

Impact of high GST on hotel tariff

*96. SHRI PRABHAKAR REDDY VEMIREDDY: Will the Minister of TOURISM be pleased to state:

- (a) whether it is a fact that there is 28 per cent GST on hotel rooms whose rent is ₹7,500 or more and 18 per cent for rooms between ₹2,500 and ₹7,500;
- (b) whether it is also a fact the GST rates are on much higher side which impact flow of tourism into the country;
- (c) whether Ministry has ever taken up this before the GST Council for reducing the same; and
- (d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRI K. J. ALPHONS): (a) Yes, Sir.

(b) to (d) The Ministry of Tourism is concerned about the taxation levied on various tourism products and services including hotels, as the same directly impacts India's tourism competitiveness *vis-a-vis* other countries.

The Ministry of Tourism has taken up the GST taxation slabs with the Minister of Finance, Government of India, from time to time, as a result of which the following changes have been effected in GST rate slabs with respect to tourism products and services:

- i. The threshold limit for applicability of 28% GST rate was increased from ₹5000/- to ₹ 7500/- per room per day by the Ministry of Finance.
- ii. The basis for determination of the applicable rate has been changed from declared tariff to actual tariff.
- iii. GST on restaurants and eateries has been brought down to 5% irrespective of whether they are air-conditioned or not. If a restaurant is located within the premises of hotels, inns, guest houses, club or any commercial place meant for residential or lodging purposes with a daily tariff of ₹7500/- per day per unit or above, the tax will be 18%.

Fraudulent withdrawal from banks by cyber criminals

†* 97. SHRI SUKHRAM SINGH YADAV: Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the complaints of withdrawing money illegally from bank accounts by cyber criminals are increasing constantly;
- (b) the amount withdrawn from the accounts of account holders illegally during the last three years from various banks fraudulently;

†Original notice of the question was received in Hindi.