



THE INSTITUTE OF
Company Secretaries of India
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
www.icsi.edu



Goods & Services Tax

Educational Series

PD & PP : GST : 165

January 30, 2018

Recommendations made on GST Rate changes on services by the 25th GST Council Meeting

The Union Finance Minister Shri Arun Jaitley Chaired the 25th Meeting of the GST Council in New Delhi on January 18, 2018. The Council has recommended many relief measures regarding GST rates on goods and services covering many sectors and commodities. The Council has also recommended issuance of certain clarifications on issues relating to GST rates and taxability of certain goods and services.

(C) Clarifications

1. To clarify that exemption of Rs 1000/- per day or equivalent (declared tariff) is available in respect of accommodation service in hostels.
2. To clarify that fee paid by litigants in the Consumer Disputes Commissions and any penalty imposed by these Commissions, will not attract GST.
3. To clarify that elephant/ camel joy rides are not classified as transportation services and attract GST @ 18% with threshold exemption to small services providers.
4. To clarify that leasing or rental service, with or without operator, of goods, attracts same GST as supply of like goods involving transfer of title in the said goods. Therefore, the GST rate for the rental services of self-Propelled Access Equipment (Boom. Scissors/Telehandlers) is 28%.
5. To clarify that,-
 - 1) Services provided by senior doctors/consultants/technicians hired by the hospitals, whether employees or not, are healthcare services which is exempt.
 - 2) Hospitals also provide healthcare services. The entire amount charged by them from the patients including the retention money and the fee/payments made to the doctors etc., is towards the healthcare services provided by the hospitals to the patients and is exempt.
 - 3) Food supplied to the in-patients as advised by the doctor/nutritionists is a part of composite supply of healthcare and not separately taxable. Other supplies of food by a hospital to patients (not admitted) or their attendants or visitors are taxable.
6. To clarify that services by way of,-
 1. admission to entertainment events or access to amusement facilities including casinos, race-course
 2. ancillary services provided by casinos and race-course in relation to such admission.
 3. services given by race-course by way of totalisator (if given through some other person or charged separately as fees for using totalisator for purpose of betting, are taxable at 28%. Services given by race-course by way of license to bookmaker which is not a service by way of betting and gambling, is taxable at 18%.

Source: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=175726>

Disclaimer: This document developed for academic purposes only, is based on the information available in public domain. The Institute of Company Secretaries of India shall not be responsible for any loss or damage caused due to any action taken on the basis of information contained in this document. Any person wishing to act on the basis of the information contained in this document should do so only after cross checking with the original source.

Previous issues of Educational Series are available at <https://www.icsi.edu/CSTEducationalSeries.aspx>