

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
LOK SABHA**

**UNSTARRED QUESTION NO. 2685.
TO BE ANSWERED ON WEDNESDAY, THE 04TH DECEMBER, 2019.**

GST REBATE FOR DIGITAL PAYMENTS

2685. SHRI JANARDAN SINGH SIGRIWAL:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

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

ANSWER

वाणिज्य एवं उद्योग मंत्री (श्री पीयूष गोयल)

**THE MINISTER OF COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

- (a) to (c):** As informed by Department of Revenue, Ministry of Finance, in order to promote digital payments, Section 31 A has been inserted in the Central Goods and Services Tax Act, 2017. This new section mandates certain registered suppliers to give their recipients the option of prescribed modes of electronic payments. Further, it is informed that dynamic Quick Response (QR) code based invoices will be generated to incentivize customers in case of B2C(Business- to Consumer) transactions who opt for digital payment under GST, for which business process is under development in consultation with National Payment Corporation of India(NPCI).

With the intention to encourage cashless economy, Government has asked businesses with turnover exceeding Rs 50 crore to mandatorily provide electronic modes of payment from November 1, 2019. To this end, a new provision, namely Section 269SU, has been inserted in the Income-tax Act, 1961. It is further informed that another provision, Section 10A, has been added to Payment and Settlement Systems Act, 2007. The provision prohibits banks and payment system providers from imposing any charge on transactions through electronic modes of payments specified in Section 269SU of the Income-tax Act. These new provisions had come into effect from November 1, 2019.
