

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA

UNSTARRED QUESTION NO.1921

TO BE ANSWERED ON FRIDAY THE 29TH DECEMBER, 2017
PAUSHA 8, 1939 (SAKA)

UNIFORM GST RATES

1921. SHRIMATI VANAROJA R.:

Will the Minister of FINANCE be pleased to state:

- (a) whether many segments have demanded for uniform Goods and Services Tax (GST) and if so, the details thereof;
- (b) whether the disparities in GST rates create problems for the survival of industry of the same nature and if so, the details thereof; and
- (c) whether the Government is considering to have a uniform GST on such segments and if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

(a): Yes, there have been certain demands for uniform GST rates from sectors like IT hardware products, stationery, textiles, food items etc. on the goods side while demands for uniform GST rates have been received from Lottery, Hospitality and job work in textile sector on the services side.

(b) & (c): The GST council, initially, had recommended GST rates on all goods and services on the basis of pre-GST incidence of indirect taxes on goods and services in its meeting held on 18.05.2017 and 03.06.2017. Further apart from rates on the basis of pre-GST incidence, the GST council recommended uniform rate of 5% on fabrics as well as rates of 5% and 12% on other textile products on the basis of sale value.

2. The GST council has considered the requests from trade and industry and recommended certain reductions in GST rates on various goods and services in its meetings held in August, September and October 2017.

3. Further, a major rationalisation exercise of GST rate structure was done in the GST council meeting held on 10th November, 2017, whereby around 177 goods were moved from GST rate of 28% to 18%/12%, 18% to 12%, 18% to 5% and 5% to Nil etc. Furthermore, GST rates on specified restaurant services have been reduced to 5%.
