

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

LOK SABHA

UNSTARRED QUESTION NO.3144

TO BE ANSWERED ON FRIDAY THE 5TH JANUARY, 2018

PAUSHA 15, 1939 (SAKA)

GST ON LOTTERY BUSINESS

†3144. SHRI KRUPAL BALAJI TUMANE:

Will the Minister of FINANCE be pleased to state:

- (a) the details of rates of Goods and Services Tax (GST) levied on lottery business in the country;
- (b) whether due to implementation of GST the lottery business has slowed down and if so, the details thereof;
- (c) whether the Government has received any request to reduce or do away with GST on lottery business;
- (d) if so, whether the Government has accepted the request; and
- (e) if not, the reasons therefor and the steps taken by the Government for revival of lottery business in the country?

ANSWER

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

(a): The rate of GST applicable on “Lottery run by State Governments” is 12% and on “Lottery authorized by State Governments” is 28%. “Lottery run by State Governments” means a lottery not allowed to be sold in any state other than the organizing state. “Lottery authorized by State Governments” means a lottery which is authorized to be sold in State(s) other than the organising state also.

(b): While Arunachal Pradesh, Goa, Mizoram, Nagaland and Sikkim have reported that lottery business has slowed down after the implementation of GST on lotteries; Maharashtra has reported that sale volume of Maharashtra State Lottery has increased. Number of draws of lotteries organized by other States (such as Mizoram, Sikkim, Goa, Bodoland, Arunachal Pradesh and Nagaland) in Maharashtra has also increased after implementation of GST. Kerala has reported that there is no decrease in the sales of or revenue collection from Kerala State paper lotteries after implementation of GST. Punjab has reported that it does not appear that GST has made any impact on the sale of lottery tickets. West Bengal has reported that there is no reduction in the number of draws of West Bengal Lottery after the implementation of GST, though the ticket sale figures are reported to have reduced.

(c): Yes, Sir. Requests for reduction in GST rate on lottery have been received.

(d): The request for reduction in GST rate on lottery has not been acceded to by the Government.

(e): GST rates have been notified by the Government on recommendations of the GST Council. The rates can be reduced on recommendation of the GST Council. As regards steps taken for revival of lottery business, Arunachal Pradesh, Goa, Kerala, Nagaland and Sikkim, have reported that they have made constant changes in consultation with the distributors in the lottery schemes and have also launched new lottery schemes to revive the lottery business. Maharashtra has reported that to sustain lottery sale volume, numbers of online draws have been increased and lottery schemes have been redesigned.
