GOVERNMENT OF INDIA MINISTRY OF COMMERCE & INDUSTRY (DEPARTMENT OF COMMERCE)

RAJYA SABHA UNSTARRED QUESTION NO. 1339 TO BE ANSWERED ON 12th FEBRUARY, 2021

DIGITAL SERVICES TAX

1339. SHRI SUJEET KUMAR:

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

- (a) whether Government would take any action in response to the recent finding of the United States Trade Representative (USTR) that India's Digital Services Tax (DST) is unreasonable and discriminatory; and
- (b) whether Government is involved in consultations with the USTR to address these concerns?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI HARDEEP SINGH PURI)

(a) &(b): Yes Sir, the U.S. has put out Section 301 investigation reports on Digital Services Tax (DST) against three countries namely India, Italy and Turkey on 6th January 2021, and against more countries including Austria, Spain, and the United Kingdom on 14th January 2021. The findings are that the Digital Services Tax (DST) in these countries discriminates against U.S. companies and burdens or restricts U.S. commerce. Such issues are a part of an economic relationship, and feature in the regular bilateral engagements between India and the U.S.
