

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

LOK SABHA

UNSTARRED QUESTION NO.2015

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

GST EXEMPTIONS SOUGHT BY TELANGANA FOR PUBLIC WELFARE PROJECTS

2015. SHRI PRABHAKAR REDDY KOTHA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the State Government of Telangana has requested the Union Government to exempt the public welfare projects like Mission Bhagiratha, 2BHK flats, etc. from the purview of Goods and Services Tax and if so, the details thereof;**
- (b) whether the Union Government has taken a decision on the request of the Telangana Government positively; and**
- (c) if so, the details thereof and if not, the reasons therefor?**

ANSWER

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

(a): Yes, Sir. Regarding GST on works of drinking water, housing and highway projects, some States including Telangana had requested for a change in the duty structure which was placed before the GST Council.

(b) and (c): The decisions regarding GST rates are taken by GST Council after due deliberations. The GST Council has already taken a decision to reduce GST on government works contract at 12% with full input tax credit and for government works contract involving predominantly earthwork (that is, constituting more than 75% of value of works contract), the GST rate is reduced to 5%.
