

Group of Ministers present new recommendations for GST Council meet



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In the next Good and service tax Council meeting, the Group of ministers are planning to review exemptions and an inverted duty structure. The interim report had made a few suggestions for removal, including hospital rooms with rent of more than Rs 5000 per day, services that are provided by regulators such as SEBI, RBI, IRDA and business class travels from airports in the north-east.

The reports suggest that there will be a review of hotel tariffs, i.e lower tariff hotels shall also be subjected to GST. The panel is also planning to review unbranded food items that currently do not fall under the ambit of GST.

The next meeting will be held on the 28-29 of June in Chandigarh. In the previous meeting, the Group of ministers led by Karnatak Chief Minister Basavaraj S Bommai on the implementation of the interim report asked for the extension of its tenure.

The GoM also suggested increasing the rate of GST of electronic waste from 18% to 5%, along with goods related to petroleum and coal bed methane. A recommendation has been made to exempt the rent of hospital rooms with rent over Rs5,000 against complete exemption at present.

The business class travels from airports in the north-eastern states will also end if the council's recommendation is accepted. A rate of 12 % GST is levied on business travel in the other parts of the country. The panel has also thought about the exemption of FSSAI for food business operators, which are being charged 18% at present.

