



Ministry of Finance

GST Council's decisions On Rate Changes

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The 38th meeting of the GST Council met under the Chairmanship of the Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman here today. The meeting was also attended by the Union Minister of State for Finance & Corporate Affairs Shri Anurag Thakur besides Finance Ministers of States & UTs and senior officers of Ministry of Finance. The GST Council recommended the following relating to changes in GST rates, exemptions.

1. To exempt upfront amount payable for long term lease of industrial/ financial infrastructure plots by an entity having 20% or more ownership of Central or State Government. Presently, the exemption is available to an entity having 50% or more ownership of Central or State Government. This change shall become effective from 1st January, 2020.
2. To levy a single rate of GST @ 28% on both State run and State authorized lottery. This change shall become effective from 1st March, 2020.
3. The Council also considered the rate of GST rate on Woven and Non-Woven Bags and sacks of polyethylene or polypropylene strips or the like, whether or not laminated, of a kind used for packing of goods (HS code 3923/6305) in view of the requests received post the changes recommended on such goods in last meeting and recommended to raise the GST to a uniform rate of 18% (from 12%) on all such bags falling under HS 3923/6305 including Flexible Intermediate Bulk Containers (FIBC). This change shall become effective from 1st January, 2020.

[This note presents the decision of the GST Council in simple language for easy understanding which would be given effect to through Gazette notifications/ circulars which shall have force of law.]

RM/KMN

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