

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-1506**  
ANSWERED ON – 20.12.2022

GST RESULTING IN DIFFICULTY IN TAXATION ON ONLINE GAMING

1506. SHRI V. VIJAYASAI REDDY:

Will the Minister of **FINANCE** be pleased to state:-

- (a) whether it is a fact that there is no clear definition for ‘game of chance’ and ‘game of skill’ under GST resulting in difficulty in taxation on online gaming and betting leading to multiple litigations;
- (b) if so, the reasons as to why the Ministry cannot set up some Committee to look into it and give the definition for better taxation;
- (c) whether a differential treatment can be given between ‘game of skill’ and ‘game of chance’, and also horse racing, casinos, etc.; and
- (d) if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a): Actionable claims in the form of betting and gambling including those arising from online gaming attract 28% GST and the GST Acts does not make the levy dependent on whether it is a game of skill or game of chance. Cases have been filed challenging the levy of GST on online gaming.

(b) to (d): The Central Government has constituted an Inter-Ministerial Task Force (IMTF) to look into all aspects of online gaming regulation.

The GST Council has also constituted a Group of Ministers (GoM) on Casinos, Race Courses and Online Gaming to examine all issues of rate and valuation of activities in casinos, race courses and online gaming.

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