



Goods & Services Tax

Educational Series

PD & PP : GST : 154/2017

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Circular No. 27/01/2018-GST

Circular No. 27/01/2018 was released on January 4, 2018 which contains clarifications regarding levy of GST on accommodation services, betting and gambling in casinos, horse racing, admission to cinema, homestays, printing, legal services etc. The FAQs are as under:

S.No.	Questions/Clarifications Sought	Clarifications
2.	Vide notification No. 11/2017-Central Tax (Rate) dated the 28th June 2017 entry 34, GST on the service of admission into casino under Heading 9996 (Recreational, cultural and sporting services) has been levied @ 28%. Since the Value of supply rule has not specified the method of determining taxable amount in casino, Casino Operators have been informed to collect 28% GST on gross amount collected as admission charge or entry fee. The method of levy adopted needs to be clarified.	Relevant part of entry 34 of the said CGST notification reads as under: "Heading 9996 (Recreational, cultural and sporting services) – (iii) Services by way of admission to entertainment events or access to amusement facilities including exhibition of cinematograph films, theme parks, water parks, joy rides, merry-go rounds, go carting, casinos, race-course, ballet, any sporting event such as Indian Premier League and the like 14% (iv)... (v) Gambling - 14 %" As is evident from the notification, "entry to casinos" and "gambling" are two different services, and GST is leviable at 28% on both these services (14% CGST and 14% SGST) on the value determined as per section 15 of the CGST Act. Thus, GST @ 28% would apply on entry to casinos as well as on betting/ gambling services being provided by casinos on the transaction value of betting, i.e. the total bet value, in addition to GST levy on any other services being GST provided by the casinos (such as services by way of supply of food/ drinks etc. at the casinos). Betting, in pre-GST regime, was subjected to betting tax on full bet value.

Source: <http://cbec.gov.in/resources//htdocs-cbec/gst/circularno-27-gst.pdf>

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