

GST rate hike- Finance Ministry says no feedback sought from states on this

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The finance ministry has clarified that no feedback has been sought from states on the GST rates for specific items or regarding proposals to restructure the rates.

Regarding reports in a section of the media that feedback has been sought from States on raising GST rates on 143 items, the Finance Ministry said the reports are purely speculative without any basis in fact.

A Finance Ministry release said the GST Council, in its 45th Meeting had formed a Group of Ministers (GoM) to look into the rationalization of rates. The deliberations of the Group are ongoing. The views of the States were sought generally on the Terms of References (ToRs) of the GoM soon after it was set up in September, 2021. A report of the Group is yet to be submitted to the Council for consideration.

The GST Council had in September last year set up a panel of state ministers, headed by Karnataka Chief Minister Basavaraj Bommai, to suggest ways to augment revenue by rationalising tax rates.