GOVERNMENT OF INDIA MINISTRY OF COMMERCE & INDUSTRY (DEPARTMENT OF COMMERCE)

LOK SABHA UNSTARRED QUESTION NO. 586 TO BE ANSWERED ON 06/12/2023

GST ON ONLINE GAMES

586. SHRIMATI SARMISTHA SETHI:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) the details of the impact of imposing 28% GST on the full contest entry amount for online games of skill on the sector's exports and global competitiveness;
- (b) whether the imposition of 28% GST on the full contest entry amount for online games of skill will affect the export potential of Indian gaming companies, and if so, the details of measures that are being taken to address this impact;
- (c) whether there are any proposals to engage with the industry stakeholders to understand their concerns regarding the high GST rate for online gaming and explore potential solutions to mitigate its adverse effects; and
- (d) if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SMT. ANUPRIYA PATEL)

(a) to (d) A Group of Ministers (GoM) on Casinos, Race Courses and Online gaming was set up to study the matter in detail. Stakeholders consultations were conducted as part of GoM deliberations. The report of the GoM was presented in the 50th GST Council meeting and after detailed deliberations, the GST Council in the 50th meeting held on 11th July, 2023 has clarified that 28% GST shall be levied on actionable claims supplied in online gaming, irrespective of whether the underlying activities are games of skill or games of chance. GST rates and exemptions are prescribed on the recommendations of GST Council which is a constitutional body comprising members from Union Government and State/UT Governments.
