministers (GoM) on Life and Health Insurance was constituted under the Convenorship of Sh. Samrat Choudhary, Hon'ble Deputy CM, Bihar.

During the 55th meeting of the GST Council held on 21st December 2024 in Jaisalmer, the Convenor of the Group of Ministers (GoM) on Life and Health Insurance sought more time for finalizing the GoM's recommendations and placing the same before the GST Council. The Council agreed to give more time to the GoM to finalize its recommendations.
