

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

LOK SABHA

UNSTARRED QUESTION NO.1903

TO BE ANSWERED ON FRIDAY THE 21ST DECEMBER, 2018
AGRAHAYANA 30, 1940 (SAKA)

GST REBATE ON DIGITAL PAYMENTS

1903. SHRI JANARDAN SINGH SIGRIWAL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes for rebate in the Goods and Services Tax (GST) for which payment is made through digital mode to speed up digital payments;
- (b) if so, the details thereof along with the details of rebate which is likely to benefit the consumers, retailers and wholesalers indicating the span of percentage of such rebate at lower end; and
- (c) the other measures taken by the Government to promote payment through digital mode?

ANSWER

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

(a) & (b): Based on the recommendation of the Group of Ministers [GOM], the GST Council has given in principle approval in its 29th meeting held on 04.08.2018 for the proposal to provide GST concession, by way of refund, to the extent of 20% GST paid per transaction subject to the total ceiling of Rs 100 and only on the B2C transactions made through RuPay (Debit Card), BHIM, UPI and USSD.

It is decided to implement the proposal in the initial phase as a pilot project, on volunteering basis by the states, after putting in place the requisite modalities for the same.

(c): MeitY has come out with MDR Reimbursement Scheme for a period of two years from 1st January 2018 to promote low value digital payment transactions. As per the scheme, government is reimbursing the Merchant Discount Rate (MDR) charges on transactions up to Rs 2,000/- made through Debit Cards, BHIM united payments interface (UPI) and Aadhaar Pay. The payments are being released to banks on quarterly basis by RBI.
