

## **GST Council to meet Saturday, discuss tax exemption on Covid-19 essentials**

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The Goods and Services Tax (GST) Council is likely to consider the taxation of Covid-19 relief essentials in its next meeting scheduled for June 12.

The meeting is expected to deliberate the exemption and concession on Covid-related items, following the recommendation submitted by the Group of Ministers (GoM) on Tuesday.

The GoM recommendation is yet to be made public, but it is learnt that the issue of taxing the vaccine has been sent back to the Council. However, it suggested temporarily reducing the GST rate to 5 per cent on commercial imports and domestic supply of Coronavirus (Covid-19) medicines and material, including medical oxygen, oxygen concentrators, pulse oximeters and testing kits.

The GoM headed by Meghalaya Chief Minister Conrad Sangma has not made any concrete recommendations on vaccine rates, but the demand of some states to lower it may be practically met after the change in vaccination policy.

The Centre will now procure 75 per cent of all the vaccines produced in the country and provide them to states for free. However, the private procurement of 25 per cent of vaccines would require a payment of 5 per cent GST. The issue of GST rate on vaccines will now be discussed in the upcoming meeting.

The GoM includes Gujarat Deputy CM Nitinbhai Patel, Maharashtra Deputy CM Ajit Pawar, Goa Transport Minister Mauvin Godinho, Kerala Finance Minister KN Balagopal, Odisha Finance Minister Niranjan Pujari, Telangana Finance Minister T Harish Rao and UP Finance Minister Suresh Kumar Khanna.